

DISCOVERY COMMUNICATIONS, LLC	}	IPC No. 14-2008-000187
<i>Opposer,</i>	}	Case filed: 22 August 2008
	}	Opposition to:
-versus-	}	App. Ser. No. 4-2008-000123
	}	Date Filed: 03 January 2008
INTERNATIONAL TOY WORLD, INC.	}	TM: "DISCOVERY ZONE"
<i>Respondent-Applicant.</i>	}	
x-----x		Decision No. 2009-113

DECISION

This is an opposition case against the application for registration of the mark "DISCOVERY ZONE" for use on telescopes, microscopes and spy sets under class 09 of the international classification of goods bearing Application Serial No. 4-2008-000123 which was published for opposition in the Intellectual Property Office Electronic Gazette officially released for circulation on 25 April 2008. Opposer filed a Verified Opposition on 22 August 2008.

Opposer, DISCOVERY COMMUNICATIONS, LLC., is a corporation organized under the laws of Delaware, U.S.A., with principal office at Discovery Place, Silver Spring, Maryland 20910, U.S.A. On the other hand, Respondent-Applicant, INTERNATIONAL TOYWORLD, INC., is a domestic corporation with address at SM Corporate Offices, Building B, J.W. Diokno Blvd., Mall of Asia Complex, Pasay City.

The grounds for Opposition to the registration of the mark are as follows:

"1. The trademark DISCOVERY ZONE o resembles Opposer's trademark DISCOVERY, DISCOVERY KIDS, DISCOVERY CHANNEL, DISCOVERY TRAVEL & LIVING, DISCOVERY & Globe Device, DISCOVERY HD and other marks of the Opposer, which have been previously used in commerce or registered in the United States and other parts of the world and not abandoned, as to be likely, when applied to or used in connection with the goods of the Applicant, to cause confusion, mistake and deception on the part of the purchasing public.

2. The registration of the trademark DISCOVERY ZONE in the name of the Applicant will violate Sections 123.1 (f) and 147.2 of Republic Act No. 8293, Section 6bis of the Paris Convention for the Protection of Industrial Property and Article 16(2) of the Agreement of Trade Related Aspects on Intellectual Property Rights to which the Philippines and the United States of America are parties.

3. The registration by the Application of the trademark DISCOVERY ZONE will diminish the distinctiveness and dilute the goodwill of Opposer's trademarks DISCOVERY, DISCOVERY KIDS, DISCOVERY CHANNEL, DISCOVERY TRAVEL & LIVING, DISCOVERY & Globe Device, DISCOVERY HD which have

been registered, approved and/or applied for registration in various classes of goods with the Intellectual Property Office.

4. The registration by the Applicant of the trademark DISCOVERY ZONE will amount to an infringement of Opposer's trade name DISCOVERY COMMUNICATIONS, LLC., which is protected under the Paris Convention "without the obligation of filing or registration," and under Section 165 of R.A. 8293" even prior to or without registration."

5. The approval of DISCOVERY ZONE trademark is an infringement of Opposer's registered mark DISCOVERY KIDS to the extent that the DISCOVERY is the dominant feature of Opposer's mark DISCOVERY KIDS in violation of Section 155.1 of the IP Code, which prohibits as an infringement the use of the "dominant feature" of the mark in connection with the sale, offering for sale, distribution, and advertising of another trader's goods and services.

6. The registration of the trademark DISCOVERY ZONE in the name of the Applicant is contrary to other provisions of the aforementioned international agreements and R.A. No. 8293.

Opposer relied on the following set of facts to support its opposition:

1. Opposer is the manufacturer and seller of a wide range of goods, bearing the trademarks DISCOVERY, DISCOVERY KIDS, DISCOVERY CHANNEL, DISCOVERY TRAVEL & LIVING, DISCOVERY & Globe Device, DISCOVERY HD. Opposer has marketed and sold these goods in many countries worldwide. Opposer has been commercially using the trademark DISCOVERY KIDS, domestically and internationally prior to the use of DISCOVERY ZONE by Applicant. Applicant unlawfully appropriated Opposer's DISCOVERY mark without any license or authority from the Opposer.

2. Opposer is the owner of the trademark DISCOVERY KIDS, which has been registered in its name since January 8, 2007 in the Philippines and in other countries worldwide.

3. Opposer is the first user and owner of the trademark DISCOVERY KIDS and related marks bearing the dominant feature DISCOVERY under the following registrations, approved applications and/or pending applications for the specified classes of goods. The Opposer also owns numerous other registrations, approved applications and/or pending applications that are disclosed in greater detail in Opposer's Affidavit.

4. Opposer is well-known as a source of goods in Classes 9, 16 and 28 and services in Classes 38 and 41 bearing the trademarks DISCOVERY, DISCOVERY KIDS, DISCOVERY CHANNEL, DISCOVERY TRAVEL & LIVING, DISCOVERY & Globe Device, DISCOVERY HD, among others. Applicant's unauthorized appropriation and use of the mark DISCOVERY ZONE for goods

in Class 9, particularly telescopes, microscope and spy sets, is likely to damage Opposer's goodwill to a well-known mark DISCOVERY KIDS because these items of goods are also covered by Opposer's as registered mark DISCOVERY KIDS under Class 9. Applicant applied for the registration of the mark DISCOVERY ZONE with the intent of riding on the renown of Opposer's registered mark DISCOVERY KIDS and misleading consumers into believing that its products bearing its DISCOVERY ZONE originate from or sponsored by the Opposer.

5. Opposer is the first user of the trademark DISCOVERY KIDS, and its other previously mentioned DISCOVERY marks, for various classes of goods which Opposer has sold and marketed in various countries worldwide.

6. By virtue of Opposer's prior and continued use of DISCOVERY KIDS, and its other DISCOVERY marks in many countries in the world, said trademarks have become popular and internationally well-known for many consumer goods and for media entertainment and education services, and recognized as such by courts or administrative bodies in the United States, Taiwan, Colombia, Paraguay, Peru and other countries. They have established valuable goodwill for Opposer among consumers who have identified Opposer as the source of the consumer goods bearing said trademark and trade name, including products that are educational in their nature and directed to children, such as telescopes and microscopes.

7. Applicant appropriated the mark DISCOVERY ZONE and used it on the products identical to those sold by the Opposer under the mark DISCOVERY KIDS to ride on its renown and falsely suggest an association with Opposer. This is likely to damage Opposer's interests and dilute the goodwill and reputation of its marks DISCOVERY KIDS and its other marks incorporating the dominant feature DISCOVERY.

8. The registration and use of an identical trademark by the Applicant will diminish the distinctiveness and dilute the goodwill of Opposer's above trademarks and trade name.

Together with the Verified Notice of Opposition (Annex "A"), Affidavit of Joseph LaSala (Annex "B"), Special Power of Attorney (Annex "C") and Authority of Person signing the Verification (Annex "D"), Opposer submitted the following evidence in support of the Affidavit of Mr. LaSala:

Exhibits	Description of Documents
"A"	Philippine Trademark Registration No. 4-2002-009702 of DISCOVERY KIDS for Classes 9, 16, 38, 41
"B"	Samples of TV programs/shows created by the company and aired in Discovery Channel in South East

	Asia
"C"	Information about the websites the company owns and operates in the Asia Pacific Region
"D"	Sample clippings of advertisement promoting the DISCOVERY MARKS from newspapers, billboards and other signage circulated in Mexico, Argentina, Brazil, China, South Korea, Taiwan and in the Philippines.
"E"	Schedule of Discovery Registrations
"F" to "F-20"	Certified copies of Certificates of Registration in U.S.A., Canada, United Kingdom, Singapore, Israel, Jordan, Spain and Hong Kong for the various Discovery trademarks of Opposer.
"G"	Company's Annual Report
"H"	Global Subscriber's Chart
"I"	Copies of Court Decisions
"J"	Samples of products distributed in the Philippines
"K"	Discovery Channel Magazine Launch

On 11 September 2008, a Notice to Answer the Verified Notice of Opposition was issued by the Bureau and personally served to Respondent-Applicant's counsel on 24 September 2008. After granting several motions for extension of time to file Answer, Respondent-Applicant filed its Verified Answer on 16 December 2008. Respondent-Applicant pleaded as Special and Affirmative Defenses, the following:

1. There is no likelihood of confusion between the mark of Respondent-Applicant and the mark of Opposer considering that:

a. The marks are not confusingly similar as they use different fonts and incorporate various different elements including different symbols, devices and words. Moreover, the overall presentation of Respondent-Applicant's DISCOVERY ZONE LOGO mark is different from any of the registered mark of Opposer.

b. The goods of the Opposer are sold in the Philippines through a different channel of trade. It must be noted that, based on the attachments to the Verified Opposition, sales of Opposer bearing their marks are sold through a Distributor. On the other hand, the goods bearing the marks of Respondent-Applicant are sold directly to consumers exclusively in all Toy Kingdom and Toy Kingdom Express Stores.

c. While the marks are being registered in the same class, the actual goods where the marks are used different. From the attachment of the Verified Opposition, it is apparent that the DISCOVERY KIDS mark is registered in connection with a variety of goods namely, “motion picture films; pre-recorded video discs and audio-visual recordings; pre-recorded videotapes; pre-recorded compact discs; dvds; cd-roms; subglasses, cellphone faceplates, computer accessories, namely, cd-rom cases and mousepads, magnets, media, namely, books on tape and cd-rom, electric switch plates, radios incorporating clocks, telescopes, microscopes, calculators, telephones, kaleidoscopes, binoculars, directional compasses, video game disks and cartridges in class 9.” However, from the attachments, it appears that the mark is being currently used in the Philippines only for audio-visual products. On the other hand, the goods of the Respondent-Applicant are used on goods which are entirely different – telescopes, microscopes and spy sets.

As such, the concurrent registration of the subject mark with the mark of the Opposer is not likely to cause confusion, mistake or deception since the overall commercial impression of the marks are grossly different.

2. From the allegations in the complaint, Opposer’s main argument in claiming that the marks are confusingly similar with each other are the use of the generic word “DISCOVERY” in the mark of Respondent-Applicant. However, such argument is unavailing considering that:

a. The word “DISCOVERY” is a generic word which cannot be exclusively appropriated by anyone to the exclusion of all others.

In the same manner, the word “DISCOVERY” is commonplace term which is far from being distinctive. As such, it cannot be exclusively appropriated by the registrant thereof, to the exclusion of all other users. Being a generic and common word, the degree of exclusiveness attaching to it as a trademark should be closely restricted. Thus, the prior registration of the generic term “DISCOVERY” as part of a mark should not operate as a bar to the subsequent registration of the word as part of a trademark by other users especially when, as in this case, the presentation of the mark is radically different and distinctive from the previously registered mark.

b. Opposer’s mark incorporating the word “DISCOVERY” are inherently weak marks entitled to narrow protection as shown by issued registrations or pending applications for the same or analogous marks used on identical or related goods. In fact, a cursory search of the Intellectual Property Office database shows that there are at least twenty five (25) other registered or pending marks with the Intellectual Property Office which makes use of the word “DISCOVERY” as a distinctive feature.

c. Opposer's marks are not inherently distinctive and have not become distinctive in that purchasers do not associate the, mark with Opposer alone.

3. From the foregoing, it is clear that the instant Verified Opposition should be dismissed and the registration of Respondent-Applicant's DISCOVERY ZONE LOGO mark should be allowed."

The issues having been joined, this Bureau issued a Notice of Preliminary Conference. On 16 July 2009, there being no amicable settlement arrived at by the parties, the preliminary conference was terminated. On 17 July 2009, the parties were directed to file their respective position papers. Opposer filed its Position Paper on 03 August 2009 while Respondent-Applicant filed its Position Paper on 07 August 2009. Hence, this case is now ripe for decision.

The sole issue to be resolved in this case is: WHETHER OR NOT RESPONDENT-APPLICANT'S MARK "DISCOVERY ZONE" SHOULD BE ALLOWED REGISTRATION.

In determining whether a mark should be registered, one of the applicable provisions of Republic Act No. 8293, as amended, is Section 123.1 (d), which provides:

Sec. 123. Registrability – 123.1. A mark cannot be registered if it:

x x x

"(d) Is identical with a registered mark belonging to a different proprietor or mark with an earlier filing r priority date, in respect of:

- i. The same goods or services, or
- ii. Closely related goods or services, or
- iii. If it nearly resembles such a mark as to be likely to deceive or cause confusion;

Jurisprudentially, the Supreme Court in many cases has ruled that "the determinative factor in a contest involving registration of trademark is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of the mark would likely cause confusion or mistake on the part of the buying public. The law does not require that the competing marks must be so identical as to produce actual error or mistake. It would be sufficient that the similarity between the two marks is such that there is possibility of the older brand mistaking the newer brand for it. Whether or not a trademark causes confusion and likely to deceive the public is a question of fact which is to be resolved by applying the "test of dominancy", meaning, if the competing trademark contains the main or essential or dominant features of another by reason of which confusion and deception are likely to result, then infringement takes place; and that

duplication or imitation is not necessary, a similarity of the dominant features of the trademark would be sufficient.

In the case of McDonalds Corporation vs. L.C. Big Mak Burger, Inc., et. al., the Supreme Court held that:

“The dominancy test considers the dominant features in the competing marks in determining whether they are confusingly similar. Under the dominancy test, courts give greater weight to the similarity of the appearance of the product arising from the adoption of the dominant features of the registered mark, disregarding minor differences. Courts will consider more the aural and visual impressions created by the marks in the public mind, giving little weight to factors like prices, quality, sales outlets and market segments.

Thus, in the 1954 case of Co Tiong Sa v. Director of Patents, the Court ruled:

. . . It has been consistently held that the question of infringement of a trademark is to be determined by the test of dominancy. Similarity in size, form and color, while relevant, is not conclusive. If the competing trademark contains the main or essential or dominant features of another, and confusion and deception is likely to result, infringement takes place. Duplication or imitation is not necessary; nor is it necessary that the infringing label should suggest an effort to imitate. (G. Heilman Brewing Co. vs. Independent Brewing Co., 191 F., 489, 495, citing Eagle White Lead Co. vs. Pflugh (CC) 180 Fed. 579).


In the same case, the Supreme Court likewise declared that “the test of dominancy is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code, which defines infringement as the “colorable imitation of a registered mark . . . or a dominant feature thereof.”

Opposer argued that applying the dominancy test, the competing marks, Respondent-Applicant’s DISCOVERY ZONE and, Opposer’s registered trademark DISCOVERY KIDS are confusingly similar because they carry the same dominant feature and common term – the word mark DISCOVERY. Opposer also averred that under the dominancy test, minor changes such as spelling and pronunciation are immaterial. In word marks in particular, the dominancy test is expressed in terms of the dominance of the common term. Thus, if the dominant portion of both marks is the same, then the confusion may be likely notwithstanding the peripheral differences. If two marks for related goods share the same dominant feature, and the marks, when viewed in their entireties create similar overall commercial impressions, then confusion is likely.

Opposer also emphasized in its Position Paper that “the basis of its opposition is the obvious copying and identical appropriation of the dominant word “DISCOVERY” in Opposer’s Philippine registered DISCOVERY KIDS trademark (on the same class of goods)

and related DISCOVERY marks, which though not registered in the Philippines are well-known marks. Hence, even though the mark as registered in the name of Opposer does not include the term “zone” still, such difference will not defeat the malicious intention of the Respondent-Applicant to capitalize on the goodwill of Opposer’s marks.”

For purposes of comparison, the contending marks are hereunder illustrated:

Opposer’s Marks	Respondent-Applicant’s Mark
<p>DISCOVERY KIDS</p>	

As can be observed from the above illustration, it is apparent that Respondent-Applicant’s DISCOVERY ZONE LOGO contains the word “DISCOVERY” which is the dominant feature of Opposer’s mark. The dominant feature or characteristic is reproduced or imitated in Respondent-Applicant’s trademark. Although in Respondent-Applicant’s trademark, the word “zone” is added after the word “discovery” to produce the mark DISCOVERY ZONE and underneath the device of a compass and a globe. Be that as it may, confusing similarity still cannot be eluded. The rule applied is that, the conclusion created by use of the same word as primary element in a trademark is not counteracted by the addition of another term. In addition, the similarity in the herein competing marks is made more apparent in the sense that both marks are used on the same class of goods, i.e., Class 09. An unfair competition need not copy the entire mark to accomplish its fraudulent purposes. It is enough if he takes the one feature which the average buyer is likely to remember. Indeed, measured against the dominant-feature standard, Respondent-Applicant’s mark must be disallowed. For undeniably, the dominant and essential feature of the article is the trademark itself.

Anent Respondent-Applicant’s argument that its mark DISCOVERY ZONE LOGO is not confusingly similar to Opposer’s DISCOVERY KIDS because the actual goods where the marks are used are different, we find the same to be untenable. It bears stressing that Opposer is the registered owner of DISCOVERY KIDS mark having obtained a Certificate of Registration No. 4-2002-009702 on January 8, 2007. As such, pursuant to Section 138 of the IP Code, it has the exclusive right to use the same in connection with the goods or services specified in the certificate and those that are related thereto. So that, it is incorrect for Respondent to state that there is no confusion as the actual products where the marks are used are different. Such argument is without basis and delimits the rights that are granted to a registered owner under the law.

Lastly, we also do not agree with Respondent-Applicant’s argument that the word “discovery” is generic word and therefore cannot be exclusively appropriated by anyone to

the exclusion of others. In the case of SOCIETE DES PRODUITS NESTLE, ET. AL. VS. COURT OF APPEALS the Supreme Court had the occasion to rule as to what is a generic mark, to wit:

“Generic marks are common words that describe an entire class of goods or services. Generic terms are those which constitute “the common descriptive name of an article or substance,” or comprise the “genus of which the particular product is a species,” or are “commonly used as the name or description of a kind of goods,” or “imply reference to every member of a genus and the exclusion of individuating characters,” or “refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product,” and are not legally protectable. On the other hand, a term is descriptive and therefore invalid as a trademark if, as understood in its normal and natural sense, it “forthwith conveys the characteristics, functions, qualities or ingredients of a product to one who has never seen it and does not know what it is,” or if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods,” or if it clearly denotes what goods or services are provided in such a way that the consumer does not have to exercise powers of perception or imagination.”

The word “discovery” means “the act or process of sighting or learning the existence of something for the first time”. By its definition when applied to the different goods specified in the certificate of registration which falls under Class 09, 16, 38 and 41, it does not constitute the common descriptive name of the said article or product nor is it descriptive of the characteristics, functions, qualities or ingredient of the product. As such, the contention of Respondent-Applicant that the word “discovery” is generic is misplaced.

WHEREFORE, premises considered, the Notice of Verified Opposition filed by Opposer, DISCOVERY COMMUNICATIONS, LLC. against Respondent-Applicant INTERNATIONAL TOYWORLD, INC.’s application for registration of the mark DISCOVERY ZONE LOGO is, as it is hereby SUSTAINED. Consequently, the trademark “DISCOVERY ZONE LOGO” bearing Serial No. 4-2008-000123 filed on 03 January 2008 by Respondent-Applicant for telescopes, microscopes and spy sets belonging to Class 09 of the international classification of goods is, as it is hereby, REJECTED.

Let the file wrapper of DISCOVERY ZONE LOGO subject matter of the instant case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 14 September 2009.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs