

PACIFIC FOOD PRODUCTS
SDN BHD,

Opposer,

-versus

FELICISIMO MARTINEZ &
CO., INC.,

Respondent-Applicant.

x-----x

INTER PARTES CASE NO. 3123

OPPOSITION TO:

Application Serial No.: 59410
Filed: July 18, 1986
Applicant: Felicisimo Martinez
& Co., Inc.
Trademark: SNAX
Used On: Crackers

DECISION NO. 90-11 (TM)
February 22, 1990

DECISION

This is an opposition filed by Pacific Food Products SDN BHD to Application Serial No. 59410 for the trademark "SNAX" covering goods under Class 30 for crackers.

Opposer is a foreign corporation organized under the laws of Malaysia, with office at Lot 1, Air Keroh, Industrial Estate 75450, Melaka, Malaysia, while Respondent-Applicant is a domestic corporation, with business address at 151 Aurora Boulevard, San Juan, Metro Manila, Philippines.

The grounds alleged in the opposition are:

"1. The trademark 'SNAX' of the respondent-applicant is descriptive of the goods on which it is being used, hence, registration is proscribed under Section 4(e) of Republic Act No. 166, as amended.

2. The trademark 'SNAX' sought to be registered by respondent-applicant is confusingly similar if not identical to the trademark 'SMAX' of the herein opposer which it had earlier adopted and used in commerce and has become publicly known as a trademark belonging to the opposer.

3. The opposer has spent much for the advertisement and promotion of the trademark 'MAX' and its business and goodwill will clearly be damaged and will suffer irreparable injury.

4. The trademark 'SNAX' of the respondent-applicant so resembles the trademark 'SMAX' of the opposer as to be likely, when applied to or used in connection with the goods or the respondent-applicant, to cause confusion, mistake or deceive purchasers (Sec. 4(d), Republic Act No. 166, as amended)."

In its Answer filed on August 29, 1969, Respondent-Applicant denied the material allegations stated therein and made the following special affirmative defenses:

"4.01 The trademark 'SNAX' is not proscribed under Sec. 4 of Republic Act 166 as the said mark has been used by Respondent-Applicant for a considerable length of time as to have become distinctive insofar as they refer to Respondent-Applicant's products. (Sec. 4 (f), R.A. 166 as amended by Section 3, R.A. 63A)

4.02 No confusing similarity could exist between the two (2) marks considering the distinctive labels of these two (2) products when they are compared with one another.

4.03 Assuming arguendo that confusing similarity does exist between the two (2) marks, it is Opposer's mark which is infringing on Respondent-Applicant's mark, as the latter's mark has been used in commerce in the Philippines for a considerable length of time prior to Opposer's mark.

4.03.1. Respondent-applicant's mark has been in commerce since 1975 while opposer's mark, by its own admission, has been used in commerce in the Philippines since 1988 only.

4.03.2 If at all, it is Opposer's mark which should be denied registration. Opposer should cease and desist from using said mark.

4.04 Respondent-Applicant's tradename which is 'La Pacita' is found on the labels of its products. This serves to distinguish Respondent-Applicant's goods from those of Opposer's."

Issues having been joined, a pre-trial conference was set on October 2, 1989 but was reset for several times pending the negotiation for an amicable settlement of the case.

Finally, on December 13, 1989, a Joint Motion to Dismiss together with a Compromise Agreement duly signed by counsels of both parties was filed in this Bureau, praying that this case be dismissed with prejudice.

In their Compromise Agreement, the parties have agreed as follows:

"1. PACIFIC FOOD recognizes that MARTINEZ & CO. is the owner of the trademark 'SNAX' and as such, the latter has exclusive right to use the same;

2. MARTINEZ & CO. likewise recognizes that PACIFIC FOOD is the owner of the trademark 'SMAX' and as such the latter has exclusive right to use the same;

3. PACIFIC FOOD undertakes to withdraw its opposition against MARTINEZ & CO. and that the latter undertake not to oppose the pending application of the former for the trademark 'SMAX';

4. This Agreement shall bind the parties' respective directors, officers, employees, agents, representatives, successors and assigns;

5. This Agreement shall take effect upon signing by the parties hereof."

This Bureau, after finding the terms and conditions of said Compromise Agreement to be neither contrary to law, morals, good customs and public policy nor in contravention with any existing rule or regulation of this Bureau, hereby APPROVES the same and, in accordance with the Joint Motion to Dismiss, DISMISSES this case with prejudice.

WHEREFORE, premises considered, the herein Notice of Opposition is, as it is hereby, DISMISSED with prejudice.

Accordingly, Application Serial No. 59410 for the trademark "SNAX" should now be given due course.

Let the records of the case be forwarded to the Application, Issuance and Publication Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director