

SOCIETE DES PRODUITS, NESTLE, S.A.,
Opposer,

IPC 14-1999-00031

-versus -

Opposition to:
TM Application No. 99899
(Filing Date:)

THE NEW ZEALAND COOPERATIVE
DAIRY CO.,
Respondent-Applicant.

TM: "FRESH 'N' FRUITY"

x-----x

Decision No. 06-108

DECISION

The instant Opposition case is filed by Societe Des Produits, Nestle, S.A. (Opposer), a foreign corporation organized under the laws of the Cayman Islands Switzerland against Application Serial No. 99299 for the registration of the trademark "FRESH 'N' FRUITY" on goods under Class 29 specifically for milk and dairy products and yoghurt, in the name of the New Zealand Cooperative Dairy Company Limited of Anchor House, 80 London Street, Hamilton, New Zealand. The New Zealand Cooperative Dairy Company Limited (Respondent-applicant) assigned its rights to the application for registration of the trademark "FRESH 'N' FRUITY" to NZDF Brands Limited of Una Place, Takanini, Auckland, New Zealand in a document entitled "Combined Assignment and Appointment of Domestic Representative, Assignment of Application for Registration of Trademark" dated 19 October 1999.

Opposer filed a verified Notice of Opposition on 17 August 1999 to Application Serial No. 99899 and published in the Intellectual Property Office (IPO) Official Gazette, Volume II, No. 1 page 93, January-February 1999 issue based on the followings grounds:

1. That the registration of the mark "FRESH 'N' FRUITY" is proscribed under Section 4 par. (e) of R.A. 166 and Section 123, sub sec. 123.1 pars (g), (h) and (j) of R.A. 8293 for the reason that the mark is merely generic, descriptive or misdescriptive of the nature, kind, quality and/or other characteristics of the goods upon which it is used;
2. That the Oppositor, by itself or its subsidiaries, licensees, manufactures and distributes worldwide, including the Philippines, various food products and used and intends to use the generic words "fresh" and "fruity", either separately or in combination, to describe or designate its food products. To grant to the respondent-applicant the exclusive use as a registered mark would preclude the Oppositor and others similarly situated, of the same commonly used generic and descriptive phrase, to their great damage and prejudice.

In its Answer filed on 27 March 2003, respondent-applicant argued that"

1. The trademark "FRESH 'N' FRUITY" has been used in the Philippines since the year 1998;
2. NZDF Brands Limited and its predecessor "The New Zealand Cooperative Dairy Company Limited referred to jointly and/or alternatively as NZDF is the prior user and adopter and beneficial owner of the mark, having utilized, adopted and used it in local and international commerce since 1998;
3. NZDF filed an application for registration of the mark "FRESH 'n' FRUITY" on 28 April 1995;

4. NZDF as the legal and beneficial owner of the mark has the prior and exclusive right to said in accordance with Section 2-A of Republic Act No. 166.”

The issues having been joined, the case set for pre-trial conference. There being no amicable settlement reached between the parties, the case proceeded to trial.

Admitted as evidence for the opposer are Exhibits “A” to “E” inclusive of sub markings, to wit:

EXHIBITS	DESCRIPTION
“A”	Application Serial No. 99899 for the trademark “FRESH ‘N’ FRUITY” of respondent-applicant
“B”	Verified Notice of Opposition
“C”	Authenticated Special Power of Attorney dated 13 September 1999
“D”	Labels and packaging material bearing the mark “FRESH ‘N’ FRUITY”

Admitted as evidence for the respondent are Exhibits “1” to “97” inclusive of submarkings, to wit:

EXHIBITS	DESCRIPTION
“1”	Certified true copy of Trademark Application No. 152158 for “FRESH ‘N’ FRUITY” under class 29, in the name of the New Zealand Co-Operative Dairy Company Limited.
“2”	Certificate of Authentication issued by the Philippine Consulate Office in New Zealand, signed by Honorary Consul General Graeme E. Dabb
“3”	Certificate of Authentication issued by the Philippine Consulate Office in New Zealand
“4”	Affidavit-Direct Testimony of Mercelita S. Alcantara
“5”	Photographs of “FRESH N’ FRUITY” yoghurt and UHT drinking yoghurt products.
“6”	FRESH ‘N’ FRUITY drinking Yoghurt, Orange Flavor.
“7”	License to Operate as Food Importer issued by the Bureau of Food And Drugs (BFAD), Department of Health to Federated Distributors, Inc., with New Zealand Dairy Foods Ltd., New Zealand as one of its sources.
“8”	Letter of Appointment as Authorized Importer/Distributor, issued by Bryan Holman, Asia Pacific Manager of NZDF Brands Limited.
“9”	Commercial Invoice dated 23 January 1998 for 3,840 case of FRESH N’ FRUITY drinking yoghurt amounting to NZ\$22,579.20 delivered to Federated Distributors, Inc. as consignee/purchaser.
“10”	Commercial Invoice dated 23 January 1998 for 3,840 case of FRESH N’ FRUITY drinking yoghurt amounting to NZ\$22,579.20 delivered to Federated Distributors, Inc. as consignee/purchaser.

- “11” Proforma Invoice dated 11 December 1998 for 120 cases of FRESH N’ FRUITY yoghurt products amounting to NZ\$1,089.20 delivered to Federated Distributors, Inc, as consignee/purchaser.
- “12” Shipment documents consisting of Air Waybill, Commercial Invoice, Official Receipt from the Land Bank of the Philippines, Bureau of Customs Import Entry and Internal Revenue Declaration pertaining to the shipment of 81 cartons of FRESH N’ FRUITY yoghurt products from New Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on January 26, 1999 and arrived on Manila on 29 January 1999.
- “13” Shipment documents consisting of Air Waybill, Proforma Invoice, Packaging List, Receipt from the Land Bank of the Philippines, Bureau of Customs Import Entry and Internal Revenue Declaration and Sales Invoice Issued by Air Power International Express (Phils.) Inc. pertaining to the shipment of 91 cartons of FRESH N’ FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 9 April 1999 and arrived Manila on 12 April 1999.
- “14” Shipment documents consisting of Air Waybill, Proforma Invoice, Packaging List, Receipt from the Land Bank of the Philippines, Bureau of Customs Import Entry and Internal Revenue Declaration and Sales Invoice Issued by Air Power International Express (Phils.) inc. pertaining to the shipment of 60 cartons of FRESH N’ FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 23 June 1999 and arrived Manila on 29 January 1999.
- “15” Shipment documents consisting of Air Waybill, Proforma Invoice, Packaging List, Receipt from the Land Bank of the Philippines, Bureau of Customs Import Entry and Internal Revenue Declaration and Sales Invoice Issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 70 cartons of FRESH N’ FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 25 March 2000 and arrived Manila on 27 March 2000.
- “16” Shipment documents consisting of Air Waybill, Proforma Invoice, Packaging List, Receipt from the Land Bank of the Philippines, Bureau of Customs Import Entry and Internal Revenue Declaration and Sales Invoice Issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 100 cartons of FRESH N’ FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 26 February 2000 and arrived Manila on 27 February 2000.
- “17” Shipment documents consisting of Air Waybill, Proforma Invoice, Packaging List, Receipt from the Land Bank of the Philippines, Bureau of Customs Import Entry and Internal Revenue Declaration and Sales Invoice Issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 140 cartons of FRESH N’ FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 23 May 2000 and arrived Manila on 24 May 2000.

- “18” Shipment documents consisting of Combined Transport Bill of Lading or Port to Port Shipment, Commercial Invoice, Packing List, Certificate of Origin and Health, Certificate of Quality and Analysis, Official Receipt from the Land Bank of the Philippines, Bureau of Customs Import Entry and Internal Revenue Declaration, Certificate of Quality Analysis Sales Invoice Issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 1,000 cases of FRESH N' FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 26 April 2000 and arrived Manila on 28 April 2000.
- “19” Shipment documents consisting of Combined Transport Bill of Lading or Port to Port Shipment, Commercial Invoice, Packing List, Certificate of Origin and Health, Certificate of Quality and Analysis, Official Receipt from the United Coconut Planters Bank, Bureau of Customs Import Entry and Internal Revenue Declaration, Veterinary Quarantine Clearance and Sales Invoice Issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 422 cases of FRESH N' FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 9 March 2001 and arrived Manila on 6 April 2001.
- “20” Shipment documents consisting of Combined Transport Bill of Lading or Port to Port Shipment, Commercial Invoice, Packing List, Certificate of Origin and Health, Certificate of Quality and Analysis, Official Receipt from the United Coconut Planters Bank, Bureau of Customs Import Entry and Internal Revenue Declaration, Veterinary Quarantine Clearance and Sales Invoice Issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 1,111 cases of FRESH N' FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 5 May 2001 and arrived Manila on 4 June 2001.
- “21” Shipment documents consisting of Combined Transport Bill of Lading or Port to Port Shipment, Commercial Invoice, Packing List, Certificate of Origin and Health, Certificate of Quality and Analysis, Official Receipt from the United Coconut Planters Bank, Bureau of Customs Import Entry and Internal Revenue Declaration, Veterinary Quarantine Clearance and Sales Invoice Issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 724 cases of FRESH N' FRUITY yoghurt products from new Zealand Dairy Foods Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on 12 July 2001 and arrived Manila on 8 August 2001.
- “22” Shipments of documents consisting Fesco New Zealand Express Line (FNZEL) Bill of Lading, Commercial Invoice, Packing List, Certificate of Origin and Health, Certificate of Quality and Analysis, Philippine Bureau of Customs Import Entry and Internal Revenue Declaration, SGS Far EAT Limited Import Advice Note, Clean Report of Findings and Sales Invoice issued by B.F. Brokerage Company, Inc. pertaining to the shipment of 3,840 cases of FRESH N' FRUITY drinking yoghurt products from New Zealand Dairy Food Ltd. to Federated Distributors, Inc. which left Auckland, New Zealand on January 1998 bound for Manila.
- “23” Photograph of the Promotional banner of Fresh N' Fruity used in 1998 for the product launching.

- “24” Photograph of the Promotional poster of Fresh N’ Fruity UHT drinking yoghurt products used in 1998 for the product launching.
- “25” Sample leaflets given away during the sampling leafleting activities at Robinson’s Galleria Supermarket when FRESH N’ FRUITY drinking yoghurt products were launched in the market in the Philippines.
- “26” Photographs of sampling and leafleting activities held at Robinson’s Galleria Supermarket when FRESH ‘N’ FRUITY drinking yoghurt products were launched in the market in the Philippines.
- “27-C” The amount of P135,457 appearing in the Promo Calendar for FRESH ‘N’ FRUITY Drinking Yoghurt for the months of September and October, 2000 representing the total amount spent for the promotion of FRESH ‘N’ FRUITY products for September 2000 in various supermarkets and retail outlets in Metro Manila such as not limited to the following: Super value, Inc., Robinson’s Supermarket, Shopwise, Rustan’s Landmark, South Supermarket, Cash & Carry, Makati Supermarket, Unimart, Hi-Top Supermart, Cherry Foodarama, Sta. Lucia East Supermarket.
- “27-D” The amount of P28, 099.75.00 appearing in the Promo Calendar for FRESH ‘N’ FRUITY Drinking Yoghurt for the months of September and October, 2000 which represents the total amount spent for the promotion of FRESH ‘N’ FRUITY products for October 2000 in various supermarkets and retail outlets in Metro Manila such as but not limited to the following: Super value, Inc., Robinson’s Supermarket, Shopwise, Rustan’s Landmark, South Supermarket, Cash & Carry, Makati Supermarket, Unimart, Hi-Top Supermart, Cherry Foodarama, Sta. Lucia East Supermarket.
- “28” Sales Invoice in the amount of P93,300.00 issued by H.A.S. Communications, Inc. to Federated Distributors, Inc. for Traptic.Com Package, 15 seconds Traficads at the following radio stations: Mellow Touch 94.7, Home Radio 97.9 and KC-FM 93, 9 with running dates July 16-20; 23-27; 30-31; August 1-3; 6-10.
- “30” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Strawberry UHT Drinking Yoghurt on 21 April 1998.
- “31” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Tropical UHT Drinking Yoghurt on 21 April 1998.
- “32” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Orange UHT Drinking Yoghurt on 21 April 1998.
- “33” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Strawberry Flavored UHT Drinking Yoghurt on 8 December 1998.
- “34” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Fruit Salad Flavored Yoghurt on 8 December 1998.

- “35” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Fruit of the Forest Flavored Yoghurt on 8 December 1998.
- “36” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Vanilla and Hazelnut Flavored Yoghurt on 8 December 1998.
- “37” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Strawberry UHT Drinking Yoghurt on 27 February 2001.
- “38” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Orange UHT Drinking Yoghurt on 27 February 2001.
- “39” Certificate of Product Registration issued by the Bureau of Food and Drugs for FRESH ‘N’ FRUITY Tropical UHT Drinking Yoghurt on 27 February 2001.
- “40” Sale Register of Federated Distributors, Inc. for FRESH ‘N’ FRUITY drinking yoghurt and fresh yoghurt products for the year 1998.
- “41” Supplemental Affidavit of Mercelita Alcantara, Operations Manager of Federated Distributors, Inc.
- “42” Federated Distributors, Inc.’s Sales Register for FRESH ‘N’ FRUITY Drinking Yoghurt products for the year 1999.
- “43” Federated Distributors, Inc.’s Sales Register for FRESH ‘N’ FRUITY Drinking Yoghurt products for the year 2000.
- “44” Sale Register of Federated Distributors, Inc. fro FRESH ‘N’ FRUITY drinking yoghurt and fresh yoghurt products for the year 2001.
- “45” Federated Distributors, Inc.’s Sales Register for FRESH ‘N’ FRUITY Drinking Yoghurt products for the year 2002.
- “46” Debit Memo No.0121 dated January 30, 2000 for expenses made in the month of January 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIIY products in the Philippines.
- “47” Debit Memo No.0122 dated February 29, 2000 for expenses made in the month of February 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIIY products in the Philippines.
- “48” Debit Memo No.0123 dated March 31, 2000 for expenses made in the month of March 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIIY products in the Philippines.
- “49” Debit Memo No.0125 dated April 30, 2000 for expenses made in the month of April 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIIY products in the Philippines.

- “50” Debit Memo No.0126 dated May 27, 2000 for expenses made in the month of May 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “51” Promo calendar fro FRESH ‘N’ FRUTYIY drinking yoghurt for the period covering November to December 2000.
- “52” Debit Memo No.0146 dated June 10, 2000 for expenses made in the month of June 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “53” Debit Memo No.0150 dated July 31, 2000 for expenses made in the month of July 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “54” Debit Memo No.0201 dated August 31, 2000 for expenses made in the month of August 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “55” Debit Memo No.0202 dated September30, 2000 for expenses made in the month of May 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “56” Debit Memo No.0203 dated October 1, 2000 for expenses made in the month of October 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “57” Debit Memo No.0204 dated November 30, 2000 for expenses made in the month of November 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “58” Debit Memo No.0205 dated December 31, 2000 for expenses made in the month of December 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- ‘59” Debit Memo No.0221 dated January 31, 2000 for expenses made in the month of January2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “60” Debit Memo No.0222 dated February 2001 for expenses made in the month of February 2000 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTYIY products in the Philippines.
- “61” Promo calendar fro FRESH ‘N’ FRUTYIY drinking yoghurt for the period covering January to March 2001.

- “62” Debit Memo No.0223 dated March 31, 2001 for expenses made in the month of March 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “63” Debit Memo No.0224 dated April 2001 for expenses made in the month of April 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “64” Promo Calendar update for the month of March 2001 fro FRESH ‘N’ FRUITY drinking yoghurt and Country Goodness products in the Philippines.
- “65” Debit Memo No.0227 dated May 30, 2001 for expenses made in the month of May 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “66” Debit Memo No.0229 dated June 30, 2001 for expenses made in the month of June 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “67” Debit Memo No.0230 dated July 20, 2001 for expenses made in the month of July 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “68” Debit Memo No.0290 dated July 22, 2001 for expenses made in the month of April 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “69” Debit Memo No.0239 dated September 7, 2001 for expenses made in the month of September 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “70” Debit Memo No.0243 dated September 11, 2001 for Samples FRESH ‘N’ FRUTIY yoghurt used in the promotion and advertising of FRESH ‘N’ FRUITY products in the Philippines.
- “71” Debit Memo No.0244 dated September 12, 2001 for expenses made in the month of September 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “72” Debit Memo No.0250 dated October 8, 2001 for expenses made in the month of October 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.
- “73” Debit Memo No.0250 dated October 8, 2001 for expenses made in the month of October 2001 in the promotion and advertising of the Respondent-Applicant’s Country Goodness and FRESH ‘N’ FRUTIY products in the Philippines.

- '74" Debit Memo No.0263 dated November 2001 for expenses made in the month of November 2001 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "75" Debit Memo No.0263 dated January 24, 2001 for expenses made in the month of December 2001 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "76" Debit Memo No.0261 dated January 24, 2002 for expenses made in the month of November 2001 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "77" Debit Memo No.0264 dated January 24, 2002 for expenses made in the month of October 2001 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "78" Debit Memo No.0265 dated January 24, 2002 for expenses made in the month of November 2001 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "79" Debit Memo No.0266 dated January 24, 2001 for expenses made in the month of December 2001 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "80" Debit Memo No.0267 dated February 15, 2001 for expenses made in the month of July to October 2001 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "81" Debit Memo No.0268 dated March 1, 2001 for expenses made in the month of January 2002 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "82" Debit Memo No.0270 dated March 8, 2002 for expenses made in the month of January 2002 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "83" Debit Memo No.0271 dated March 8, 2002 for expenses made in the month of February 2002 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "84" Debit Memo No.0272 dated March 8, 2002 for expenses made in the month of February 2002 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTIIY products in the Philippines.
- "85" Debit Memo No.0270 dated April 12, 2002 for expenses made in the month of March 2002 in the promotion and advertising of the

Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.

- "86" Debit Memo No.0270 dated May 8, 2002 for expenses made in the month of April 2002 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "87" Debit Memo No.0286 dated June 17, 2001 for the promotion and advertising expenses of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines for the month of May 2002.
- "88" Sales Invoice No.099 dated April 15, 2001 for the Trapik.com package, particularly fro radio advertisements to promote Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "89" Debit Memo No. 0257 dated November 23, 2001 issued by for FRESH 'N' FRUTYIY products sold back to New Zealand Dairy Foods, Makati City.
- "90" Debit Memo No.0066 dated April 18, 1998 for expenses made in the month of February 1998 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "91" Debit Memo No.0065 dated April 18, 1998 for expenses made in the month of March 1998 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "92" Debit Memo No.0073 dated May 31, 1998 for expenses made in the month of April 1998 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "93" Debit Memo No.0074 dated May 31, 1998 for expenses made in the month of May 1998 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "94" Debit Memo No.0083 dated June 1998 for expenses made in the month of June 1998 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "95" Debit Memo No.0084 dated July 31, 1998 for expenses made in the month of July 1998 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "96" Debit Memo No.0085 dated August 31, 1998 for expenses made in the month of August 1998 in the promotion and advertising of the Respondent-Applicant's Country Goodness and FRESH 'N' FRUTYIY products in the Philippines.
- "97" Debit Memo No.0086 dated September 30, 1998 for expenses made in the month of September 1998 in the promotion and advertising of the

Respondent-Applicant's Country Goodness and FRESH 'N' FRUITY products in the Philippines.

The lone issue to be considered by this Office is whether the mark "FRESH 'N' FRUITY" is merely generic; descriptive is misdescriptive of the nature, kind, quality and /or characteristic of the goods upon which it is used and therefore incapable of appropriation and registration.

The challenged application having been filed under the provisions of the old Trademark Law or Republic Act 166, the instant case shall be decided based on the provisions thereof so as not to prejudice vested rights of the parties. The applicable provision of Republic Act 166 provides:

Sec.4 Registration of trademarks, tradenames and service marks in the principal register. – x x x The owner of a trademark, tradename or service mark, used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless it: x x x

(e) Consists of a mark or trade name which, when applied to or used in connection with the goods, business, or services of the applicant is merely descriptive or deceptively misdescriptive of them, or when applied to or used in connection with the goods, business or services of the applicant is primarily geographically descriptive or misdescriptive of them, or is primarily merely surname.

A mark is considered merely descriptive if it describes an ingredient, quality, characteristic, function, feature, purpose or use of specified goods or services.

A mark is suggestive if, when the goods or services are encountered under the mark, a multi-stage reasoning process, or the utilization of imagination, thought or perception is required in order to determine what attributes of the goods or services the mark indicates. (USPTO, Trademark Trial and Appeal Board, In re: Matsuhista Electric Corporation of America, Serial No. 76/021, 398, page 3)

In contrast to a descriptive trademark which only serves to tell what the product is, a suggestive tradename gives a hint as to the quality or nature of the product.

The word "fresh" is defined in Webster's Third New International Dictionary, Merriam-Webster Inc. Publishers, Copyright 1986 as "not salted, unsalted, not containing or composed of salt water; newly produced, gathered or made, not altered by processing, having its original qualities unimpaired, not exhausted or fatigued, full of or renewed with vigor, not stale, sour, decayed or deteriorated; experienced newly or anew, not known or experienced before; disposed to take liberties; to make fresh or spruce; just recently or just now; the early or beginning part of a duration.

The word "fruity" is defined in Webster's Third New International Dictionary, Merriam-Webster Inc. Publishers, Copyright 1986 as 1) relating to a fruit, resembling or suggesting a fruit (as to taste or color) b) retaining the flavor and fragrance of grape 2) having a rich, strong or spicy quality b) sweet or sentimental especially to excess.

The words "FRESH" and "FRUITY" apparently do not pertain or have significance to yoghurt, milk or dairy products. Moreover, the "fresh" alone does not automatically call to mind these products. The word "FRESH" used as an adjective can describe a variety of things and can be used in different contexts. While it may describe milk, dairy products and yoghurt, it can also describe other products. The English word "FRUITY" can describe a gamut of other products as well, not merely yoghurt. Thus, "FRESH 'N' FRUITY" is more of a suggestive term than a descriptive mark.

It is also worthy of note that the applicant was required by the trademark examiner to disclaim the words “fresh” and “fruity” when used separately, but allowed the use of the words ‘fresh’ and ‘fruity’ combined through a letter ‘N’.

In this regard, citing foreign authorities on the matter, the Supreme Court in the case of *Ong Ai Gi vs. Director of the Philippine Patent Office*, G.R. No. L-6235, March 28, 1955 explains:

“xxx A descriptive word may be admittedly distinctive, especially if the user is the first letter of the article. It will however, be denied protection, not because it lacks distinctiveness but rather because others are equally entitled to its use”. (2 Callman, *Unfair Competition and Trademarks*, pp. 869-870)

The claim that a combination of a word may be registered as a trade name is no justification for applying the rules or principles hereinabove mentioned. The use of a generic name in a trade name is always conditional i.e. subject to the limitation that the registrant does not acquire the exclusive right to the descriptive or the generic term or word. “... A combination of marks or words may constitute a valid trademark or (in case of words) a trade name even though some of the constituent portions thereof would not be subject separately, to exclusive appropriation as such. Thus, although a word may be descriptive and not subject to exclusive use as a trademark, it may properly become the subject of a trademark by combination with another word or term which is non descriptive, although no exclusive right to the word or term is created. (52 Am Jur553.)”

Incidentally, although not put in issue in the proceedings and even though the respondent-applicant based its application for registration of the mark on its home registration (Exhibit 1), it had submitted voluminous evidence consisting of the affidavit and testimony of witness Mercelita Alcantara, Operations Manager of the licensed distributor of “Fresh ‘N’ Fruity” products (Exhibit “4”), photographs of products bearing the mark “Fresh ‘N’ Fruity” (Exhibit “5”); commercial invoices, shipping documents, (Exhibit “9”, “10”, “11”, “12” to “22”); promotional items (Exhibits “23” to “28”); Certificates of Product Registrations (Exhibits “30” to “39”) delivery receipts and sales invoices dated from 1998 up to (Exhibit “40” to “45”); assorted memos for the expenses incurred in advertising, promotional calendars, delivery receipts (Exhibit “46” to “98”) to establish prior use in the Philippines of the mark “FRESH ‘N’ FRUITY”. Its use entitles respondent to acquire trademark ownership over the mark “FRESH ‘N’ FRUITY” in connection with yoghurt, milk and dairy products. Section 2-A of the old Trademark Law, R.A. 166 provides:

“Sec. 2 – A. Ownership of Trademarks and service marks, how acquired. – Anyone who lawfully produces or deals in merchandise of any kind or who engages in any lawful business, or who renders any lawful service in commerce, by actual use thereof in manufacture or trade, in business, and in the service rendered, may appropriate to his exclusive use a trademark, trade name or service from the merchandise, business or service of others. The ownership of a trademark, trade name or service-mark, heretofore or hereafter appropriated as in this section provided, shall be recognized and protected in the same manner and to the same extent as are other property rights known to the laws.

WHEREFORE, premises considered the instant Opposition is hereby DENIED. Consequently, Application Serial No. 99899 for the registration of the trademark “FRESH ‘N’ FRUITY” for “milk, dairy products, yoghurt” in the name of NZDF BRANDS LIMITED (owner by way of assignment from THE NEW ZEALAND COOPERATIVE DAIRY CO.), is hereby GIVEN COURSE.

Let the filewrapper of the trademark “FRESH ‘N’ FRUITY” subject matter of this case together with a copy of this Decision forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

Makati City, 17 October 2006.

ESTRELLITA BELTRAN-ABELARDO
Director Bureau of Legal Affairs
Intellectual Property Office