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NUTRI-ASIA, INC. Opposer,

-versus-

FOODCHOICE CORP., Respondent-Applicant. IPC No. 14-2014-00531 Opposition to: Appln. Serial No. 4-2014-00001793 Date Filed: 12 February 2014 TM: "PAPA"

NOTICE OF DECISION

BETITA CABILAO CASUELA SARMIENTO

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BENGZON NEGRE UNTALAN

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GREETINGS:

Please be informed that Decision No. 2015 - <u>M</u> dated August 20, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, August 20, 2015.

For the Director:

Atty. EDWIN DANILO A. DATING Director III Bureau of Legal Affairs

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NUTRI-ASIA, INC., Opposer,

-versus-

FOODCHOICE CORP., Respondent-Applicant. **IPC No. 14-2014-00531** Opposition to:

Application No. 4-2014-00001793 Date Filed: 12 February 2014

Trademark: PAPA Decision No. 2015 - 165

DECISION

NUTRI-ASIA, INC.¹ ("Opposer") filed a Verified Notice of Opposition to Trademark Application No. 4-2014-00001793. The contested application, filed by FOODCHOICE CORP.² ("Respondent-Applicant"), covers the mark PAPA for use on "*vegetable oil*" and "*corn flour, spices*" under Classes 29 and 30, respectively, of the International Classification of goods³.

The Opposer anchors its opposition on the following grounds:

"1. The registration of the PAPA mark is contrary to the provisions of Section 123.1 (d) of Republic Act No. 8293, as amended, which prohibit the registration of a mark that:

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or 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

"2. The Opposer is the current owner and prior user of the PAPA mark as well as the PAPA KETSARAP and PAPA LABEL DESIGN marks (hereafter collectively referred to as "PAPA MARKS"), all of which are used on banana catsup in class 30, while PAPA is also registered in class 29. The PAPA MARKS were previously owned by UFC Philippines, Inc., which later merged with Nutri-Asia, Inc., with the latter being the surviving entity.

"3. The Opposer's PAPA MARKS are registered with the Intellectual Property Office of the Philippines under the following details:

¹ A corporation duly organized and existing under the laws of the Philippines, with business address at 7th Floor, JY Campos Center, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City, Metro Manila 1634.

² With given address at 151 Porvenir Street, Pasay City, Metro Manila.

³ Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

Trademark	Registration Number	Date Registered	Class(es)
РАРА	4-2005-010788	03/19/07	29,30
PAPA KETSARAP	34681	08/23/85	30
PAPA KETSARAP			
PAPA LABEL DESIGN	4-2006-012364	04/30/07	30

The Opposer has taken steps to update the records of the foregoing registrations to reflect the Opposer as the registrant.

"4. The Respondent-Applicant's PAPA mark is identical in terms of appearance, spelling and pronunciation to the Opposer's prior and registered PAPA MARKS as to be likely to deceive or cause confusion.

"5. The PAPA MARKS have been used by the Opposer or its predecessors-in-interest long before the Respondent-Applicant even applied for the registration of the PAPA mark subject of this opposition on 12 February 2014. The Opposer continues to use the PAPA MARKS until today.

"6. Being the owner and prior user of the registered PAPA MARKS, Opposer's right to the PAPA mark is superior to that of the Respondent-Applicant.

"7. Opposer and its predecessors-in-interest have also extensively promoted the PAPA MARKS. Over the years, products bearing the PAPA MARKS have obtained significant public exposure in various media, including television commercials, outdoor and online advertisements, wellknown print publications, and other promotional events. Opposer also maintains a website, www.nutriasia.com, which is accessible to users Specific information worldwide, including those from the Philippines. products РАРА may be. found at the relating http://www.nutriasia.com/products/productdetail/papa&1=2, which is likewise accessible to users worldwide, including those from the Philippines.

"8. Respondent-Applicant's appropriation of the word PAPA in its mark was made knowingly, willfully and in bad faith, with prior knowledge of the Opposer's rights to the said mark, and with the intention to ride on the fame, established reputation, and goodwill of the Opposer's mark by blatantly copying the dominant feature of Opposer's MARKS for use on identical or closely-related goods in classes 29 and 30. Respondent-Applicant knew or ought to have known Opposer's prior and exclusive rights to the registered PAPA MARKS. Hence, Respondent-Applicant's bad faith precludes the ripening of a right to the mark in its favor. x x x

"9. The Opposer has not consented to the Respondent-Applicant's use and registration of the PAPA mark, or any other mark identical or similar to the Opposer's registered PAPA MARKS.

"10. The use by the Respondent-Applicant of the PAPA mark in connection with goods in classes 29 and 30, which are identical and/or closely-related to the products offered by the Opposer or within the zone of natural expansion of Opposer's business using the registered PAPA MARKS will mislead the purchasing public into believing that the Respondent-Applicant's goods are produced or rendered by, originate from, or are under the sponsorship of the Opposer, thus causing mistake or deception to the consuming public as to the source of these goods. $x \times x$

"11. Potential damage to the Opposer will be caused as a result of its inability to control the quality of the goods offered or put on the market by Respondent-Applicant under the PAPA mark.

"12. The use by the Respondent-Applicant of the PAPA mark in relation to its goods in classes 29 and 30, being identical or closely-related to the Opposer's products, will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer's prior and registered PAPA MARKS. Although Respondent-Applicant had in its disposal a myriad of words and symbols to choose from, Respondent-Applicant opted to employ the identical PAPA word for use on identical and/or closely-related products, thereby expressing plan and design to exploit the goodwill associated with the Opposer's prior and registered PAPA MARKS.

"13. Thus, the denial of the Respondent-Applicant's application for the PAPA mark under Trademark Application No. 4-2014-001793 by this Honorable Office is authorized and warranted under the provisions of the Intellectual Property Code of the Philippines."

The Opposer's evidence consists of the following:

- 1. Original notarized Notice of Opposition;
- 2. Original notarized Affidavit of Atty. Lalaine Isabel Gonzales-Camina;
- Digital compact disc containing samples of promotional materials for the PAPA mark and related marks;
- 4. Representative sample of Registration No. IDM000153413 of the PAPA mark

registered in the name of Opposer in Indonesia;

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- 5. Computer printout of the trademark details report for the PAPA mark under Registration No. 4-2005-010788;
- 6. Computer printout of the trademark details report for the PAPA KETSARAP mark under Registration No. 034681;
- 7. Computer printout of the trademark details report for the PAPA LABEL DESIGN mark under Registration No. 4-2006-012364
- 8. Screenshots of Opposer's website, <u>http://www.nutriasia.com</u>, featuring the PAPA mark and related marks;
- 9. Certified true copy of the Certificate of Filing of the Articles and Plan of Merger;
- 10. Original notarized Officer's Certificate and Special Power of Attorney signed by Mr. Genaro D. Reyes; and
- 11. Original and notarized Secretary's Certificate executed by Mr. Mariano L. Celis II.4

This Bureau issued and served a copy of the Notice to Answer upon the Respondent-Applicant on 03 March 2015. Subsequently, the Respondent-Applicant filed motions for extension of time to file Answer which were granted by this Bureau. The Respondent-Applicant, however, still failed to file its Answer. Thus, Order No. 2015-1100 was issued on 30 July 2015 declaring the Respondent-Applicant in default and submitting the case for decision.

Should the Respondent-Applicant be allowed to register the trademark PAPA?

Sec. 123.1 (d) of R. A. No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"), relied upon by the Opposer, provides that a mark cannot be registered if it:

(d) is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or 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; $x \times x$

In this regard, the records and evidence show that at the time the Respondent-Applicant filed its trademark application on 12 February 2014, the Opposer has long been issued the following certificates of registration:

- 1. Registration No. 4-2005-010788 for the trademark PAPA issued on 19 March 2007 for goods under Classes 29 and 30, namely, "achara, banana chips; banana catsup, chili sauce, instant ube powder", respectively;
- 2. Registration No. 34681 for the trademark PAPA KETSARAP issued on 23 August 1985 for goods under Class 30, namely, "banana sauce"; and
- 3. Registration No. 4-2006-012364 for the trademark PAPA LABEL DESIGN issued on 30 April 2007 for goods under Class 30, namely, *"banana catsup"*.

The Opposer's goods as compared with the Respondent-Applicant's are related since

⁴ Marked as Exhibits "A" to "I", with submarkings.

they both belong to Classes 29 and 30, classified as food seasoning and usually displayed or marketed through the same channels of trade.

But do the marks, as shown below, resemble each other that confusion or even deception is likely to occur?

PAPA





Opposer's PAPA Marks



Respondent-Applicant's Mark

A scrutiny of the Opposer's marks would readily show PAPA is the dominant feature or element. PAPA as used in the Opposer's goods is unique and distinctive since it bears no logical relation to the actual characteristics of the product it represents. PAPA, on the other hand, is also the same mark being applied for registration by the Respondent-Applicant. Visually and aurally, it is similar to the Opposer's PAPA marks. That the Respondent-Applicant adopts a different font style and colors is of no moment since the distinct element remains to be the word PAPA, which is the dominant feature of the Opposer's marks. Thus, the use by the Respondent-Applicant of the mark PAPA for goods similar and/or related to those covered by the Opposer's trademarks will create the impression that the Respondent-Applicant's goods originate from or are sponsored by the Opposer when in fact they are not. The consumers might reasonably assume that there is some connection between the marks and/or between the parties themselves.

As held by the Supreme Court in Converse Rubber Corporation v. Universal Rubber Products, Inc., et. al.:⁵

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the

5 G.R. No. L-27906, 08 Jan. 1987.

confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

The essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.⁶

This Bureau, therefore, finds that the Respondent-Applicant's trademark application is proscribed by Section 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 4-2014-00001793 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 20 August 2015.

Atty. NATHANIEL S. AREVALO Director IV, Bureau of Legal Affairs

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⁶ See Priblidas J. Mirpuri v. Court of Appeals, G. R. No. 114508, 19 Nov. 1999.