

FRESH N' FAMOUS FOODS, INC., Opposer,	}
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-versus-	}
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GBSI MANAGEMENT CORPORATION, Respondent-Applicant.	}

IPC No. 14-2011-00257
Opposition to:
Appln. Serial No. 4-2010-007988
Date filed: 22 July 2010
TM: "GOLDILOCKS ORANGE
CHICKEN"

NOTICE OF DECISION

QUISUMBING TORRES

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Counsel for Respondent-Applicant 22/F ACCRALAW Tower Second Avenue cor. 30th Street Crescent Park West, Bonifacio Global City Taguig City

GREETINGS:

Please be informed that Decision No. 2015 - 291 dated December 23, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, December 23, 2015.

For the Director:

Atty. EDWIN DANILO A. DATING

Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE



FRESH N' FAMOUS FOODS, INC.,

Opposer,

-versus-

IPC No. 14-2011-00257

Opposition to:

Application No. 4-2010-007988

Date Filed: 22 July 2010

Trademark: "GOLDILOCKS ORANGE CHICKEN"

GBSI MANAGEMENT CORPORATION,

Respondent-Applicant. \

Decision No. 2015- 291

DECISION

FRESH N' FAMOUS FOODS, INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2010-007988. The application, filed by GBSI Management Corporation² ("Respondent-Applicant"), covers the mark "GOLDILOCKS ORANGE CHICKEN" for use on "orange chicken" under Class 29 of the International Classification of Goods and Services.³

The Opposer alleges:

 $x = x \rightarrow$

"The grounds for opposition are as follows:

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

 $x \times x$

- "2. The Opposer is the owner and first user of the marks CHOWKING ORANGE CHICKEN and CHOWKING NEW ORANGE CHICKEN WITH CHINESE CHARACTERS AND DEVICE (collectively, 'CHOWKING ORANGE CHICKEN MARKS') by virtue of the adoption and use of the said marks by the Opposer prior to the filing date of the Respondent-Applicant's application to register the mark GOLDILOCKS ORANGE CHICKEN.
- "3. The Opposer has extensively promoted its CHOWKING ORANGE CHICKEN MARKS in the Philippines. The Opposer has obtained significant exposure for the products upon which the CHOWKING ORANGE CHICKEN MARKS are used in various media, including television commercials, outdoor advertisements, internet blogs, and other promotional events.

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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¹A domestic corporation duly organized and existing under the laws of the Philippines with address at the 6th Floor, Jollibee Plaza Building, 10 F. Ortigas Jr. Avenue, Pasig City, Philippines.

²A domestic corporation organized and existing under Philippine laws with address at 498 Shaw Blvd., Mandaluyong City

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. The 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.

"4. The Opposer has applied for the registration of the CHOWKING ORANGE CHICKEN MARKS with the Intellectual Property Office prior to the application of Respondent-Applicant's mark GOLDILOCKS ORANGE CHICKEN. Details of the applications appear below:

 $x \times x$

"5. The Respondent-Applicant's mark is nearly identical with the Opposer's CHOWKING ORANGE CHICKEN MARKS as to be likely to deceive or cause confusion. A simple side by side comparison of the Opposer and the Respondent-Applicant's mark will suffice to illustrate this point:

 $x \times x$

"Based on the foregoing, Respondent Applicant's mark GOLDILOCKS ORANGE CHICKEN appropriates entirely the dominant element of the Opposer's CHOWKING ORANGE CHICKEN MARKS, i.e. 'ORANGE CHICKEN', as to make them similar in terms of appearance, spelling and sound. The disclaimer of 'ORANGE CHICKEN' by the Respondent-Applicant does not diminish this confusing similarity, considering that the use of the mark GOLDILOCKS ORANGE CHICKEN conflicts with Opposer's prior rights to the CHOWKING ORANGE CHICKEN MARKS, which were allowed for publication after disclaimer only of the word 'CHICKEN'. Hence, Opposer has prior and superior rights to the use of 'ORANGE CHICKEN' by virtue of its CHOWKING ORANGE CHICKEN MARKS applications, which may not be diminished or diluted by Respondent-Applicant's mark.

- "6. Furthermore, the use of the Respondent-Applicant's mark GOLDILOCKS ORANGE CHICKEN on 'orange chicken' in Class 29, which is in exactly the same class of goods for which the Opposer's CHOWKING ORANGE CHICKEN MARKS are used and applied for registration, will deceive consumers by suggesting a connection, association or affiliation with the Opposer, thereby causing substantial damage to the goodwill and reputation associated with the Opposer's CHOWKING ORANGE CHICKEN MARKS.
- "7. The Responent-Applicant's use of the GOLDILOCKS ORANGE CHICKEN mark in relation to 'orange chicken' covered by the opposed application, as they are identical or closely-related to the Opposer's goods, will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer's CHOWKING ORANGE CHICKEN MARKS. Hence, the registration of the Respondent-Applicant's mark will be contrary to Section 123.1 (d) of Republic Act No. 8293. Clearly, the Respondent-Applicant intends to exploit the goodwill associated with the Opposer's CHOWKING ORANGE CHICKEN MARKS.
- "8. The Opposer's CHOWKING ORANGE CHICKEN MARKS are well-known and world famous trademarks. Hence, the registration of the Respondent-Applicant's mark GOLDILOCKS ORANGE CHICKEN will constitute a violation of Sections 123.1 (e) of Republic Act No. 8293.
- "9. Opposer has used the CHOWKING ORANGE CHICKEN MARKS in the Philippines and elsewhere prior to the filing date of the Responent-Applicant's application for GOLDILOCKS ORANGE CHICKEN. The Opposer continues to use the CHOWKING ORANGE CHICKEN MARKS in the Philippines and in Indonesia.



- "10. The Opposer has also extensively promoted the CHOWKING ORANGE CHICKEN MARKS in the Philippines and in Indonesia. Over the years, the Opposer has obtained significant exposure for the products and services upon which the CHOWKING ORANGE CHICKEN MARKS are used in various media, including television programs, the internet, outdoor advertisements, internationally well-known print publications, instore promotions and other promotional events.
- "11. Opposer has not consented to the Respondent-Applicant's use and registration of the mark GOLDILOCKS ORANGE CHICKEN, or any other mark identical or similar to the Opposer's well-known CHOWKING ORANGE CHICKEN MARKS.
- "12. The denial of the application subject of this opposition is authorized under other provisions of Republic Act No. 8293.

The Opposer's evidence consists of the Notice of Opposition; the Affidavit of Atty. Gonzalo D.V. Go III, Corporate Legal Counsel of Opposer; a copy of Philippine Trademark Application No. 4-2010-004488 for the mark CHOWKING ORANGE CHICKEN; a copy of Philippine Trademark Application No. 4-2010-004487 for the mark CHOWKING NEW ORANGE CHICKEN WITH CHINESE CHARACTERS AND DEVICE; extract from the electronic gazette of the Philippine Intellectual Property Office dated 6 December 2010 on the publication of the mark CHOWKING ORANGE CHICKEN; extract from the electronic gazette of the Philippine Intellectual Property Office dated 6 December 2010 on the publication of the mark CHOWKING ORANGE CHICKEN WITH CHINESE CHARACTERS AND DEVICE; representative samples of print advertisement materials for the CHOWKING ORANGE CHICKEN MARKS; screenshots taken from television commercials for products bearing the CHOWKING ORANGE CHICKEN MARKS; photographs of in-store advertisement materials promoting the CHOWKING ORANGE CHICKEN MARKS; photographs taken during the launch of the products bearing the CHOWKING ORANGE CHICKEN MARKS; newspaper and magazine articles written about the products bearing the CHOWKING ORANGE CHICKEN MARKS; CD containing various advertisement and promotional materials for the products bearing the CHOWKING ORANGE CHICKEN MARKS; Certificate executed by WilliamTan Untiong regarding the authority of Atty. Gonzalo D.V. Go III; and the Secretary's Certificate executed by William Tan Untiong regarding the execution of the Certificate/Power of Attorney.4

This Bureau issued a Notice to Answer and sent a copy thereof upon Respondent-Applicant on 08 August 2011. The Respondent-Applicant filed their Answer on 08 November 2011 and avers the following:

X X X "<u>DISCUSSION</u>

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⁴Marked as Exhibits "A" to "N", inclusive

- "27. 'Orange Chicken' is a Hunan-based dish of mixed Chinese and American origin. In most western countries, the names 'orange chicken', 'orange peel chicken', and 'tangerine chicken' are typically used for this particular dish. In Chinese, however, the dish is always knows as 'xxx', which literally means 'old peel chicken', referring to dried orange or tangerine peel, which is used in traditional Chinese medicine as well as cooking. For western restaurants, fresh orange peel is often used instead, or even no peel at all
- "28. The Orange Chicken recipe is very popular, not only to culinary experts but also to the public at large. In fact, a simple internet search of the 'Orange Chicken' recipe would reveal a wide selection of versions and different varieties of the dish. Original print-outs of websites and web pages relating to the 'ORANGE CHICKEN' recipe and viand are hereto attached as Exhibits 'F' to 'F-10' and made integral parts hereof.
- "29. Since the 'Orange Chicken' dish is popular, Respondent-Applicant introduced its very own 'Goldilocks Orange Chicken' product. When it filed a trademark application for the product name with the Intellectual Property Office, Respondent-Applicant submitted a disclaimer on the exclusive right to use the words 'Orange Chicken' recognizing that the term is generic and descriptive, and thus not capable of exclusive appropriation.
- "30. Section 123.1 of the IP Code provides, among others, that generic and descriptive words cannot be registered. Paragraphs (h) and (i) of Section 123.1 state:

 $x \times x$

- "31. In the same vein, Opposer cannot exclusively appropriate the combined words 'Orange Chicken' for being generic and descriptive of the goods bearing the mark.
- "32. A generic name of an article or a word or phrase which is merely descriptive of the character, qualities or composition of an article cannot be monopolized as a trademark or trade name. The term 'Orange Chicken' is definitely generic of the dish it seeks to identify. Hence, it cannot be monopolized by any specific party, including Opposer.
- "33. On the other hand, a 'descriptive' term is one that directly and immediately conveys some knowledge of the characteristics of a product or service. Marks which are merely descriptive of a product are not inherently distinctive. When used to describe a product, they do not inherently identify a particular source, and hence cannot be protected. In this case, the term 'Orange Chicken' is directly descriptive of the 'Orange Chicken' product. Being a descriptive designation, it should be regarded as part of the 'public domain', and thus, all sellers must be free to truthfully use the term. In this case, Respondent-Applicant is equally entitled to compete fairly by describing its 'Orange Chicken' product by the use of the words 'Orange Chicken'.
- "34. Opposer cannot claim that it owns the words 'Orange Chicken'. Neither can it self-servingly allege that it is the first entity which used the term 'Orange Chicken'. The best and the worst chefs in the world should be free to use this descriptive and generic term which cannot be exclusively owned by anybody.

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"35. The United States Supreme Court, as early as 1920, upheld the non-registrability of descriptive marks. In one case, the U.S. Court discoursed:

 $x \times x$

- "36. In this case, Respondent-Applicant is not using the words 'ORANGE CHICKEN' as a trademark. But rather, the words are used to describe the product, i.e., 'Orange' being the adjective to the noun 'CHICKEN'. Opposer cannot be permitted to prohibit the use by Respondent-Applicant of the words 'ORANGE CHICKEN' to describe the latter's own 'Orange Chicken' products by merely claiming that it was first to file a trademark application for the words. Non sequitur. To believe Opposer's absurd reasoning will effectively deprive other commercial players to use the generic and descriptive term and thus unfairly tilting the competitive balance to Opposer's advantage.
- "37. Considering the impressive volume of Respondent-Applicant's sales, advertisements, and awards, it is clear that its 'GOLDILOCKS' housemark has acquired substantial goodwill, reputation, and prestige over the years, elevating them to the level of highly regarded and well-known marks. To formalize, Respondent-Applicant's ownership over the well-known mark 'GOLDILOCKS', it maintains a long list of trademark applications and registrations for the housemark 'GOLDILOCKS' (and other 'GOLDILOCKS' trademark variants) in the Philippines and abroad, to wit:

 $x \times x$

- "38. The housemark 'GOLDILOCKS' is always considered, especially by Filipinos, as synonymous to superior quality home-cooked food and baked delis. As proof thereof, Respondent-Applicant has attained a considerable number of significant distinctions and awards. In 1999, Respondent-Applicant (through GBSI) was awarded the 'Most Promising Filipino Franchise.' In 2004 and 2005, Respondent-Applicant bagged the most coveted awards given by the Philippine Franchise Association, such as the 'Outstanding Filipino Franchise of the Year' and 'Outstanding Franchise Marketing Campaign.' Respondent-Applicant's Food Processing Plant was awarded a Triple-A rating by the National Meat Inspection Services. It has been a three-time Parangal ng Bayan awardee for 'Most Outstanding Bakeshop.' It was also hailed as the Consumer's Union of the Philippines' 'Most Outstanding Bakeshop.' Print-outs of the photographs of the said awards/plaques/certificates are hereto attached as Exhibits 'A-1' to 'A-1-h' and made integral parts hereof.
- "39. Moreover, Responden-Applicant maintains various popular websites featuring its 'GOLDILOCKS' products and services, to wit:

xxx

"40. Hence, the use of the well-known housemark 'GOLDILOCKS' on Respondent-Applicant's 'ORANGE CHICKEN' product reduces the possibility of confusion with Opposer's 'CHOWKING ORANGE CHICKEN' products. Since the test is the over-all impression of the buyer, the buyer will easily recognize Respondent-Applicant's famous 'GOLDILOCKS' housemark and effortlessly conclude that it is different from Opposer's 'CHOWKING ORANGE CHICKEN' marks.

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- "41. It is well-established that where one's mark is relatively weak and both parties also use their widely recognized house marks in a prominent manner, no likelihood of confusion will be found. In a U.S. case involving the marks SILK cosmetics and AVON SILKEN SOAP liquid soap, it was held that the addition by the parties of their housemarks in their respective labels is sufficient to differentiate the marks.
- "42. Similarly in another case, it was ruled that 'MMI MENSWEAR' is not confusingly similar to 'MEN'S WEAR' as the words 'MEN'S WEAR' are descriptive, if not generic. The U.S. Supreme Court restated and applied the same rule in the case of In re Champion International Corp., where the Court did not find confusing similarity between the conflicting marks because one mark contains a housemark and the applicant's mark comprises merely of its product mark.
- "43. In this case, the word 'ORANGE CHICKEN' cannot be considered as the dominant part of Respondent-Applicant's 'GOLDILOCKS ORANGE CHICKEN' mark. It is rather the word 'GOLDILOCKS' which is dominant. It has been said that the prominency of a part of the mark is not the controlling factor, ti is rather the part of the mark that draws the attention of the buyers which constitutes the dominant element therein. In the case of Philippine Nut Industry vs. Standard Brands, Inc., it was ruled that:

 $x \times x$

"44. It has been held that if a common portion of the two conflicting marks is a public domain generic name, the emphasis of inquiry should be upon the confusing similarity of the non-generic portion, with the total impression of both marks. In this case, since the term 'ORANGE CHICKEN' is generic and descriptive, the focus of the examination must be on the non-generic elements of the marks, namely 'GOLDILOCKS' and 'CHOWKING'.

 $x \times x$

- "45. Opposer claims that Respondent-Applicant's mark 'GOLDILOCKS ORANGE CHICKEN' and its 'CHOWKING ORANGE CHICKEN' marks are confusingly similar, and hence, the co-existence of both will cause confusion among their prospective market.
- "46. Respondent-Applicant respectfully submits that the two marks are easily distinguishable. An examination by an average purchaser of the two marks would immediately reveal that Respondent-Applicant's mark 'GOLDILOCKS ORANGE CHICKEN' and Opposer's 'CHOWKING ORANGE CHICKEN' marks convey very different over-all impressions. Below is a side-by-side presentation of the competing marks:

x x x

- "47. The presence of obvious visual differences between the competing marks will make confusion among the consumers less likely, if not impossible. An average consumer can readily identify the source/origin of the marks and the products concerned.
- "48. Moreover, an ordinary consumer will be able to distinguish the uniqueness of each mark mainly because of the dominant, distinctive and unique

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housemarks appearing on each of the marks, i.e., 'GOLDILOCKS' and 'CHOWKING.'

"49. Opposer cannot simply claim that its 'CHOWKING ORANGE CHICKEN' marks are well-known. It must present sufficient substantial and convincing proofs to show that the requirements for well-known marks provided under Rule 102 of the Rules and Regulations on Trademarks; Service Marks, Trade Names and Marked or Stamped Containers have been met, as follows:

X X X

- "50. Unfortunately in this case, a careful examination of the Opposition and its exhibits, did not show any existing trademark registration, whether local or foreign, for Opposer's 'CHOWKING ORANGE CHICKEN' marks.
- "51 Opposer's self-serving allegations that its use of the 'CHOWKING ORANGE CHICKEN' marks preceded Respondent-Applicant's use of the mark 'GOLDILOCKS ORANGE CHICKEN' should not merit even scant attention from this Honorable Office especially in the absence of substantive proof in support thereof. The documents and Affidavits submitted by Opposer, for the purpose of establishing the alleged goodwill and reputation of the 'CHOWKING ORANGE CHICKEN' marks consist of unsubstantiated claims which are not or cannot be verified.
- "52. Respondent-Applicant cannot claim, without any supporting evidence, that the registration of the 'GOLDILOCKS ORANGE CHICKEN' mark in the name of Respondent-Applicant would cause damage to Opposer's business or trade.
- "53. In the Affidavit of Mr. Gonzalo D.V. Go dated 05 July 2011, it was stated that the 'CHOWKING ORANGE CHICKEN' marks were used as early as 21 February 2010. Assuming this is true, then this glaringly contradicts with Opposer's claim of prior use, considering that the 'GOLDILOCKS ORANGE CHICKEN' mark was used earlier, or on 01 November 2008. This is evidenced by the publication dated 01 December 2008 as shown in its Certificate of Copyright Registration and Deposit No. M 2010-132 issued on 04 August 2010 by the National Library, which is hereto attached as Exhibit 'B'.
- "54. In so far as the current records of this Honorable Office will indicate, Opposer has no right to claim exclusive ownership over the word 'ORANGE CHICKEN' primarily because it has not obtained any registration over the 'CHOWKING ORANGE CHICKEN' marks. In fact, Opposer's applications for the 'CHOWKING ORANGE CHICKEN' marks are still pending by virtue of the opposition filed by Respondent-Applicant. The Verified Notices of Opposition for the applications for the 'CHOWKING ORANGE CHICKEN' marks in the name of Opposer were filed before this Honorable Office on 22 March and 04 April 2011, respectively, entitled 'GBSI Management Corporation v. Fresh N' Famous Foods Inc.' docketed as IPC No. 14-2011-00106. Copies of the Oppositions as filed with this Honorable Office are attached hereto as Exhibits 'A-16' and 'A-17' and made as integral parts hereof.
- "55. The Oppositions were filed essentially to prove that Opposer cannot claim any exclusive right to the use of the words 'ORANGE CHICKEN' because the same are generic and descriptive. To sanction the appropriation of a non-

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registrable mark would clearly conflict with the provisions of the IP Code, the Trademark Regulations and well-settled jurisprudence.

The Respondent-Applicant's evidence consists of the Affidavit of Freddie Go, Chairman of GBSI Management Corporation; and the Certificate of Copyright Registration and Deposit No. M 2010-132 issued on 04 August 2010 by the National Library.⁵

On 23 February 2012, the Preliminary Conference was conducted and terminated. The parties were directed to submit their position papers. Opposer submitted its position paper on 15 March 2012 and Respondent-Applicant submitted its position paper on 05 March 2012. Thereafter, the case was deemed submitted for resolution.

Should the Respondent-Applicant be allowed to register the trademark GOLDILOCKS ORANGE CHICKEN?

The Opposer anchors its opposition on Section 123.1, paragraphs (d) and (e) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

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

 $x \times x$

- (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;"
- (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be wellknown internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

Records show that at the time the Respondent-Applicant filed its trademark application on 22 July 2010, the Opposer has existing trademark applications for the marks CHOWKING ORANGE CHICKEN and CHOWKING NEW ORANGE CHICKEN WITH CHINESE CHARACTERS AND DEVICE which were filed on 26 April 2010. The applications cover "various meat and poultry products served with rice

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Marked as Exhibits "A" to "B", inclusive

rice or individually" in Class 29, "advertising services" in Class 35, and "restaurant services" in Class 43. This Bureau noticed that the goods indicated in the Respondent-Applicant's trademark application, i.e. orange chicken under Class 29, are similar and/or closely-related to the Opposer's.

A comparison of the competing marks reproduced below:

CHOWKING ORANGE CHICKEN

GOLDILOCKS ORANGE CHICKEN

Opposer's mark

Respondent-Applicant's mark

shows that both trademarks contain the words ORANGE CHICKEN. Orange Chicken, however, is generic or descriptive as it refers to an old Chinese chicken dish. The dish is represented in characters "陳皮雞", literally "old peel chicken", referring to dried orange or tangerine peel, which is used in traditional Chinese medicine as well as cooking. If generic or descriptive, no one has exclusive right over the words ORANGE CHICKEN. In Opposer's mark, the words ORANGE CHICKEN accompany its trademark CHOWKING. Likewise, Respondent-Applicant's mark ORANGE CHICKEN accompanies its housemark GOLDILOCKS. The distinctive feature of the Opposer's mark and of Respondent-Applicant's are not the words ORANGE CHICKEN but their respective housemarks, CHOWKING and GOLDILOCKS.

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. This Bureau finds that the Respondent-Applicant's mark with the disclaimed words ORANGE CHICKEN sufficiently serves this function.

WHEREFORE, premises considered, the instant Opposition is hereby DISMISSED. Let the filewrapper of Trademark Application No. 4-2010-007988 together

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⁶ Wikepedia, the Free Encyclopedia.

⁷Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.

with a copy of this Decision be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 23 December 2015.

ATTY. NATHANIEL S. AREVALO

Director IV, Bureau of Legal Affairs