



INTELLECTUAL PROPERTY
OFFICE OF THE PHILIPPINES

SOCIETE DES PRODUITS NESTLE S.A.,
Opposer,

-versus-

SAN MIGUEL PURE FOODS COMPANY, INC.,
Respondent- Applicant.

X-----X

IPC No. 14-2012-00323

Opposition to:

Appln. Serial No. 4-2012-003228

Date Filed: 13 March 2012

TM: "CHOCOCINO"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 429 dated December 22, 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, January 4, 2018.

[Handwritten signature]
MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



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-versus-	} Date Filed: 13 March 2012
	}
	}
SAN MIGUEL PURE FOODS COMPANY, INC.,	} Trademark: "CHOCOCINO"
Respondent-Applicant.	}
x-----x	} Decision No. 2017- 429

DECISION

SOCIETE DES PRODUITS NESTLE S.A., (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2012-003228. The application, filed by SAN MIGUEL PURE FOODS COMPANY, INC. (Respondent-Applicant)², covers the mark "CHOCOCINO", for use on "Coffee, artificial coffee and coffee-related products, namely, hot and cold coffee beverages (instant roast and ground, instant powdered coffeemixes, instant powdered black coffee, dairy/non-dairy coffee creamers, ready to drink coffee based or coffee-flavored beverages, cereal coffee, decaffeinated coffee, cold soluble coffee, coffee with fizz, coffee candy" under Class 30 of the International Classification of Goods³.

The Opposer relies on the following grounds in support of its Opposition:

"1. Opposer is the first to adopt, use and apply for registration and register the 'CHOCOCINO' trademark in the Philippines, for several goods including coffee/ cocoa and dairy products, and therefore enjoys under Section 147 of Republic Act (R.A.) No. 8293 the right to exclude others from registering or using an identical or confusingly similar mark such as Respondent-Applicant's trademark 'CHOCOCINO' for similar or identical goods, i.e. for coffee and coffee related products.

"2. The 'CHOCOCINO' mark is identical to the 'CHOCOCINO' trademark owned by Opposer, in sound, spelling, appearance, meaning and connotation as to most likely, of not certain, to deceive or cause confusion as contemplated under Section 123 (d), R.A. 8293.

¹ A corporation organized and existing under the laws of Switzerland with address at Vevey, Switzerland.

² A domestic corporation with 23rd Floor, The JMT Corporate Condominium, ADB Avenue, Ortigas Center, Pasig City.

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

"3. Opposer's 'CHOCOCINO' trademark, used for coffee, chocolate/cocoa and dairy products, among others, is well-known internationally and in the Philippines, taking into account the knowledge of the relevant sector of the public, as being the trademark owned by the Opposer, hence, Respondent-Applicant's 'CHOCOCINO' mark cannot be registered in the Philippines pursuant to the express provision of Section 123 (c) of R.A. No. 8293.

"4. Respondent-Applicant in adopting 'CHOCOCINO' for coffee and coffee-related products, is most likely, if not certain, to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection or association with the Opposer, or as to origin, sponsorship, or approval of its goods by the Opposer, for which it is liable for false designation of origin, or false description or representation under Section 169 of R.A. No. 8293.

The Opposer also alleges:

"1. Opposer is the first to adopt, use, apply for registration and register the 'CHOCOCINO' trademark in the Philippines.

Opposer is the first to adopt, use and register the 'CHOCOCINO' mark. Specifically, Opposer registered its 'CHOCOCINO' mark in over seventy-seven (77) countries worldwide as early as 1992, as shown in the Protection List.

Opposer was also issued by the IPO a certificate of trademark registration, details of which are:

Trademark	Registration No.	Date Issued	Classes of Goods
CHOCOCINO	4-2006-011648	7/9/2007	29, 30, 32

Further, Philippine Patent Registration No. 1-2004-500867 in the name of Opposer covering aspects of the capsule technology of Nespresso, Special 'T' tea machine, and Dolce Gusto, which use the 'CHOCOCINO' in one of its capsules, predates the Respondent-Applicant's 'CHOCOCINO' trademark application, having been internationally filed on January 13, 2003. It entered the National Phase on June 10, 2004.

"2. The 'CHOCOCINO' mark is identical and confusingly similar to the 'CHOCOCINO' trademark of Opposer.

The 'CHOCOCINO' mark of Respondent-Applicant, as specifically described in the IPO E-Gazette released on June 18, 2012, 'consist of the word 'CHOCOCINO' written in capital letters.

On the other hand, the 'CHOCOCINO' trademark of Opposer comprises the same word in capital letters as Respondent-Applicant's

mark. Thus, Respondent-Applicant's mark is identical and confusingly similar to that of Opposer's trademark. xxx

In terms of sound, spelling, appearance, meaning, and connotation these marks are identical with each other as to be likely, if not certain, to cause confusion or deceive purchasers to think that the goods bearing these two marks belong to the Opposer or associated thereto. Hence, the confusion of the purchasing public would be inevitable.

It bears stressing that Opposer's 'CHOCOCINO' mark is a fanciful mark, a 'coined' word invented solely for the purpose of functioning as a mark. Particularly, 'CHOCO' refers to the first syllable of the word 'CHOCOLATE' and 'CINO' refers to the last syllable of the word 'CAPUCCINO'. Thus, Opposer's 'CHOCOCINO' mark refers to chocolate-flavored cappuccino or coffee-drink. Being a fanciful mark, Opposer's 'CHOCOCINO' mark is considered 'inherently distinctive' and is afforded 'strong' protection.

Finally, the likelihood of confusion and deception are even greater since the goods of Opposer and Respondent-Applicant are similar and/or identical, and are made available to the same consuming public and in the same channels of distribution. Respondent-Applicant's 'CHOCOCINO' mark covers goods belonging to international class 30, while Opposer's 'CHOCOCINO' trademark is also registered for products falling under international class 30. Particularly, Respondent-Applicant's 'CHOCOCINO' products include coffee, artificial coffee and coffee related products, namely hot and cold beverages (instant/roast and ground) instant powdered coffee mixes, instant powdered black coffee, etc., while those of Opposer's products bearing its 'CHOCOCINO' trademark include, among others, coffee based beverages, cocoa based beverages, chocolate based beverages, chocolate flavoured cappuccino, etc. Respondent-Applicant's goods are evidently similar and/or even identical to Opposer's goods. Therefore, confusion is very likely.

"3. Opposer's 'CHOCOCINO' trademark is well-known internationally and in the Philippines.

The 'CHOCOCINO' mark was first used in 2006 when Opposer launched Nescafe Dolce Gusto in Switzerland, Germany, and the United Kingdom.

The Nescafe Dolce Gusto machine, using the 'CHOCOCINO' mark in one of its capsules, is the latest in a line of machines from Nestle based on a proprietary system of single-serving capsules containing top quality, premium portioned coffee and specialized machine.

Nescafe Dolce Gusto offers a selection of thirty-one (31) capsule flavors- including caffe americano, cappuccino, espresso, CHOCOCINO,

peach iced tea, and chai tea latte – which were carefully selected to fit Opposer's 'coffee shop coffee-at-home' vision.

The Opposer's 'CHOCOCINO' mark has been used, promoted and advertised for a considerable duration of time and over wide geographical areas. Opposer has invested tremendous amount of resources in the promotion of its 'CHOCOCINO' trademark, i.e. advertisements in well-known newspapers, magazines, and other publications in the Philippines and around the world, media campaigns, TV advertising campaigns, etc. as shown by the videos, in CD ROM, print-outs of several websites in different countries featuring Nestle Dolce Gusto, including the CHOCOCINO capsule flavor, and print-out of advertisements and launching in different countries. xxx

Pertinently, in the Philippines, Opposer maintains a local website, <https://www.dolce-gusto.com.ph/EN/Pages/dolcegusto-home.aspx>, where any person can view and purchase the Nestle Dolce Gusto machine and its different capsule flavors, including the CHOCOCINO capsule flavor. xxx In addition, Opposer maintains a social networking page in Facebook, www.facebook.com/nescafedolcegusto.ph, featuring the Nescafe Dolce Gusto machine and its various capsule flavors, including the CHOCOCINO capsule flavor.

In fact, Opposer's 'CHOCOCINO' trademark has considerable sales and shares in the market in the Philippines and in many countries in the world. xxx

Through extensive and sustained worldwide promotion, the Opposer's 'CHOCOCINO' mark has become well-known internationally, and the purchasing public has come to associate the 'CHOCOCINO' mark as mark of products of excellence owned by Opposer.

"4. The use of Respondent-Applicant's 'CHOCOCINO' mark would indicate a connection with the goods covered in Opposer's 'CHOCOCINO' trademark hence, the interests of the Opposer are likely to be damaged. xxx

Obviously, the coffee and coffee-related products of Respondent-Applicant are covered and/or related to the coffee, chocolate/cocoa and dairy products of Opposer. The use of Respondent-Applicant's 'CHOCOCINO' mark for coffee and coffee-related products, misleads the public into believing that its goods originate from, or are licensed or sponsored by Opposer's or that Respondent-Applicant is associated with or an affiliate of the Opposer.

Respondent-Applicant has appropriated the trademark 'CHOCOCINO' for the obvious purpose of capitalizing upon or riding on the valuable reputation, goodwill and popularity in the international market for

products bearing the 'CHOCOCINO' trademark, which Opposer gained through tremendous effort and expense over many decades. This clearly constitutes an invasion of Opposer's intellectual property rights. The use of Respondent-Applicant of the mark 'CHOCOCINO' for goods under Class 30 dilutes the distinctiveness of Opposer's 'CHOCOCINO' trademark for goods under Class 30, and weakens such protection and use, which would be contradictory to trademark laws and regulations.xxx"

To support its opposition, the Opposer submitted as evidence the following: protection list where the trademark "CHOCOCINO" is applied for registration and registered; Copy of Certificate of Registration No. 4-2006-011648 issued on 9 July 2007; Copy of Patent No. 1-2004-500867 for the invention "Closed capsule with opening means"; Print-out of IPO E-Gazette showing Respondent-Applicant's "CHOCOCINO" mark; CD ROM copy of Opposer's advertising, media campaign, articles, magazines for Nescafe Dolce Gusto including "CHOCOCINO" flavor; Print-out of websites in different countries including the "CHOCOCINO" flavor; Print-out of website for Nescafe Dolce Gusto that includes "CHOCOCINO" flavor ; Print-out of Facebook page, www.facebook.com/nescafedolcegusto.ph; Affidavit of Dennis Jose R. Barot dated 14 September 2012; Actual labels, certificates of registration for the mark "CHOCOCINO".⁴

The Respondent-Applicant filed its Answer on 12 April 2013, alleging among other things, the following affirmative allegations and defenses:

"32.1. Respondent-Applicant is an integration of two outstanding food institutions, namely, the San Miguel Food Group and Pure Foods Corporation. Both have a rich business history and a solid record of experience and expertise spanning nearly six decades of market leadership in the food industry. x x x

"32.10. Founded in 1890, SMGC's business has expanded has expanded through the years, covering a wide variety of products and services. SMGC's core businesses include beverages- beer, hard liquor, and fruit juices. As discussed above, SMGC is also involved in food and agricultural business, as well as in the packaging business.

"32.11. SMGC and its affiliated companies produce numerous products bearing brand names that are among the most recognized in the food and beverage industries.

"32.12. In 2004, SMGC through the affiliated company, San Miguel Super Coffeemix Company, Inc. ('SMSCC'), introduced a wide variety of coffee products to the market in response to the growing public demand for more choices in the instant coffee mixes. These various coffee products were all marketed under the house brand, SAN MIGUEL COFFEE, consisting of various flavors, e.g., original, strong, extra strong, mild, etc.

⁴ Exhibits "A" to "L" inclusive of submarkings.

"32.13. Consequently, various SAN MIGUEL COFFEE Label Marks were registered, some of which are as follows:

- a. SAN MIG COFFEE MILD LABEL DESIGN;
- b. SAN MIG COFFEE STRONG LABEL DESIGN;
- c. SAN MIG COFFEE 3IN1 EXTRA STRONG LABEL DESIGN;
- d. SNA MIG COFFEE 3IN1 ORIGINAL LABEL DESIGN;
- e. SAN MIG COFFEE 3IN1 SUGAR FREE ORIGINAL LABEL DESIGN;
- f. SAN MIG COFFEE 3IN1 SUGAR FREE MILD LABEL DESIGN;
- g. SAN MIG COFFEE 3IN1 MILD LABEL DESIGN;
- h. SAN MIG COFFEE EXTRA STRONG LABEL; and
- i. SAN MIG COFFEE 2-IN-1 STRONG LABEL DESIGN

"32.13. Later on, SMSCC launched its new coffee variants included in its 'SUPER PACKS' namely, SAN MIGUEL COFFEE SUPER STRONG COFFEE MIX, SAN MIGUEL COFFEE BROWN, SAN MIG COFFEE WHITE, and SAN MIG COFFEE CHOCOCINO.

"32.14. Sample product packaging and advertising materials showing the CHOCOCINO mark, as extensively used and promoted by Respondent-Applicant are hereto attached. Notably, the CHOCOCINO mark has been extensively advertised in radio, television, internet, and print, among them with the help of one of the most famous and viable stars, at present, Ms. Anne Curtis.

"32.15. The claim that Respondent-Applicant's use of the CHOCOCINO mark enables it to capitalize upon the valuable reputation, goodwill, and popularity of Opposer is clearly without basis. On the contrary, Respondent-Applicant, through SMSCC, continues to invest in dedicate considerable amounts of resources, energy, and creativity to promote and advertise its own line of coffee products.

"32.17. The subject CHOCOCINO mark was applied for registration before this Honorable Office in order to formulate Respondent-Applicant's exclusive ownership over the same.

"A. The Opposition should be dismissed outright for failing to include a Secretary's Certificate of the Board Resolution evidencing the authority to file and verify the said opposition.

"B. Opposer has no basis to file the instant opposition considering that it has no application or registration for a 'CHOCOCINO' mark.

"C. Opposer has not shown that it has used the 'CHOCOCINO' mark in the Philippines or abroad prior to, during, or after Respondent-Applicant's filing of the trademark application being opposed bearing application no. 4-2012-003228. Opposer has, therefore, no basis to file the opposition.

"D. Opposer has not proven that it has a 'CHOCOCINO' trademark that is well-known internationally and in the Philippines, considering that the evidence it presented is for the brand 'NESCAFE DOLCE GUSTO', and not for the 'CHOCOCINO' trademark.

"E. Even assuming that Opposer has a 'CHOCOCINO' product, said product (based on Opposer's allegations) and those of Respondent-Applicant's are conceptually different and non-competing, negating the likelihood of confusion."

In support of its defense, the Respondent-Applicant submitted the following evidence: Print-out website detailing Respondent-Applicant's history: <http://sanmigulpurefoods.com/?p=59>; Affidavit of Atty. Majalla Baun; Print-out of pages of IPO trademark database showing relevant trademarks; Electronic versions of TV/Radio/internet advertisement showing posters, labels, magazines and commercials; Receipt from Save More; Certification from Bureau of Trademarks that Registration No. 4-2006-011648 has been cancelled; and Labels of "Chococcino" marks; print-out of web pages, Facebook page of "Chococino" mark owned by other entities.⁵

The Hearing Officer issued on 13 July 2013 a notice setting the Preliminary Conference on 17 July 2013. On 6 September 2013, the Preliminary Conference was terminated and both parties were directed to file their respective position papers. Both parties filed their position papers on 26 September 2013.

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

Records show that at the time the Respondent-Applicant applied for registration of the mark "CHOCOCINO", on 13 March 2012, the Opposer was already granted Certificate of Registration No. 4-2006-011648 on 9 July 2007 for its mark "CHOCINO" with a filing date of 25 October 2006⁶. The competing marks reproduced below are identical:

CHOCOCINO

Opposer's mark

CHOCOCINO

Respondent-Applicant's mark

Upon observation of the subject trademarks, it is readily apparent that both marks are identical visually and aurally. They have exactly the same literal elements in block style font, meaning and connotation. It is noted that both marks are used on the same goods under class 30, namely "Coffee, coffee based beverages and coffee related products etc." Records show that the Opposer used the mark CHOCOCINO, as one variety or flavor of Nescafe DOLCE GUSTO single -serve capsule coffee used in a

⁵ Exhibits "1" to "7" inclusive of submarkings.

⁶ Exhibit "B"

technology patented under Philippine Patent Registration No. 1-2004-500867⁷ having been internationally filed on January 13, 2003 in the name of Opposer covering aspects of the capsule technology of Nespresso, Special 'T' tea machine. It entered the National Phase on June 10, 2004. CHOCOCINO is an arbitrary and fanciful mark derived from the combination of the syllable CHOCO in the word CHOCOLATE and the syllable CINO, from the word, CAPUCCINO. As seen from the websites⁸ of the Opposer, the CHOCOCINO mark is used as one of the capsule flavor variants used in the NESCAFE Dolce Gusto specialized machine. It is evident from the print-out of its Facebook page⁹ that Opposer's products bearing the mark CHOCOCINO are sold and available in local stores in the Philippines. The Opposer also attached labels and packages¹⁰ showing the CHOCOCINO mark. It must be considered that both parties have established their business reputation in the market of selling and/or beverages food. The parties are direct competitors of each other, thus, the Respondent-Applicant when it filed its application for the mark CHOCOCINO, was most likely aware of the identical mark of the Opposer used for coffee products.

However, the Respondent- Applicant, raised a procedural issue that the Opposition should be dismissed outright for failing to include a Secretary's Certificate of the Board Resolution evidencing the authority to file and verify the said opposition. We agree. In the case of *Societe Des Produits Nestle, S.A. v. Puregold Priceline, Inc.*¹¹, the Supreme Court held:

In *Fuentebella v. Castro*, this Court held that the certification against forum shopping must be signed by the principal party. In case the principal party cannot sign, the one signing on his or her behalf must have been duly authorized, to wit: "the petitioner or the principal party must execute the certification against forum shopping. The reason for this is that the principal party has actual knowledge whether a petition has previously been filed involving the same case or substantially the same issues. If, for any reason, the principal party cannot sign the petition, the one signing on his behalf must have been duly authorized."

Juridical persons, including corporations, that cannot personally sign the certification against forum shopping, must act through an authorized representative. The exercise of corporate powers including the power to sue is lodged with the board of directors which acts as a body representing the stockholders. For corporations, the authorized representative to sign the certification against forum shopping must be selected or authorized collectively by the board of directors. In *Eslaban, Jr. v. Vda. de Onorio*, this Court ruled that if the real party in interest is a corporation, an officer of the corporation acting alone has no authority to sign the certification against forum shopping. An officer of the corporation can only validly sign the certification against forum shopping if he or she is authorized by the board of directors through a board resolution or secretary's certificate. x x x A certification signed by

⁷ Exhibit "C"

⁸ Exhibit "F" series and "G" series.

⁹ Exhibit "I" series.

¹⁰ Exhibit "K" series.

¹¹ G.R. No. 217194, 6 September 2017

a person who was not duly authorized by the board of directors renders the petition for review subject to dismissal.

The authority of the representative of a corporation to sign the certification against forum shopping originates from the board of directors through either a board of directors' resolution or secretary's certificate which must be submitted together with the certification against forum shopping. In *Zulueta*, this Court declared invalid a petition for review with a certification against forum shopping signed by the party's counsel which was not supported by a board resolution or secretary's certificate proving the counsel's authority. This Court dismissed the case and held: "[t]he signatory in the Certification of the Petition before the CA should not have been respondents' retained counsel, who would not know whether there were other similar cases of the corporation. x x x"

In the instant case, the records reveal that there is no board resolution and/or secretary's certificate to prove the authority of Atty. Dennis Jose R. Barot to file the opposition. In lieu thereof is a Power of Attorney in favor of Atty. Barot, issued by the Opposer, Societe Des Produits Nestle S.A., signed by a Jean-Pierre Maeder. However, the authority of Jean-Pierre Maeder to sign the power of attorney on behalf of the Opposer, allowing Atty. Barot to represent the Opposer, was not accompanied by a board resolution and/or secretary's certificate authorizing Jean-Pierre Maeder to execute the power of attorney in favor of Atty. Barot. Instead, the records show that an authenticated letter signed by Alexandre Jost, General Director, addressed to Jean-Pierre Maeder, conveying to him the grant of the right of individual signature, given by the Board of Directors. The failure to attach a board resolution or secretary's certificate is fatal, that warrants the dismissal of the case.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-003228 is hereby **DISMISSED**. Let the filewrapper of the subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 22 DEC 2017



ATTY. ADORACION U. ZARE, LL.M.
Adjudication Officer
Bureau of Legal Affairs