



OFFICE OF THE DIRECTOR GENERAL

YAHOO! INC.,
Opposer-Appellee,

-versus-

SAM LIM CORPORATION,
Respondent-Appellant.

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Appeal No. 14-09-48

Inter Partes Case No. 14-2006-00200

Opposition to:

Application No. 4-2001-006334

Date Filed: 28 August 2001

Trademark: YAAHOO

DECISION

SAM LIM CORPORATION (“Appellant”) appeals Decision No. 2008-12, dated 16 January 2008, and Resolution No. 2009-14 (D), dated 09 February 2009, issued by the Director of the Bureau of Legal Affairs (“Director”) sustaining the opposition of YAHOO! INC. (“Appellee”) to the Appellant’s Trademark Application No. 4-2001-006334.

Records show that the Appellant filed on 28 August 2001 the application for the registration of the mark “YAAHOO” for use on cheese flavor biscuit and curls under Class 30 of the Nice Classification.¹ The application was published in the Intellectual Property Office Electronic Gazette for Trademarks on 01 September 2006. On 22 December 2006, the Appellee filed a “VERIFIED NOTICE OF OPPOSITION” alleging the following:

1. It is a global internet communications, media, and commerce company that delivers a branded network of comprehensive searching, directory, information, communication, shopping services and other online activities and features to millions of internet users daily;
2. Its website is one of the leading internet websites worldwide in terms of traffic, advertising, household and business user reach and in addition to the variety of services offered at its main website, it operates many additional sites under the “YAHOO!” and other “YAHOO” formative trademarks;
3. Its services include both local and international web directory and search services, online games, people searches, astrology and horoscopes, greetings, corporate network software and services, online calendaring, travel reservation services, internet access, domain name registration

¹The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral treaty 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.

services, photographic services, mobile messenger and SMS services, e-mail, chat and bulletin board services, instant messaging, blogging services, podcasting services, stock quotes, insurance quotes, tax information and filing services, bill payment services, electronic commerce, electronic funds transfer, small business advice and services, business and financial information and services, loan quotes, real estate and mortgage information and quotes, movie reviews, news, weather, sports, yellow pages, maps, auctions, online shopping, classified advertising, audio and video streaming, and web store hosting and management;

4. It uses and has used the mark YAHOO! on a wide variety of products including food, clothing, books, magazines, house wares, and computer accessories, has been engaged in a variety of promotions involving the licensing of the YAHOO! mark for food products including mints, jelly beans, chocolate, and bottled water, and has engaged in co-branding promotions with a number of food and beverage brands;
5. It also offers a wide variety of services using the mark YAHOO! together with a descriptive name of its services, including but not limited to YAHOO! Shopping, YAHOO! Travel, YAHOO! Small Business, YAHOO! Messenger, YAHOO! Finance, YAHOO! Auctions, YAHOO! Photos, YAHOO! Address Book, YAHOO! Calendar, and YAHOO! Bill Pay;
6. YAHOO! is an arbitrary term as applied to its services and products and it began as a web directory and search engine developed by the company founders David Filo ("Filo") and Chihyuan Jerry Yang ("Yang") in early 1994 while they were graduate students at Stanford University;
7. Its web directory was initially called "Jerry and David's Guide to the World Wide Web", and was changed to YAHOO in June 1994 to have a unique name that started with the letters "YA" that could function as an acronym beginning with the wording "Yet Another", a popular practice in the computer industry;
8. Filo and Yang chose "Yahoo" because its definition – an uncivilized and crude person – was consistent with the Internet as an uncivilized terrain and them as students and that they also coin an appropriate phrase using the acronym "yahoo" to describe their web directory and search services – "Yet Another Hierarchical Official Oracle" - and added the exclamation point to signify high energy and joy of the user in discovering information on the web using the YAHOO! web directory and search service;
9. It registered the domain name "YAHOO.COM" with Network Solutions, Inc. on 18 January 1995 and has used the domain name to identify the YAHOO! website;

10. The availability of YAHOO!'s directory and services enabled internet users to quickly locate information on the internet by typing in a word or words relating to the subject matter of interest to the user and made it widely popular with the internet users;
11. Its initial public offering of stock was in April 1996 and since then its revenues have grown significantly to US \$5,257,668,000 in 2005;
12. It has advertised the brand YAHOO! through various media such as television and radio, in publications and on signage, both in the USA and internationally and its advertising has reached hundreds of millions of people around the world;
13. It provides services in more than 15 languages and outside of its English-speaking markets, has built independent, localized-language directories, websites and other content, developed by native speakers of each language, and has established offices worldwide to facilitate the local development of its international operations;
14. Majority of its income is derived from the sale of advertising, marketing and co-branding or sponsorship agreements with other companies and it also receives revenues from certain electronic-commerce transactions originating from its site, including YAHOO! Shopping, YAHOO! Auctions and YAHOO! Travel as well as certain premium services offered to internet users;
15. In 2005, its email services have become the largest global web-based email provider according to several leading third party sources;
16. Much of the advertisement sold by it consists of advertisements that appear on web pages within the YAHOO! website and a hypertext link is embedded in each advertisement which allows the user to click on the advertisement and instantaneously access the advertiser's own website to obtain additional information or to purchase products or services;
17. It also sells merchandising units, sponsorships and promotions and sends targeted direct email advertisements to users of its email services and registered YAHOO! users;
18. It serves advertisements for thousands of companies each year which include a majority of the "Fortune 100" largest advertisers;
19. It has also licensed the sale of merchandise bearing its mark such as computer equipment, toy cars, watches, writing instruments, clothing, hats, posters, clocks, duffel bags, baseballs, and magazine and in 2001 its worldwide licensing revenues were approximately US \$1.5 million;

20. The number of visits to its website has increased dramatically each year and during June 2006, its site received an average of 4.2 billion page views per day;
21. Its global audience was approximately 429 million unique users in 2005 and in 2006 it was ranked the number two web property worldwide with more than 480 million unique users;
22. The YAHOO! website has been recognized with numerous industry awards and in 2006, Interbrand, one of the world's leading brand marketing and consulting firms, ranked the mark YAHOO! number 55, with a value of nearly US \$6.05 billion;
23. Its mark has been held by various competent authorities to be well-known in the Philippines and internationally;
24. The World Intellectual Property Organization ("WIPO") Arbitration and Mediation Center and the National Arbitration Forum have issued 60 decisions under the Uniform Name Dispute Resolution Policy ("UNDRP") involving hundreds of domain names using its mark which resulted in the transfer of more than 860 domain names to it;
25. It is the owner of the service marks and trademarks YAHOO! and YAHOO! (stylized), as well as the trade name YAHOO! and the domain name <yahoo.com>, and variations thereof;
26. It and its subsidiaries own nearly 3,000 trademark applications and registrations in more than 100 countries worldwide while it owns more than 800 YAHOO! formative applications and registrations in approximately 90 countries worldwide;
27. In the Philippines, it filed seven (7) trademark applications for goods and services in Classes 9, 25, 29, 30, 35, 36, 38, 39, 41 and 42² and owns four (4) trademark registrations for goods and services in Classes 16, 35, 42 and 38;³
28. Internet users have extensively used YAHOO!'s websites and since May 2003, it has offered a website dedicated to the Philippines as its YAHOO! Asia Portal;
29. As of 31 October 2006, YAHOO! had more than 29.5 million users who had identified the Philippines as their country of residence and in October 2006, it received more than 1.5 billion page views from approximately 7 million internet users in the Philippines;

² Application Nos. 4-2005-005746, 4-1997-126984, 4-1999-001053, 4-2005-004364, 4-2006-001459, 4-2006-001458, and 4-2005-004403.

³ Registration Nos. 4-1996-110029, 4-1996-110030, 4-1996-110031, and 4-1998-000952.

30. It owns the rights to a number of YAHOO! formative trademark registrations covering certain food products and services in the USA and has various trademark registrations and applications in different countries for YAHOO! and variations thereof for goods falling under Class 30;
31. Its services include YAHOO! Food, a website that provides comprehensive food information from various food experts and celebrity chefs and through its website at <http://food.yahoo.com> it provides a one-stop-shop for a wide array of information and resources concerning food and cooking such as recipes, cooking ingredients, cuisine for special occasions, food stores and sources, restaurants, dining guides, culinary art and education, cookware and tableware, food festivals, parties, party preparations and decorations, and many other resources relating to food and cooking;
32. The mark YAHOO! is also used in connection with internet cafes and YAHOO! Café is registered in Japan while its local website in Hong Kong, YAHOO! Life focuses on restaurant industry, food and diet;
33. It has been using YAHOO! not only as a trademark but also as a trade and company name from the inception of its business and to this day, continues to use the name as its business and trade name in most of its business dealings not only in its country of origin or domicile but in most countries around the world where it has business dealings or transactions;
34. YAHOO! is protected under Sec. 165 of the Intellectual Property Code of the Philippines ("IP Code"), whether or not the same is registered as trademark in the Philippines;
35. The Appellant's registration and use of YAAHOO will falsely indicate a connection between the Appellee's and Appellant's goods which would damage the Appellee in terms of, among others, the whittling away of the Appellee's goodwill and dilution of the Appellee's rights to YAHOO!; confusion and deception upon the consuming public as to the source or sponsorship of goods and services will likely result if YAAHOO is allowed to be used and registered in the name of the Appellant; and
36. The Appellant's use and registration of YAAHOO violate the Appellee's rights to its trade name and the Appellant will unfairly profit from the high reputation and goodwill generated by the overwhelming popularity of YAHOO!

The Appellee submitted the following documents to support the opposition:

1. Printout of the Appellee's website;⁴
2. Certificates of registration for YAHOO!;⁵ and
3. Affidavit of Ma. Cristina P. Salvatierra, executed on 22 December 2006 (including annexes).

The Appellant filed on 18 May 2007 an "ANSWER WITH COMPULSORY COUNTERCLAIM" alleging that:

1. The trademark registrations obtained by the Appellee for YAHOO! only cover computer services, magazines, communication services, promotional displays and the like, and do not cover food products;
2. The Supreme Court declared in the case of *Faberge, Inc. vs. Intermediate Appellate Court*⁶ that an owner of a trademark cannot prevent the adoption and use of the same trademark by others for a product with a different description;
3. The goods and services of YAHOO! are non-competing and unrelated to YAAHOO biscuits; YAAHOO is used for a food product which is of different description from the goods and services of YAHOO!; the font, spelling and design of YAHOO! / "YAHOO! LIGANS" are different from YAAHOO;
4. A comparison between YAAHOO, on the labels of W. L. Foods' biscuits, and YAHOO! reveals glaring discrepancies that one cannot be mistaken for the other; there is not much similarity of the prevalent features of the competing marks which might cause deception; a purchaser who is out in the market for the purpose of buying a YAHOO! magazine would not be mistaken or misled into buying YAAHOO biscuits; most, if not all, of the goods and services covered by YAHOO! mark applications cannot be purchased/availed of in the grocery or *sari sari* stores where YAAHOO biscuits are being sold;
5. The use of YAAHOO on the labels of W. L. Foods' biscuits, which are entirely unrelated to the goods and services of the Appellant would not indicate a connection to the goods or services specified in the certificate of registration of YAHOO!; there can be no likelihood of confusion of origin or business or some business connection or relationship between the parties and there can be no damage that may be caused to the interests of the Appellant;

⁴ Exhibit "A".

⁵ Exhibits "B" to "E".

⁶ G. R. No. 71189, 04 November 1992.

6. Unfair competition is committed only when there is a conduct tending to pass off one man's goods or business as that of another; actual or probable deception and confusion on the part of the customers by reason of defendant's practices must always appear;
7. There is no conduct by W.L. Foods to pass off its biscuits as the goods and services covered by YAHOO!; there is no proof that there was actual or even probable deception of the consumers because of the use of W.L. Foods of YAAHOO;
8. The general appearance of the Appellant's mark would not evidently create a likelihood of confusion to that of the Appellee among the purchasing public; the Appellant's mark is distinctively dissimilar from the Appellee's mark, the likelihood of confusion would not subsist, either on the purchaser's perception of the goods or on the origins thereof; by using YAAHOO, the Appellant's biscuits and food products are not likely to be mistaken as having been produced by the Appellee;
9. The Appellant has not committed any acts which can be construed as an infringement on YAHOO! nor as an unfair competition; and
10. As the Appellant was constrained to engage the services of its counsel, the Appellee must be made to pay the Appellant the amount of FIFTY THOUSAND PESOS (Php50,000.00) incurred for attorney's fees and litigation expenses.

The evidence of the Appellant consists of the following:

1. Details of the Appellee's registered marks for YAHOO! and YAHOO!IGANS;⁷ and
2. Labels of YAAHOO biscuit products.

In sustaining the Appellee's opposition, the Director ruled that visually and aurally YAHOO! and YAAHOO are confusingly similar. She held that YAHOO! is a well-known mark and that the Appellee has secured trademark registrations for this mark practically from all countries around the world. The Director further ruled that the Appellee has used "YA-HOO" in food products and services in the 1980's, has registered YAHOO! for food products, and has filed in the Philippines trademark applications for goods covering Classes 29 and 30.

The Appellant filed on 02 April 2008 a "MOTION FOR RECONSIDERATION" which was denied by the Director for lack of merit. Dissatisfied, the Appellant filed an "APPEAL MEMORANDUM" on 26 May 2009 alleging that YAHOO! for food products is not well-known, that YAAHOO does not dilute YAHOO!, and that the Appellee did not

⁷ Exhibits "1" to "6".

present evidence of economic damage. The Appellant contends that its mark is capable of acquiring registration by virtue of prior use. According to the Appellant, YAAHOO was filed on 28 August 2001 while YAHOO! was filed only on 22 June 2005.

The Appellee filed on 10 August 2009 a "COMMENT (On Appellant's Appeal Memorandum)" alleging that YAHOO! is a well-known website that is also registered in the Philippines as a trademark. The Appellee claims that it cited the use of its mark in the food industry to show that it has expanded the use of YAHOO!. According to the Appellee, the IP Code protects a well-known mark against copying even if the copycat is used on different goods and that proof of actual and economic damage is not necessary to show trademark dilution. The Appellee contends that its use of YAHOO! antedates the Appellant's trademark application and that the Appellant was in bad faith when it filed for registration of YAAHOO.

In an Order dated 01 February 2011, this case was referred to mediation pursuant to Office Order No. 197, series of 2010, on the Mechanics for IPO-Mediation and Settlement Period. The parties were thus ordered to appear in person, with or without counsel, at the IPOPHL Multi-Purpose Hall on 23 February 2011 for the purpose of considering the possibility of settling the dispute through mediation. However, according to the Mediator's Report, after three (3) settings held on 23 February 2011, 17 March 2011, and 01 April 2011, the parties failed to agree on the terms of settlement. Hence, there was a failure to settle the case through mediation, and the case was returned to the Office of the Director General for appropriate disposition.

The issue in this appeal is whether the Director was correct in sustaining the Appellee's opposition to the registration of YAAHOO in favor of the Appellant.

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.⁸ The main characteristic of a registrable trademark is, therefore, its distinctiveness. A trademark must be a visible sign capable of distinguishing the goods or services of an enterprise.⁹

In this regard, Sec. 123.1 (e) and (f) of the IP Code provide 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;

⁸ *Pribhdas J. Mirpuri vs. Court of Appeals* G.R. No. 114508, 19 November 1999.

⁹ Republic Act No. 8293, Section 121.1.

(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 well-known 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;

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: *Provided*, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark are likely to be damaged by such use;

This Office takes cognizance of the fact that the Appellee's trademark application filed on 22 June 2005 for "Yahoo!" in classes 29 and 30 has been granted registration on 25 June 2007. Among the goods to which the mark was registered for are biscuits, confectionery, starch products for foods, snack foods, snack mixes, crackers, and snack bars under class 30. Having been issued the concomitant Certificate of Registration, the presumptive value of ownership and exclusive use now applies in favor of the Appellee. Under the IP Code:

SEC. 138. Certificates of Registration. – A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate. (Sec. 20, R.A. No. 165)

In light of the registration of the mark YAHOO! by the Appellee specifically for biscuits under class 30, Appellant's application is now barred by the prohibition in Section 123.1 (d) against the registration of a mark identical with an already registered mark belonging to a different proprietor for the same goods or services.

Even if the Appellant argues that the marks are not identical within the proscription of Section 123.1 (d), this Office finds that YAHOO! is confusingly similar to YAAHOO.

In determining the existence of confusing similarity, there are two types of confusion. The first is "confusion of goods" when an otherwise prudent purchaser is induced to purchase one product in the belief that he is purchasing another, in which case defendant's goods are then bought as the plaintiff's and its poor quality reflects badly on the plaintiff's reputation. The other is "confusion of business" wherein the goods of the parties are different but the defendant's product can reasonably (though mistakenly) be assumed to

originate from the plaintiff, thus deceiving the public into believing that there is some connection between the plaintiff and defendant which, in fact, does not exist.¹⁰

In cases of confusion of business or origin, the question that usually arises is whether the respective goods or services of the senior user and the junior user are so related as to likely cause confusion of business or origin, and thereby render the trademark or tradenames confusingly similar.¹¹ Goods are closely related when they belong to the same class or have the same descriptive properties or when they possess the same physical attributes or essential characteristics with reference to their form, composition, texture or quality. In determining whether goods are closely related, the purposes they serve and the channels of commerce through which they are sold should also be considered.¹²

The Appellant's and Appellee's marks are reproduced below for comparison:



Appellant's mark



Appellee's mark

A scrutiny of these marks would show that YAAHOO is confusingly similar if not identical with YAHOO!. The dominant feature in the competing marks is the word "yahoo" and the Appellant's mark can be mistaken as just a variation of the Appellee's mark. The different font and style of the Appellant's mark is not sufficient to prevent any likely deception or confusion. As correctly pointed out by the Director:

Notwithstanding the additional letter "a" found in the respondent-applicant's trademark and the exclamation point found in the opposer's mark, the trademark of both parties bears almost the same spelling and if read has exactly the same pronunciation. Visually and aurally then, opposer's and respondent-applicant's respective marks are confusingly similar.¹³

Moreover, the Appellant is not contesting the Director's ruling that YAAHOO is confusingly similar to YAHOO!. The Appellant is contending that the Appellee has not proven the existence of damage or a danger of damage which may be caused by the registration of YAAHOO. Thus, the relevant question is whether the registration of YAAHOO in favor of the Appellant would damage the interests of the Appellee.

¹⁰ *Mighty Corporation vs. E & J Gallo Winery*, G.R. No. 154342, 14 July 2004; *Sterling Products, International, Inc. vs. Farbenfabriken Bayer Aktiengesellschaft*, 27 SCRA 1214, 1227 [1969] *citing* 2 Callman, *Unfair Competition and Trademarks*, 1945 ed., p. 1006.

¹¹ *Canon Kabushiki Kaisha vs. Court of Appeals*, G.R. No. 120900, 20 July 2000.

¹² *Esso Standard Eastern, Inc. vs. Court of Appeals*, G.R. No. L-29971, 31 August 1982; *Canon Kabushiki Kaisha vs. Court of Appeals*, *supra*.

¹³ Decision No. 2008-12, dated 16 January 2008, page 26.

As YAAHOO is used on goods identical to those covered by the Appellee's certificates of registration for YAHOO!, the Appellant's products may be assumed to be that of the Appellee because of the confusing similarity of the two marks, thereby, deceiving the public that there is some connection between the Appellant and the Appellee, which, in fact, does not exist. This clearly damages the interests of the Appellee especially if the products of the Appellant would be found to be of poor quality.

In any case, Sec. 123.1 (f) states only likelihood of damage and does not require actual damage before a mark can be refused registration. The Appellant's position, therefore, that the Appellee should have presented evidence of economic damage is not tenable. As correctly stated by the Appellee in its comment:

42. Indeed, it is now doctrinal law, enunciated in *Philips Export B. V., et al., vs. Court of Appeals, et al.*, that: "x x x that proof of actual confusion need not be shown. It suffices that confusion is probably or likely to occur. x x x"

43. This therefore renders unnecessary "proof of change in the economic behavior or actual and economic damage" that Appellant would seek to require as evidence of trademark dilution in the instant case.¹⁴

It is nevertheless noted that the Appellee has shown that its YAHOO! is an internationally well-known mark. Rule 102 of the Trademark Regulations states that:

RULE 102. *Criteria for determining whether a mark is well-known.* — In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- (a) the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
- (b) the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
- (c) the degree of the inherent or acquired distinction of the mark;
- (d) the quality-image or reputation acquired by the mark;
- (e) the extent to which the mark has been registered in the world;
- (f) the exclusivity of registration attained by the mark in the world;
- (g) the extent to which the mark has been used in the world;
- (h) the exclusivity of use attained by the mark in the world;
- (i) the commercial value attributed to the mark in the world;
- (j) the record of successful protection of the rights in the mark;
- (k) the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and,
- (l) the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark."

¹⁴ COMMENT (On Appellant's Appeal Memorandum), dated 07 August 2009, page 15.

In this case, the Appellee stated that the WIPO Arbitration and Mediation Center and the National Arbitration Forum have issued 60 decisions under the UNDRP involving hundreds of domain names using the Appellee's mark which resulted in the transfer of more than 860 domain names to it. The Appellee also claims that it and its subsidiaries own nearly 3,000 trademark applications and registrations in more than 100 countries worldwide while it owns more than 800 YAHOO! formative applications and registrations in approximately 90 countries worldwide. According to the Appellee, as of 31 October 2006, YAHOO! had more than 29.5 million users who had identified the Philippines as their country of residence and in October 2006, it received more than 1.5 billion page views from approximately 7 million internet users in the Philippines.¹⁵

The evidence presented by the Appellee substantially supports its claim that its mark is well-known. As held by the Director:

In the case at bench, the trademark registrations secured from practically all countries around the world from the continents of North and South America, Europe, Asia, Australia-New Zealand and the Middle East (Annexes "A-1" to "A-52") shows proof that opposer's trademark is registered and used worldwide as a website to an immensely broad scope of information. It appears, too, that the subject mark has acquired that degree of distinction in the minds of the public worldwide as a major website: Opposer's evidence shows that opposer's website is used by virtually all persons from the relevant sector of the public- office workers, students, people in the academe, people whose jobs require the use of computers, families, computer hobbyists and enthusiasts, internationally and locally, including the Philippines, such that the subject mark has been synonymous with opposer. Hence, the use even on dissimilar and/or unrelated goods vis-à-vis respondent-applicant's goods would indicate a connection between respondent-applicant's goods and opposer, when in fact, there is none. Consequently, it is likely that opposer's interest in its mark shall be likely damaged by use of an identical mark.

In light of the above findings, the Appellant's application is likewise barred under Section 123.1 paragraphs (e) and (f) on well-known marks.

Finally, the Appellant's earlier filing of his trademark application for YAAHOO on cheese flavor biscuit and curls falling under Class 30 does not automatically entitle the Appellant the registration of YAAHOO. To reiterate, the essence of registering a mark is to give protection to its owner. The IP Code which took effect on 01 January 1998 amended the country's law on trademarks¹⁶ and expressly provided provisions for the protection of well-known marks. As stated by the Supreme Court in *American Wire & Cable Company v. Director of Patents*¹⁷:

Of course, as in all other cases of colorable imitations, the unanswered riddle is why, of the millions of terms and combinations of letters and designs available, the Appellant had to choose a mark so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark.

¹⁵ See VERIFIED NOTICE OF OPPOSITION, pp. 9-11.

¹⁶ Republic Act No. 166, as amended entitled AN ACT TO PROVIDE FOR THE REGISTRATION AND PROTECTION OF TRADEMARKS, TRADE-NAMES AND SERVICE-MARKS, DEFINING UNFAIR COMPETITION AND FALSE MARKING AND PROVIDING REMEDIES AGAINST THE SAME, AND FOR OTHER PURPOSES.

¹⁷ G. R. No. L-26557, 18 February 1970.

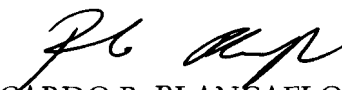
It is emphasized that the intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services. The intellectual property system is not a haven for people who would take advantage of the intellectual creation of others, whether a local resident or a foreigner.

Wherefore, premises considered, the appeal is hereby DISMISSED.

Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this Decision for information, guidance, and records purposes.

SO ORDERED.

JAN 09 2012 Taguig City.


RICARDO R. BLANCAFLOR
Director General