



McDONALD'S CORPORATION, }
 Opposer, }
 }
 -versus- }
 }
 ROSALINDA O. BONIFACIO, }
 Respondent-applicant. }
 X-----X

Inter Partes Case No.14-2007-00205
 App. Serial No. 4-2001-006944
 Trademark: **McDOUGH MIX AND DEVICE**
 Filing date: 17 September 2001
 Class: 30: "Bread"

Decision No. 2009- 184

DECISION

For decision is the Notice of Opposition filed by McDonald's Corporation, (hereinafter referred to as Opposer), a corporation organized and existing under the laws of the State of Delaware, U.S.A. against Application Serial No. 4-2001-006944 for the mark MC DOUGH MIX AND DEVICE for goods under Class 30: "Bread, namely: Pullman, Tasty, Mongo bread, cheese bread, ponderosa, hamburger bun, hotdog roll, Hopia baboy, Hopia Hapon (Hopia Monggo), ensaymada, butter toast, pastries, namely cakes, cinnamon, pianono cheese cup and mammon", "filed on 17 September 2001, in the name of Rosalinda O. Bonifacio, (hereinafter referred to as Respondent-applicant), Filipino, with address at 398 F. Ortigas Street, Mandaluyong City.

The grounds for opposition are as follows:

- "1. The Opposer is the owner and proprietor of the "Mc" trademark and other trademarks using "Mc" as a prefix in the United States of America as well as in other countries around the world including the following:

Africa	Albania	Algeria	Andora	Angola
Anguilla	Antigua & Baruda	Argentina	Armenia	Aruba
Australia	Austria	Azerbaijan	Bahamas	Bahrain
Bangladesh	Barbados	Barbude	Belarus	Belize
Bermuda	Bhutan	Bolivia	Botswana	Brazil
Bosnia-Herzegovina	British Virgin Islands	Brunei Darussalam	European Community	Democrativ Republic of Congo
Burundi	Cambodia	Canada	Caper Verde	Cayman

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				Islands
Chile	China	Colombia	Congo	Costa Rica
Croatia	Cuba	Cyprus	Czech Republic	Fiji
Denmark	Dominica	Dominican Republic	Ecuador	Egypt
El Salvador	Estonia	Bulgaria	Falkland Islands	Burma
Finland	France	Gabon	Gambia	Gaza District
Georgia	Germany	East Germany	Ghana	Gibraltar
Greece	Grenada	Guam	Guatemala	Guernsey
Guinea Bissau	Guyana	Haiti	Honduras	Hong Kong
Hungary	Iceland	India	Indonesia	Iraq
Ireland	Israel	Italy	Jamaica	Japan
Jersey	Jordan	Kazakhstan	Kenya	Kiribati
Korea	Kuwait	Kyrgyztan	Laos	Latvia
Lebanon	Lesotho	Liberia	Libya	Liechtenstein
Lithuania	Macau	Macedonia	Madagascar	Malawi
Malaya	Malaysia	Maldives	Malta	Mauritius
Mexico	Moldova	Montserrat	Morocco	Mozambique
Namibia	Nepal	Netherlands Antilles	New Zealand	Nicaragua
Nigeria	Norway	Oman	Pakistan	Panama
Papua New Guinea	Paraguay	Peru	Philippines	Poland
Portugal	Puerto Rico	Qatar	Romania	Russia
Rwanda	Sabah	Saint Kitts	Saint Lucia	Samoa
San Marino	Sao Tome	Sarawak	Saudi Arabia	Senegal
Zambia	Seychelles	Sierra Leone	Singapore	Slovakia
Slovenia	Solomon Islands	South Africa	Spain	Sri Lanka
St. Christopher	St. Helena	Sudan	Suriname	Swaziland
Sweden	Syria	Taiwan	Tajikistan	Tanganyika
Tangier	Tanzania	Thailand	Tonga	Transkei
West Bank	Tunisia	Turkey	Turkmenistan	Turks and Caico
Tuvalu	Uganda	Ukraine	United Kingdom	Vietnam
Uruguay	Uzbekistan	Vanuatu	Venda	Venezuela
United Arab Emirates	Virgin Islands (American)	Trinidad and Tobago	Southern Yemen	Serbia & Montenegro
Zanzibar	Zimbabwe			

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- 1.1 Hereto attached as **Exhibit "A"** and made an integral part hereof is a "MC Prefix Worldwide" report which reflects and details some of the existing trademark registrations a of the Opposer in the United States of America and other parts of the world that use the "Mc" trademark prefix.
- "2. With respect to the Philippines, the Opposer is the owner and proprietor of the mark "Mc"for Class 29 goods (*meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams; eggs, milk and milk products; edible oils and fats; salad dressings; preserve*) under Registration No. 051789 issued on December 12, 2002.
- 2.1 A copy of Registration No. 51789 is hereto attached as **Exhibit "B"** and made an integral part hereof.
- "3. Opposer is also the owner and proprietor of the mark "McDO" for Class 42 (*restaurant service*) under Registration No. 50987 issued on 24 July 1991.
- 3.1 A copy of Registration No. 50897 is hereto attached as **Exhibit "H"** and made an integral part hereof.
- "4. Finally, Opposer is the owner and proprietor of several marks wherein the "Mc" prefix is used or forms part of the mark, to wit:
- a. Trademark : "McDonald's"
 Registration No. : 51549
 Term : Twenty years from 7 October 1991
 Class : 29 and 32
 Goods : Chicken,hashbrown potatoes, prepared eggs, milk, fresh garden salads and processed ingredients thereof; Carbonated and non- carbonated softdrinks and fruit juices.
- b. Trademark : "McDonald's"
 Registration No. : 55013
 Term : Twenty years from 4 May 1993
 Class : 32
 Goods : Carbonated and non-carbonated, softdrinks and fruit juices for consumption On or off the premises

- c. Trademark : "McDonald's"
 Registration No. : 34193
 Term : Twenty years from 20 March 1985
 Class : 30
 Goods : Ready-to-eat hamburger, cheeseburger, sandwiches, French fried potatoes, hot coffee, fresh milk and milk shakes
- d. Trademark : "McDonald's"
 Registration No. : 24919
 Term : Twenty years from 30 June 1979
 Class : 29 and 32
 Goods : Ready-to-eat hamburger, cheeseburger, sandwiches, French fried potatoes, hot Coffee, fresh milk and milk shakes.
- e. Trademark : "McExpress"
 Registration No. : 4-1999-001936
 Term : Ten years from 24 August 2003
 Class : 42
 Goods : Restaurant Services
- f. Trademark : "McSpaghetti"
 Registration No. : 45583
 Term : Twenty years from 14 July 1989
 Class : 30
 Goods : Spaghetti
- g. Trademark : "McEgg"
 Registration No. : 43045
 Term : Twenty years from 10 February 1989
 Class : 30
 Goods : Sandwich which is basically a muffin with a folded egg.
- h. Trademark : "McFries"
 Registration No. : 39988
 Term : Twenty years from 14 July 1988
 Class : 29
 Goods : Frozen French fried

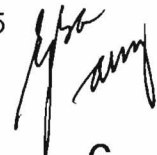
g/sa
 4 *any*

potatoes

- i. Trademark : "McRib"
Registration No. : 39924
Term : Twenty years from 14 July
1988
Class : 30
Goods : A sandwich for consumption
On or off the premises.
- j. Trademark : "Chicken McNuggets"
Registration No. : 39507
Term : Twenty years from 27 June
1988
Class : 29
Goods : Chicken for consumption on
or off the premises.
- k. Trademark : "McBurger"
Registration No. : 4-1996-116052
Term : Twenty years from 22 June
2002
Class : 42
Goods : Restaurant Services.
- l. Trademark : "McPizza"
Registration No. : 4-1996-110243
Term : Twenty years from 8 August
2001
Class : 30
Goods : Dough fold consisting of
pizza sauce, meat, cheese
and spices
- m. Trademark : "McKids"
Registration No. : 54195
Term : Twenty years from 1
February 1993
Class : 25
Goods : Children and infant clothing.
- n. Trademark : "Egg McMuffin"
Registration No. : 32385
Term : Ten years from 09 August
2003
Class : 29
Goods : Breakfast and combination
sandwich.
- o. Trademark : "McSaver's"


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	Registration No.	:	4-1997-126128
	Term	:	Twenty years from 24
	February 2005		
	Class	:	42
	Goods	:	:Services rendered or associated with operating and franchising of restaurant.
p.	Trademark	:	"McFlurry"
	Registration No.	:	4-1999-001937
	Term	:	Ten years from 10 February
	2005		
	Class	:	29
	Goods	:	Foods prepared from meat, pork, fish and poultry products, meat sandwiches, fish sandwiches, pork sandwiches, preserved and cooked fruits and vegetables, eggs, cheese, milk, milk preparations, pickles and desserts.
q.	Trademark	:	"McCafe"
	Registration No.	:	4-2001-005078
	Term	:	Ten years from 10 May 2004
	Class	:	42
	Goods	:	Restaurant Services
r.	Trademark	:	"McDip"
	Registration No.	:	4-2002-000150
	Term	:	Ten years from 21 May 2004
	Class	:	29 and 30
	Goods	:	Edible sandwiches, meat sandwiches, pork sandwiches, fish sandwiches, chicken sandwiches, biscuits, bread, cakes, cookies, chocolate, coffee, coffee substitutes, tea, mustard, oatmeal, pastries, sauces, seasonings, sugar, cones for ice cream
s.	Trademark	:	"McMuffin"
	Registration No.	:	4-2002-010668
	Term	:	Ten years from 01 July 2005
	Class	:	30



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|----|------------------|---|--|
| | Goods | : | Breakfast food combination sandwiches |
| t. | Trademark | : | "McChicken" |
| | Registration No. | : | 31966 |
| | Term | : | Ten years from 24 June 2003 |
| | Class | : | 29 |
| | Goods | : | Cooked chicken for consumption on or off the premises. |
| u. | Trademark | : | "Burger McDo" |
| | Registration No. | : | 64892 |
| | Term | : | Twenty years from 25 June 1979 |
| | Class | : | 30 |
| | Goods | : | Hamburger sandwich. |

- 4.1 Copies of the above-enumerated certificates of registration are hereto attached as **Exhibits "C" to "X"** and made an integral part hereof.
- 4.2 Also attached hereto as **Exhibit "Y"** is the Affidavit of Ms. Sheila Lehr, who holds the position of Managing Counsel with the Opposer. In her affidavit, Ms. Lehr attest to the truth of foregoing allegations, specifically the Opposer's ownership of the above mentioned trademarks as well as the worldwide use by the Opposer of the "Mc" prefix.
- "5. As can be seen from the foregoing, the Opposer has clearly established its exclusive right to the "Mc" trademark. It is also quite clear from the foregoing that the Opposer has over the years, firmly established all over the world a distinctive method of identifying its goods and services apart from the goods and services of others, which is by affixing the prefix "Mc" to a common word descriptive of the goods or service it is offering. Examples of the application of this method are the use of the mark "McSpaghetti" to distinctly identify the Opposer's spaghetti dish, the use of the mark "McChicken" to distinctly identify its chicken sandwich, the use of the mark "McMuffin" to distinctly identify its egg muffin, etc.
- "6. Having established the widespread use of the "Mc" mark as well as the other marks which use the "Mc" prefix all throughout the world for various classes of goods and services, it can be concluded that the "Mc" mark and other marks using the "Mc" prefix have established and obtained goodwill and general international consumer recognition as belonging to the Opposer.



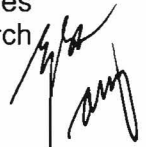
- “7. It is in light of the foregoing that the Opposer is opposing the Respondent-Applicant's application for registration of the mark **“McDOUGH MIX and Device”**, which is being registered under Class 30 for bread, namely: pullman, tasty, mongo bread, cheese bread, panderosa, hamburger bun, hotdog roll, hopia baboy, hopia hapon (hopia mongo), ensaymada, butter toast; pastries, namely: cakes, cinnamon, pianono, cheese cup and mamon.

In support of the opposition, oppose submitted the following evidence:

EXHIBIT	DESCRIPTION
“A”	MC Prefix Worldwide List consisting of 321 pages
“B”	Copy of Registration 51789 of trademark “MC” registered December 2, 1991
“C”-“X”	Copies of Registration for the marks McDonald's (Classes 29, 30 &32), McDonald's Corporation (Class 30), McEXPRESS (Class 42), McDo (Class 42), McSpaghetti (Class 30), McEGG (Class 30), MAC FRIES (Class 29), MCRIB (Class 30), Chicken Mc Nuggets (Class 29), Mc Burger (Class 42), McPizza (Class 30), McKids (Class 23), EGG McMUFFIN (Class 29), McSaver's (Class 42), McFlurry (Class 29), McCAFE (Class 42), McDIP (Class 29, 30), McMuffin (Class 30), Mc Chicken (Class 29), Burger McDo (Class 30)
“Y”	Affidavit of Sheila Lehr

In her Verified Answer filed on November 19, 2007, respondent-applicant raised the following special and affirmative defenses:

- “8. Respondent-Applicant incorporates and repleads any and all of the foregoing allegations as may be material thereto;
9. Respondent-Applicant Rosalinda O. Bonifacio is the registered owner and proprietress of a business entity known as “Mc Dough Mix”, with Business address at 397 F. Ortigas Street, Mandaluyong City. Mc Dough Mix is basically engaged in the small scale production and sale of bread and pastries which include and covers the following: BREADS – Pullman, Tasty, Mongo Bread, Cheese Bread, Panderosa, Hamburger Bun, Hotdog Roll, Hopia Baboy, Hopia Hapon (Hopia Mongo), Ensaymada, and Butter Toast; and PASTRIES – Cakes, cinnamon, Pianono, Cheese Cup, and Mamon. The said goods are sold and distributed in the following outlets: Olivares Supermarket (Cavite city), Sta. Lucia Mall (Antipolo City) and Rich March Supermarket (Mandaluyong City);



10. On September 17, 2001, Respondent-Applicant applied before this Honorable Office for the registration of its trademark "Mc Dough Mix and Device" (the words "Mc Dough Mix" is within the representation of a rolling pin; atop is the word "D' Original" inside an oblong shape, and a stylized man) under Class 30 goods (Coffee, tea, cocoa, sugar, rice, tapioca, sago, coffee substitutes; flour, and preparations made from cereals; bread, biscuits, cakes, pastry and confectionery, ices; honey, treachel; yeast, baking-powder; salt, mustard; pepper, vinegar, sauces; spices; ice), which application for registration is now the subject of opposition by the Opposer in the instant case. Respondent-Applicant disclaims the exclusive right to use "Dough", "Mix", "D' Original", and "Representation of a Rolling Pin", apart from the mark as shown in its application. Copy of Respondent-Applicant's Trademark Application together with the formal drawings of the mark, Declaration of Actual Use as well as Clarification and Disclaimer, are hereto attached and collectively marked as Annex "1" and made integral parts hereof;
11. The mark described in the application for registration of Respondent-Applicant was first used by Respondent-Applicant on January 17, 1989;
12. Significantly, the lone issue raised by the Opposer in the case at hand is that its alleged registered is confusingly similar to the trademark sought to be registered by herein Respondent-Applicant, invoking Section 123.1 (e) and (f) of the Intellectual Property Code of the Philippines (R.A. No. 8293, as amended).

Opposer herein claims that it has established its exclusive right to the "Mc" trademark. It has allegedly established all over the world a distinctive method of identifying its goods and services apart from the goods and services of others, which is by affixing the prefix "Mc" to a common word descriptive of the goods or services it offers such as "McSpaghetti", "McChicken", "McMuffin" etc.

According to the Opposer, there is a confusing similarity between its registered trademarks and that mark of the Respondent-Applicant; there is allegedly likelihood that innocent purchasers may confuse the goods of Respondent-Applicant and Opposer to come from the same source because of the prefix "Mc";

13. Section 123.1 (e) and (f) of the Intellectual Property Code of the Philippines (R.A. No. 8293, as amended) provides:
"Sec. 123. Registrability. – A mark cannot be registered if it:

x x x

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 nor 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;

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.

x x x”

14. Respondent-Applicant through the undersigned counsel most respectfully submits that Opposer's opposition to Respondent-Applicant's application for registration of trademark lacks any bases. Just a plainview examination of Opposer's alleged registered trademarks (McDonald's, McExpress, McSpaghetti, McEgg, McFries, McRib, Chicken McNuggets, McBurger, McPizza, McKids, Egg McMuffin, McSaver's, McFlurry, McCafe, McDip, McChicken and Burger McDo) and Respondent-Applicant's trademark (Mc Dough Mix and Device) would immediately warrant a negative answer to the issue raised in this case by the Opposer. Except for the prefix "Mc", the said trademarks are absolutely distinct from each other. There is hardly any similarity that can likely lead to any confusion among the consuming public – whether as to the origin of or the business represented by these trademarks. For this reason alone, the Opposition of the Opposer must be denied;
15. Whether the **dominancy test** (consists in seeking out the main, essential or dominant features of a mark) or the **holistic or totality test** (takes stock of the other features of a mark, taking into consideration the entirety of a mark) [Intellectual Property Law Comments and Annotations, '06 ed., Fr. R. C. Aquino] is applied, there is no similarity between Opposer's "Mcdonald" mark and Respondent-Applicant's "Mc Dough Mix and Device" mark that can lead to confusion. As may be gleaned from the subject trademarks, the only similarity is the prefix "Mc", which is just a sign, symbol or generic word and therefore cannot be appropriated by a single user. In terms of appearance, layout, and meaning, the likelihood of confusion between Opposer's registered trademarks and Respondent-Applicant's mark is clearly absent;
16. Contrary to the claim of the Opposer, it does not have the exclusive right to monopolize the use of the prefix "Mc". The right of the Opposer to exclusively use the prefix "Mc" extends protection only to its fastfood restaurant business and products related to its fastfood services (such as McSpaghetti, Mc Chicken Nuggets, etc).

As proof, the following are just one among the existing trademarks with the prefix "Mc" which were allowed registration not only in the Philippines but also throughout the world, to wit: (collectively marked as Annex "2" hereof)

- A. Trademark : Morelia's Mc Kenzie
Country Code : PH (Philippines)
Application Number : 035707
Date of Application : 7/13/81
Registration Number : 035707
Date of Registration : 7/2/86
Owner/Registrant : Morelia Industries, Inc.
Vienna Classification : Class 30 (Catsup)
- B. Trademark : Mc Cool
Country Code : PH (Philippines)
Application Number : 053689
Date of Application : 4/2/90
Registration Number : 053689
Date of Registration : 10/13/92
Owner/Registrant : Medical Center Trading Corporation
Vienna Classification : Class 10 (Instant Ice Bag)
- C. Trademark : Mc Home Depot and Device
Country Code : PH (Philippines)
Application Number : 42002003683
Date of Application : 5/7/2002
Registration Number : 42002003683
Date of Registration : 2/24/2005
Owner/Registrant : Mc Home Depot, Inc.
Vienna Classification : Class 19 (Ready-Mix Cement and Tile Adhesives)
- D. Trademark : Mc Jim
Country Code : PH (Philippines)
Application Number : 42000005355
Date of Application : 6/28/2000
Registration Number : 42000005355
Date of Registration : 4/28/2006
Owner/Registrant : Jimmy Lo Cham
Vienna Classification : Class 18 (Wallet, Clutch Bags, Traveling Bags, coin purse, cardholder, key chain, organizer, portfolio and gift items etc.) Class 25 (Belts, Shoes) Class 42 (Boutique/Stores)
- E. Trademark : Mc Graw-Hill
Country Code : US (United States)
Application Number : 044206
Date of Application : 2/16/83



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- Registration Number : 044206
 Date of Registration : 5/5/89
 Owner/Registrant : McGraw-Hills, Companies Inc.
 Vienna Classification : Class 16 (Books and other Publications)
- F. Trademark : Mc McCormick with Arch Design
 Country Code : US (United States)
 Application Number : 061620
 Date of Application : 11/10/1992
 Registration Number : 061620
 Date of Registration : Mc Cormick & Company, Incorporated
 Vienna Classification : Class 29 (Seasonings, Mustards and Extracts) Class 30 (Mayonnaise and Sandwich Spreads and Sauces)
- G. Trademark : Mc llhenny
 Country Code : US (United States)
 Application Number : 062814
 Date of Application : 3/3/94
 Registration Number : 062814
 Date of Registration : 5/21/96
 Owner/Registrant : Mcllhenny Company
 Vienna Classification : Class 30 (Condiment – namely, pepper sauce)
- H. Trademark : Mc Gregor
 Country Code : JP (Japan)
 Application Number : 41996109134
 Date of Application : 3/20/1996
 Registration Number : 41996109134
 Date of Registration : 12/14/1999
 Owner/Registrant : Nichimen Infinity Inc.
 Vienna/Registrant : Class 18 (luggage, namely garments bags)

17. Moreover, since it is undisputed that the goods of the parties are non-competitive and non-related (Opposer – “Mc” [Class 29] and “McDo” [Class 42]; Respondent-Applicant – “Mc Dough Mix” [class 30]), the danger of confusion, mistake or deception among consumers as to the business, source or origin of the product is highly remote.

The Supreme Court has ruled in the case of *Esso Standard Eastern, Inc. versus Court of Appeals, 116 SCRA 336 [1982]* that “As a general rule, where the product on which a mark is used is identical or similar with that of another is entirely unrelated to the product of the latter, the use by the junior user of the identical mark may unlikely cause confusion or mistake as to the source or origin of the product. Stated differently, the mere fact that one person has adopted and used a trademark on his goods does

not prevent the adoption and use of the same trademark by others on unrelated articles of a different kind.”

It is also worthy to emphasize that the products or goods of Respondent-Applicant flow through different channels of trade and they have different target market. Respondent-Applicant's goods or products are sold or distributed principally through Olivares Supermarket in Cavite City, Sta. Lucia Mall in Antipolo City and Rich March Supermarket in Mandaluyong City WHILE Opposer's goods or products are only sold through its chain of restaurant throughout the Philippines. Thus, the parties' respective trademarks will not cause any confusion to the consumer. The buying public will not be misled into believing that Respondent-Applicant's products or goods are that of Opposer's which allegedly enjoys goodwill. The prospective purchasers or buyers will not likely be misled into thinking that Opposer has extended into the field or in anyway connected with the activities of Respondent-Applicant. A buyer is not likely to see both parties' products or goods sold in the same venue or place.

18. Likewise, contrary to the allegations of Opposer, Respondent-Applicant did not have the intention whatsoever to ride on and use Opposer's goodwill in the Philippines. In fact, Respnodent-Applicant had been using its mark since January 17, 1989 which is almost simlutatneous with the date when Opposer registered its subject trademarks in the Philippines. Respondent-Applicant should not be faulted for being more creative and innovative than the others;
19. Opposer also argues that Respondent-Applicant's "McDough" mark for its bread and pastries (Class 30) is pronounced or vocalized in almost the same way as Opposer's "McDo" mark for its restaurant services (registered under Class 42) and consequently, the very similarity in pronunciation further underscores Respondent-Applicant's alleged intent to ride on and use on the goodwill of the Opposer in the Philippines.

Such contention of the Opposer is far from truth and misleading. Opposer failed to specify that the full and complete mark sought to be registered here by Respondent-Applicant is "Mc Dough Mix and Device" (not only "Mc Dough" as claimed by the Opposer), hence no confusing similarity exists between the two marks: "McDo" and "Mc Dough Mix and Device". The two marks could not be likely mistaken to be the same, both in sound and appearance. Under the principle of *idem sonans*, two names are said to be similar only "if the attentive ear finds difficulty in distinguishing them when pronounced." It is not so in the case at hand [Trademark under the Intellectual Property Code", '99 ed. By Vicente B. Amador].

Our Supreme Court ruled: "In determining whether two trademarks are confusingly similar, the test is not simply to take their words and compare the spelling and pronunciation of said words. Rather, it is to consider the two marks in their entirety, as they appear in their respective labels, in relation to the goods to which they are attached. Said rule was enunciated by the Supreme Court through Justice Felix Bautista in Mead



Johnson & Co. vs. N.V.J. Van Dorp. Ltd, L-17501, April 27, 1963, thus: It is true that between petitioner's trademark "ALACTA" and respondent's "ALASKA" there are similarities in spelling, appearance and sound for both are composed of six letters of three syllables each and each syllable has the same vowel, but in determining if they are confusingly similar a comparison of said words is not the only determining factor. The two marks in their entirety as they appear in their respective labels must also be considered in relation to the goods to which they are attached. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels in order that he may draw his conclusion whether one is confusingly similar to the other..." [Bristol Myers Company versus the Director of Patents and United American Pharmaceuticals, Inc., G.R. No. L-21587, May 19, 1966]. Applying this test to the trademarks involved in this case, it is at once evident that no confusing similarity between Opposer's and Respondent-Applicant's trademarks exists.

20. The Opposition of Opposer is also grounded on Section 138 of the Intellectual Property Code of the Philippines, which recognizes and applies the "expansion of business rule". Again, such reliance is misplaced. The "Business Expansion Rule" applies only if the same trademark is used for another goods or services which are related to the goods or services covered by the registered mark. The said rule is not applicable to the case at bar because the subject trademarks are very much dissimilar to each other;
21. With consideration of the foregoing premises, the law and jurisprudence clearly support the conclusion that the trademark in question is not apt to confuse. The chances of being confused into purchasing one for the other OR of being confused as to the source or origin of the product or good is very much far from possibility.

In support of the defense, respondent-applicant submitted the following evidence:

ANNEX	DESCRIPTION
"1"	Trademark Application of McDough Mix & Device
"2"	Print-out of existing trademarks with prefix "Mc"

The preliminary conference was set on January 8, 2007 but no amicable settlement was reached by the parties so both parties were directed to submit their respective position papers.

The main issue in this case is whether respondent-applicant's mark McDough Mix and Device is confusingly similar to Opposer's McDonald's marks and MC prefix used in a variety of opposer's marks.

The mark of respondent-applicant and a sample of opposer's mark is reproduced below for comparison.



Opposer's mark

Respondent-applicant's mark

BURGER McDO



Registration No. 64892

Ser. No. 4-2001-006944

It is apparent that opposer's mark is a word mark as against respondent-applicant's mark which consist of the words McDOUGH MIX within a representation of a rolling pin. The word "D original" is enclosed in an oblong shape and placed atop the rolling pin and beside a stylized man. Respondent-applicant applies her mark on goods under class 30 namely: Bread, namely: Pullman, Tasty, Mongo bread, cheese bread, ponderosa, hamburger bun, hotdog roll, Hopia baboy, Hopia Hapon (Hopia Monggo), ensaymada, butter toast, pastries, namely cakes, cinnamon, pianono cheese cup and mammon"

On the other hand, opposer's mark BURGER McDO (Exhibit "X"), wherein the word "Burger" disclaimed apart from the word as shown, is also used on goods under class 30, namely "hamburger sandwich".

Respondent-applicant vigorously argues that the marks are not confusingly similar and are distinct from each other. She points to the fact that there are other existing registered marks that utilize the prefix MC. Evidence consisting of print-outs of registered marks containing the prefix MC (Annex "2") show that the following registered marks utilizing MC, namely: Mc Kenzie for goods under class 30, McCool, MCHome Depot, McJim, McGraw-Hill, McCormick for goods under class 30 namely mayonnaise and sandwich spreads and sauces, McIlhenny for goods under class 30 namely condiment-pepper sauce.and McGregor. She adds that McVein, McCool, McGill, McVitie's, McKinsey and McCain also use MC.. The Bureau notes that the marks McVitie's and McCain are also used for goods under class 30. She contends that oppose does not have monopoly over the prefix MC and cannot be appropriated by a single user.

Two tests have been developed In determining confusing similarity. In McDonald's Corporation, et al., vs. L.C. Big Mak Burger, Inc., et al., G.R. No. 143993, August 18, 2004, the Supreme Court held that:

A handwritten signature in black ink, appearing to be "John" followed by a stylized surname.

"In determining the likelihood of confusion, jurisprudence has developed two tests, the dominance test and the holistic test. The dominance test focuses on the similarity of the prevalent features of the competing trademarks that might cause confusion. In contrast, the holistic test requires the court to consider the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity.

The test of dominance is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code which defines infringement as the "colorable imitation of a registered mark xxx or a dominant feature thereof."

Applying the dominance test, the Court finds that respondents' use of the "Big Mak" mark results in likelihood of confusion. First, "Big Mak" sounds exactly the same as "Big Mac". Second, the first word in "Big Mak" is exactly the same as the first word in "Big Mac". Third, the first two letters in "Mak" are the same as the first two letters in "Mac". Fourth, the last letter in "Mak" while a "K" sounds the same as "c" in spelling, thus "Caloocan" is spelled "Kalooocan".

The predominant feature of respondent-applicant's mark is the word MC DOUGH, not the word "D original" or "Mix" or the stylized man. When pronounced, DOUGH can be mistaken for DO. There is similarity in the aural aspect of the marks MCDOUGH and McDO in opposer's BURGER McDO mark (Exhibit "X") and Mc mark (Exhibit "B"), Mc DONALD'S mark (Exhibit "E" and "F") all registered for goods under Class 30.

In American Wire & Cable Co. vs. Director of Patents, 31 SCRA 544, the Supreme Court held:

"In fact, even their similarity in sound is taken into consideration, where the marks refer to merchandise of the same descriptive properties, for the reason that trade *idem sonans* constitutes violation of trade mark patents."

In the case of Co Tiong Sa v. Director of Patents [G.R. No. L-5378. May 24, 1954.], the Supreme Court explains:

"Far from all we see or hear casually is retained sufficiently clearly or insufficient detail for us to get a lasting impression of it which we can remember when we encounter the mark again. The importance of this rule is emphasized by the increase of radio advertising in which we are deprived of the help of our eyes and must depend entirely on the ear.xxx The average buyer usually seeks a sign, some special, easily remembered earmarks of the brand he has in mind. It may be the color, sound, design, or a peculiar shape or name. Once his eyes see that or his ear hears it, he


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is satisfied. An unfair competitor need not copy the entire mark to accomplish his fraudulent purpose. It is enough if he takes the one feature which the average buyer is likely to remember. (Nims, The Law of Unfair Competition and Trademarks, 4th ed., Vol. 2, pp. 678-679)."

The MCDOUGH MIX & DEVICE mark when used on goods under class 30 can lead to confusion as to source with opposer's Burger McDo (Exhibit "X") applied for goods under class 30 and McDONALD'S mark (Exhibit "E" and "F") which is likewise applied to goods under class 30 namely: "ready to eat hamburger, cheese-burger, and fish sandwiches, French fried potatoes, hot coffee, fresh milk, and milk shakes". It is worthy to note that respondent-applicant's mark is applied for use on "bread, particularly hamburger bun". Thus, it not far fetched for the buying public to associate respondent-applicant's product with that of opposers. Even if respondent -applicant's products are sold through different channels of trade, the fact remains that bread and hamburger buns are also used by opposer in its restaurant business and the McDONALD'S, Mc, and BURGER McDO marks are used specifically on its hamburger and sandwich products and class 30 in general. The contending marks are used on identical goods or closely related goods. Moreover, the protection to a registered owner extends to confusion as to source, origin or affiliation. Thus, even if respondent-applicant's goods are sold in supermarkets, buyers may be lead to believe that these are products of oppose considering that the marks are confusingly similar.

In McDonald's Corporation, et al., vs. L.C. Big Mak Burger, Inc., et al., G.R. No. 143993, August 18, 2004, the Supreme Court held that:

"Rudolf] 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." . . . The other is the 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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist. xxx

Thus, while there is confusion of goods when the products are competing, confusion of business exists when the products are non-competing but related enough to produce confusion of affiliation. xxx

The registered trademark owner may use his mark on the same or similar products, in different segments of the market, and at different price levels depending on variations of the products for specific segments of the market. The Court has recognized that the registered trademark owner enjoys protection in product and market areas that are the normal potential expansion of his business. Thus, the Court has declared: Modern law recognizes that the protection to which the owner of a trademark is entitled is not limited to guarding his goods or business from actual market competition with identical or similar products of the parties, but extends to all cases in which the use by a junior appropriator of a


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trade-mark or trade-name is likely to lead to a confusion of source, as where prospective purchasers would be misled into thinking that the complaining party has extended his business into the field (see 148 ALR 56 et seq; 53 Am Jur. 576) or is in any way connected with the activities of the infringer; or when it forestalls the normal potential expansion of his business (v. 148 ALR, 77, 84; 52 Am. Jur. 576, 577). 56 (Emphasis supplied)

Finally, the ruling in McDonald's Corporation V. Macjoy Fastfood Corporation [G.R. No. 166115. February 2, 2007.], is applicable in the instant case, where the court applied the dominancy test and ruled that the mark MACJOY is confusingly similar to McDONALD'S. The High Court held:

"While we agree with the CA's detailed enumeration of differences between the two (2) competing trademarks herein involved, we believe that the holistic test is not the one applicable in this case, the dominancy test being the one more suitable. In recent cases with a similar factual milieu as here, the Court has consistently used and applied the dominancy test in determining confusing similarity or likelihood of confusion between competing trademarks. xxx

Applying the dominancy test to the instant case, the Court finds that herein petitioner's "MCDONALD'S" and respondent's "MACJOY" marks are confusingly similar with each other such that an ordinary purchaser can conclude an association or relation between the marks.

To begin with, both marks use the corporate "M" design logo and the prefixes "Mc" and/or "Mac" as dominant features. The first letter "M" in both marks puts emphasis on the prefixes "Mc" and/or "Mac" by the similar way in which they are depicted i.e. in an arch-like, capitalized and stylized manner.

For sure, it is the prefix "Mc," an abbreviation of "Mac," which visually and aurally catches the attention of the consuming public. Verily, the word "MACJOY" attracts attention the same way as did "McDonalds," "MacFries," "McSpaghetti," "McDo," "Big Mac" and the rest of the MCDONALD'S marks which all use the prefixes Mc and/or Mac.

Besides and most importantly, both trademarks are used in the sale of fastfood products. Indisputably, the respondent's trademark application for the "MACJOY & DEVICE" trademark covers goods under Classes 29 and 30 of the International Classification of Goods, namely, fried chicken, chicken barbeque, burgers, fries, spaghetti, etc. Likewise, the petitioner's trademark registration for the MCDONALD'S marks in the Philippines covers goods which are similar if not identical to those covered by the respondent's application." xxx

The differences and variations in styles as the device depicting a head of chicken with cap and bowtie and wings sprouting on both sides of the



chicken head, the heart-shaped "M," and the stylistic letters in "MACJOY & DEVICE;" in contrast to the arch-like "M" and the one-styled gothic letters in McDonald's marks are of no moment. These minuscule variations are overshadowed by the appearance of the predominant features mentioned hereinabove. Thus, with the predominance of the letter "M," and prefixes "Mac/Mc" found in both marks, the inevitable conclusion is there is confusing similarity between the trademarks McDonald's marks and "MACJOY AND DEVICE" especially considering the fact that both marks are being used on almost the same products falling under Classes 29 and 30 of the International Classification of Goods i.e. Food and ingredients of food.

With the existence of confusing similarity between the subject trademarks, the resulting issue to be resolved is who, as between the parties, has the rightful claim of ownership over the said marks."

In the instant case, the essential features of the opposer's mark consisting of MC, McDonald's and McDO were appropriated by using the term, MC DOUGH which sounds strikingly similar to the registered marks. Although the respondent-applicant's mark also consist of other words and a stylized device, by applying the dominancy test, the dominant feature of Opposer's mark MC, McDO and McDONALD was imitated, hence confusion may result. Given that the marks are applied for similar goods under class 30, namely hamburger buns, confusion is likely to result.

WHEREFORE, premises considered the **OPPOSITION** filed by opposer, McDonald's Corporation, is, as it is hereby, **SUSTAINED**. Accordingly, Application Serial No. 4-2001-006944 for the mark **McDOUGH MIX AND DEVICE** for goods covering class 30 namely "Bread, namely: Pullman, Tasty, Mongo bread, cheese bread, ponderosa, hamburger bun, hotdog roll, Hopia baboy, Hopia Hapon (Hopia Monggo), ensaymada, butter toast, pastries, namely cakes, cinnamon, pianono cheese cup and mammon, is, as it is, hereby **REJECTED**.

Let the filewrapper of "McDough Mix and Device", subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

Makati City, 22 December 2009.


ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs