



FEDERACION NACIONAL DE  
CAFETEROS DE COLOMBIA  
Opposer,

IPC No. 14-2008-00007  
Case Filed: 04 January 2008

-versus-

Opposition to:  
Appln. Serial No. 4-2006-011808  
Date Filed: 30 Oct 2006  
Trademark: **KAPE NI JUAN AND  
DEVICE ENCLOSED BY A  
CIRCULAR DESIGN**

TRYGON CORPORATION,  
Respondent-Applicant.

Decision No. 08-153

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### DECISION

For consideration is the Opposition filed by Federacion Nacional De Cafeteros De Colombia (the "Opposer") against Application No. 4-2006-011808 filed by Trygon Corporation (the "Respondent-Applicant") on 30 October 2006 for the registration of the mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN covering goods in Class 30, specifically for *coffee, chocolate, pastries* upon the ground that the mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN resembles the JUAN VALDEZ trademark of Opposer.

Opposer, FEDERACION NACIONAL DE CAFETEROS DE COLOMBIA (hereafter, the "Opposer") is a corporation duly organized and existing under and by virtue of the laws of the Republic of Colombia, with business address at Calle 73 No. 8-13, Bogota D.C., Republic of Colombia.

Respondent-Applicant, TRYGON CORPORATION, is a corporation organized and existing under the laws of Republic of the Philippines, with business address at 336 Batangas South Ayala Alabang, Muntinlupa City.

On 4 January 2008, Opposer filed the instant Opposition against Respondent-Applicant's Application for registration of the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR for goods under Class 30, specifically for coffee, chocolate, pastries.

Republic of the Philippines

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On 08 May 2008, Respondent-Applicant filed its Verified Answer to the Opposition after successive motions for extension of time to file the same were granted.

### **Grounds for Opposition**

Opposer filed the instant Opposition based on the following grounds:

1. "The trademark KAPE NI JUAN and Device Enclosed by a Circular Design being applied for by Respondent-Applicant is confusingly similar to Opposer's trademark JUAN VALDEZ, as to be likely, when applied to or used in connection with the goods of Respondent-Applicant, to cause confusion, mistake and deception on the part of the purchasing public.

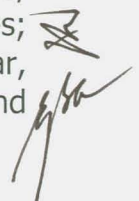
2. "The registration of the trademark KAPE NI JUAN and Device Enclosed by a Circular Design in the name of Respondent-Applicant will violate Section 123.1, subparagraphs (d), (e) and (f) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines and Section 6bis and other provisions of the "Paris Convention for the Protection of Industrial Property", to which the Philippines and Republic of Colombia are parties.

3. "The registration and use by Respondent-Applicant of the mark KAPE NI JUAN and Device Enclosed by a Circular Design will diminish the distinctiveness and dilute the goodwill of Opposer's trademark JUAN VALDEZ.

4. "The registration of the trademark KAPE NI JUAN and Device Enclosed by a Circular Design in the name of Respondent-Applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

Opposer relied on the following facts to support its opposition:

5. "Opposer is the owner and/or registrant of and/or applicant in many trademark registrations and/or applications for registration of the trademark JUAN VALDEZ around the world under International class 30 more particularly for "coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces(condiments); spices; ice; beverages based on coffee, cacao and chocolate".



6. "In the Philippines, Opposer is the owner/registrant of the trademark JUAN VALDEZ, as follows:

a) Trademark: JUAN VALDEZ  
Cert. of Registration No. 4-2005-003684  
Date Issued: December 25, 2006  
Registrant: Federacion Nacional de Cafeteros de Colombia

Goods: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; beverages based of coffee, cacao and chocolate.

Class: 25

b) Trademark: JUAN VALDEZ  
Cert. of Registration No. 4-2005-003682  
Date Issued: December 25, 2006  
Registrant: Federacion Nacional De Cafeteros de Colombia


Goods: Services for preparing and providing food and drink for human consumption, temporary accommodation.

Class: 43

7. "By virtue of Opposer's prior registration of the trademark JUAN VALDEZ in the Philippines and its prior application and/or registration and ownership of this trademark around the world, said trademark has therefore become distinctive and well-known internationally and in the Philippines.

8. "The well-known trademark JUAN VALDEZ has been owned and used for many years and continuously until the present and well into the future by Federacion Nacional de Cafeteros de Colombia, long before Trygon Corporation, herein Respondent-Applicant, filed its application for the confusingly similar mark KAPE NI JUAN and Device Enclosed by a Circular Design under Application No. 4-2006-011808 in the Philippines on October 30, 2006 for "coffee, chocolate, pastries".

9. "Under Section 123.1 (f) of the Intellectual Property Code, a mark cannot be registered if it is identical with or confusingly similar to a mark which is considered to be well-known internationally, whether or not it is registered in the Philippines and which are used for identical or similar goods. Moreover, under Section 123.1 (e) of the same Code, a mark cannot be registered even if it covers different goods, if the mark itself is identical with or confusingly similar to a well-known mark that has been registered in the Philippines.
  
10. "The mark KAPE NI JUAN and Device Enclosed by a Circular Design is confusingly similar to Opposer's mark JUAN VALDEZ for the following reasons:
  - a) Both Opposer's mark and Respondent-Applicant's mark have the word JUAN. As the word JUAN is the dominant feature in Opposer's mark JUAN VALDEZ, the presence thereof in Respondent-Applicant's mark KAPE NI JUAN and Device Enclosed by a Circular Design results in confusion or deception.
  
  - b) Under the dominancy test applied in Philippine trademark cases to determine confusing similarity, confusion is presumed when the prevalent, essential or dominant features of a mark is copied or duplicated. Clearly, the presence of the word JUAN in the mark KAPE NI JUAN and Device Enclosed by a Circular Design is a reproduction of the dominant feature of the mark JUAN VALDEZ which results in confusion or deception.
  
  - c) Opposer is famous all over the world for producing, marketing and selling coffee products, among others, and its mark JUAN VALDEZ is known all over the world as a coffee or coffee-based product. Hence, the inclusion in Respondent-Applicant's mark of the word KAPE, which is the Filipino word for "coffee", further makes Respondent-Applicant's mark confusingly similar with Opposer's mark. In fact the words KAPE NI JUAN means "coffee by Juan" or "coffee of Juan" in Filipino.
  
  - d) Both marks cover similar or related goods such that confusion is likely to arise as to the source of goods of each respective mark. The mark JUAN VALDEZ covers



goods under international classes 30 for the following goods:

*"Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; beverages based of coffee, cacao and chocolate."*

and class 43 for the following services:

*"Services for preparing and providing food and drink for human consumption, temporary accommodation."*

While the mark KAPE NI JUAN and Device Enclosed by a Circular Design covers goods under international class 30, as follows:

*"Coffee, chocolate, pastries".*

- e) The goods bearing both marks being found and sold in the same channels of business and trade, an ordinary and/or casual purchaser buying under normal prevalent conditions in trade is not expected to exercise a careful scrutiny between two (2) products bearing confusingly similar trademarks as in Opposer's trademark JUAN VALDEZ vis-à-vis Respondent-Applicant's trademark KAPE NI JUAN and Device Enclosed by a Circular Design and will most likely be confused and deceived to buy one product for the other.
11. "By adopting the confusingly similar mark KAPE NI JUAN and Device Enclosed by a Circular Design for exactly the same goods that Opposer Federacion Nacional de Cafeteros de Colombia is internationally known for, it is obvious that Respondent-Applicant's intention is to "ride-on" the goodwill of Federacion Nacional de Cafeteros de Colombia and "pass-off" its good as those of Federacion Nacional de Cafeteros de Colombia.
12. "The registration and use of the trademark KAPE NI JUAN and Device Enclosed by a Circular Design by Respondent-Applicant will deceive and/or confuse purchasers into believing that Respondent-Applicant's goods and/or products bearing the trademark KAPE NI JUAN and Device Enclosed by a Circular Design emanate from or are under the sponsorship of Opposer Federacion Nacional de

Cafeteros de Colombia, owner/registrant of the trademark JUAN VALDEZ.

13. "A boundless choice of words, phrases and symbols are available to a person who wishes to have a trademark sufficient unto itself to distinguish his product from those of others. There is no reasonable explanation therefore for the Respondent-Applicant to choose the mark KAPE NI JUAN and Device Enclosed by a Circular Design especially to include the word JUAN to designate exactly the same kind of goods for which Opposer's trademark JUAN VALDEZ is already famous for world-wide, when the field for its selection was so broad. Respondent-Applicant obviously intends to trade and is trading on Opposer's goodwill.
14. "The registration and use of the trademark KAPE NI JUAN and Device Enclosed by a Circular Design by Respondent-Applicant will therefore diminish the distinctiveness and dilute the goodwill of Opposer's trademark JUAN VALDEZ.
15. "The allowance for registration of Application Serial No. 4-2006-011808 in the name of Respondent-Applicant will be violative of the treaty obligations of the Philippines under the Paris Convention for the Protection of Industrial Property, to which the Philippines and the Republic of Colombia are member-states.

On May 08, 2008, Respondent-Applicant filed its Answer. Respondent, through Counsel, in its Answer interposed the following ADMISSIONS and DENIALS :

1. "Respondent-Applicant specifically denies for lack of knowledge sufficient to form a belief as to the truth thereof the allegations in the preliminary paragraph of the Verified Notice of Opposition that the Opposer is a corporation duly organized and existing under and by virtue of the laws of the Republic of Colombia, that its business address is at Calle 73 No. 8-13, Bogota D.C., Republic of Colombia and that it believes that it will be damaged by the registration of the subject trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN.
2. "Respondent-Applicant specifically denies the allegations in paragraph 1 of the "grounds for the opposition" in the Verified Notice of Opposition that the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN is confusingly

similar to Opposer's trademark JUAN VALDEZ, for being an erroneous conclusion of fact. Contrary to Opposer's allegation, Respondent-Applicant's trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN is distinct and distinguishable from the Opposer's mark JUAN VALDEZ. The trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN includes the words KAPE and NI, a distinct representation of a man dressed in Filipino clothes holding a cup of coffee as well as a circular design which are not found in Opposer's mark JUAN VALDEZ. Moreover, the trademark JUAN VALDEZ includes the word VALDEZ which is not found in Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN. These differences make the two marks distinct and distinguishable from each other.

3. "The allegation in paragraph 2 of the "grounds for the opposition" in the Verified Notice of Opposition that the registration of the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN will violate Section 123.1 subparagraphs (d), (e) and (f) of Republic Act No. 8293 and Section 6bis and other provisions of the "Paris Convention for the Protection of Industrial Property" is specifically denied for being an erroneous conclusion of law. The fact is the registration of the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN will not violate any law or treaty.
4. "Respondent-Applicant specifically denies the allegation in paragraph 3 of the "grounds for the opposition" in the Verified Notice of Opposition for being an erroneous conclusion of fact. Contrary to Opposer's allegation, the registration and use of the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN will not diminish the distinctiveness and dilute the goodwill of Opposer's trademark JUAN VALDEZ.
5. "The allegation in paragraph 4 of the "grounds for the opposition" in the Verified Notice of Opposition is specifically denied for being baseless and false. The trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN will not violate any provision of the Intellectual Property Code.
6. "Respondent-Applicant specifically denies for lack of knowledge sufficient to form a belief as to the truth thereof, the allegation in paragraph 1 of the Verified Notice of Opposition that the



Opposer is the owner, registrant and/or applicant in many applications and registrations for the trademark JUAN VALDEZ around the world.

7. "Respondent-Applicant admits the allegations in paragraph 2 of the Verified Notice of Opposition that the Opposer is the registrant of the trademark JUAN VALDEZ in the Philippines. It appears, however, that the trademark registrations obtained by the Opposer are obtained in violation of Section 123.1 © of the Intellectual Property Code because the mark JUAN VALDEZ is a name of a particular living individual and the written consent of Mr. Juan Valdez has not been presented.
8. "The allegation in paragraph 3 of the Verified Notice of Opposition that the trademark JUAN VALDEZ has become distinctive and well-known internationally and in the Philippines is specifically denied because the truth is the registration of a mark does not make the mark well-known. Moreover, the trademark JUAN VALDEZ is practically unheard of internationally and in the Philippines.
9. "The allegation in paragraph 4 of the Verified Notice of Opposition that the trademark JUAN VALDEZ has been owned and used for many years and continuously until the present by the Opposer, is specifically denied for lack of knowledge sufficient to form a belief as to the truth thereof.
10. "The allegations in paragraph 5 paraphrasing Section 123.1 (f) and (e) of the Intellectual Property Code are admitted.
11. "The allegations in paragraph 6, (a) to (e), inclusive, are specifically denied for being erroneous conclusions of fact and law. Opposer's trademark JUAN VALDEZ is clearly distinct and distinguishable from the Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN in terms of spelling, pronunciation and over-all appearance. The name JUAN in the trademark JUAN VALDEZ is not the dominant element of the mark because it is very generic name of a person. Moreover, the name JUAN is a generic name in the Philippines used to designate an ordinary Filipino person. The name VALDEZ is the dominant element of the mark because it is what makes the mark distinctive. Considering therefore that the dominant element VALDEZ in Opposer's mark JUAN VALDEZ is very distinct and distinguishable from Respondent-



Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN, the two marks cannot be considered as confusingly similar to each other under the dominancy test.

12. "The allegation in paragraph 7 of the Verified Notice of Opposition is specifically denied for being false and malicious. Respondent-Applicant has no intention to "ride-on" whatever goodwill Opposer allegedly has over the trademark JUAN VALDEZ or "pass-off" its goods as JUAN VALDEZ goods. It has no reason to do such things considering that JUAN VALDEZ has not established any goodwill in the Philippines and Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN is so distinct and distinguishable from Opposer's mark JUAN VALDEZ. If Respondent-Applicant's intention was to ride-on the goodwill of another person, it would have used a mark similar to a popular mark such as, STARBUCKS or SEATTLE'S BEST. Also, if Respondent-Applicant wanted to ride-on the goodwill of the Opposer, it would have used the dominant element of Opposer's mark, VALDEZ, and not used the representation of a Filipino person. The fact is that Respondent-Applicant, in adopting the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN, aims to identify its mark as the only authentic Filipino coffee shop in the country.
13. "Respondent-Applicant specifically denies the allegations in paragraph 8 of the Verified Notice of Opposition for being erroneous conclusions of fact. The truth is that the consuming public will not be misled or confused into believing that its products originate or are under the sponsorship of the Opposer because Opposer's mark JUAN VALDEZ and Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN are very distinct and distinguishable from each other.
14. "Respondent-Applicant specifically denies the allegations in paragraph 9 of the Verified Notice of Opposition for being erroneous conclusions of fact. Indeed, Respondent-Applicant had a boundless choice of words and phrases when it adopted its trademark. Hence, it adopted the very distinctive and very Filipino mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN to distinguish its products from others in the market and from foreign-owned coffee products.



15. "The allegations in paragraph 10 of the Verified Notice of Opposition are specifically denied for being erroneous conclusions of fact. The registration and use of Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN will not diminish or dilute the alleged distinctiveness and goodwill of Opposer's mark JUAN VALDEZ.
16. "The allegations in paragraph 11 of the Verified Answer are specifically denied for being an erroneous conclusion of law. The registration of Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN will not violate any treaty entered into by the Philippines.
17. "The genuineness, due execution and admissibility of Exhibit K are specifically denied and objected to for lack of sufficient knowledge sufficient to form a belief of its genuineness and due execution and because Exhibit K has not been properly identified and authenticated by Opposer's witness, in violation of Rule 132, Section 20 of the Rules on Evidence. The Affidavit-Testimony of Mr. Genaro Munoz Ortega failed to mention anything about a package of JUAN VALDEZ product.
18. "The genuineness and due execution and admissibility of Exhibit L, are specifically denied and objected to for lack of knowledge sufficient to form a belief of its genuineness and due execution and because Exhibit L has not been identified and authenticated by Opposer's witness in violation of Rule 132, Section 20 of the Rules on Evidence. The Affidavit-Testimony of Mr. Genaro Munoz Ortega failed to mention anything about DVD.
19. "The genuineness and due execution and admissibility of Exhibit M are specifically denied and objected to for lack of knowledge sufficient to form a belief of its genuineness and due execution and because Exhibit M is not an original or certified copy, in violation of the best evidence rule and Section 7.1 of the Amendments to the Regulations on Inter Partes Proceedings.

and stated the following Counter-Allegations of Facts, to wit:

20. "The trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN is a brainchild of Respondent-Applicant's President, Mr. Patrick Joson. He conceptualized the trademark



for his coffee catering business. A fourth generation coffee farmer from Batangas, Mr. Joson decided to open his coffee business in 2006 to promote the traditional Filipino way of drinking coffee. Hence, he designed the trademark now entitled as "KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN." The trademark is composed primarily of the name JUAN which was derived from the symbolic Filipino identity, Juan de la Cruz. The representation of a man dressed in native Filipino clothes symbolized the ordinary Filipino, Juan de la Cruz. True to its being an authentic Filipino coffee shop, KAPE NI JUAN is the only coffee shop offering the four varieties of endemic Filipino coffees: Liberica, Robusta, Exelsa and Arabica. Attached as Exhibit "1" is the Affidavit-Direct Testimony of Mr. Patrick Joson attesting to the facts alleged herein.

21. "As a result of the unique and very Filipino philosophy behind KAPE NI JUAN, it has been featured in the major Filipino newspapers. Attached as Exhibits "2" to "4" are copies of newspaper articles of KAPE NI JUAN published in the Philippine Star, Philippine Daily Inquirer and Today Life Food showing the unique Filipino philosophy behind KAPE NI JUAN. Attached as Exhibits "5" to "9" are samples of KAPE NI JUAN labels and products.

Likewise, by way of defense, further stated that:

22. "The Verified Notice of Opposition should be dismissed outright because it was filed beyond the period to file the same.
23. "After giving a sixty (60)-day extension to the Opposer, the Honorable Bureau of Legal Affairs issued Order No. 2007-0262 giving the Opposer a final extension of thirty (30) days from December 4, 2007 or until January 3, 2008 within which to file its Verified Notice of Opposition.
24. "Instead of filing a Verified Notice of Opposition, the Opposer filed a Motion for Extension of Time to File Verified Notice of Opposition on the final deadline of January 3, 2008.
25. "Despite the fact that it has already given the Opposer a final extension of time to file a Verified Notice of Opposition, the Honorable Bureau through its Order No. 2008-13 dated January 7, 2008 again gave the Opposer another final extension of time to file the Verified Notice of Opposition.

26. "On January 4, 2008, which is one day after the January 3, 2008 final deadline set by Order No. 2007-2062, the Opposer filed its Verified Notice of Opposition.

27. "Section 4 (a) of Rule 7 of the Regulations on Inter Partes Proceedings states that the time for filing the verified opposition may be extended for an additional one (1) month, to wit:

Section 4. (a) Extension of period for filing the verified opposition. For good cause shown and upon payment of the required surcharge, the time for filing the verified opposition may be extended for an additional one (1) month by the Director upon the written request of the Opposer. Whenever an extension is granted, the Director shall cause the applicant to be notified thereof. The petition for extension shall be filed in triplicate. However, in no case shall the period within which to file the verified opposition exceed four (4) months from the date of release of the IPO Gazette publishing the mark being opposed. If the last day for filing of the notice of opposition or the verified opposition falls on a Saturday, Sunday, holiday, non-working holiday as may be declared by the President of the Philippines or on a day when the Office or the Bureau is closed for business as may be declared by the Director General, the same shall be moved to the immediately following working day.

(Emphasis supplied.)

28. "Hence, if a sixty (60)-day extension has already been granted to the Opposer, only one additional (30)-day extension may be granted. The last sentence of Section 4 (a) of Rule 7: "However in no case shall the period within which to file the verified opposition exceed four (4) months from the date of release of the IPO Gazette publishing the mark being opposed." is not an exception to the additional one month extension rule. Rather it is an additional requirement. In other words, Section 4 (a) of Rule 7 sets two conditions for giving an additional extension, namely: a) the additional extension should only be for one month, and b) the period within which to file the verified opposition should not exceed four months from the

date of publication in the IPO Gazette. Thus, based on Section 4 (a) of Rule 7, the Honorable Bureau cannot issue two additional motions for extensions, one for 30 days and another for 3 days.

29. "In the instant case, the Honorable Bureau, through Order NO. 2007-2062, has already granted an additional thirty-day extension to the Opposer. The Honorable Bureau knew that such extension was final, hence, it indicated the same to be a "final extension." The Honorable Bureau would not have indicated the extension as final if it did not consider it to be final. Through its inaction, the Opposer, likewise admitted that the January 3, 2008 deadline is final. Hence, the Opposer did not question Order No.2007-2062 by filing a motion for reconsideration. By not filing a motion for reconsideration, Order No. 2007-2062 setting the final deadline to January 3, 2008 has therefore become final. The Opposer cannot therefore have Order No. 2007-2062 set aside by the mere expedience of filing another motion for extension. Hence, an Order effectively setting aside Order No. 2007-2062 is contrary to Section 4 (a) of Rule 7 of the Regulations on Inter Partes Proceedings as well as the basic principle of res judicata.
30. "In sum, considering that the final deadline to file the Verified Notice of Opposition was on January 3, 2008, the Opposer was one day delayed in filing the Verified Notice of Opposition when it filed it on January 4, 2008.
31. "Opposer has no valid and legal ground to oppose the subject registration.
32. "Under Section 123.1 © of the Intellectual Property Code, a mark cannot be registered if it consists of a name of a particular living individual except if there is a written consent signed by the person.
33. "The trademark JUAN VALDEZ is apparently a name of a particular living person. Therefore, it cannot be registered as a trademark except if there is a written consent issued by Mr. Juan Valdez authorizing the Opposer to use his name as its trademark. In the instant case, the Opposer failed to present as evidence any written consent that it was authorized by Mr. Juan Valdez to register the trademark JUAN VALDEZ. Hence, the registration of the trademark JUAN VALDEZ may not be

used by the Opposer as a basis for the instant Opposition because it was obtained contrary to Section 123.1 © of the Intellectual Property Code.

34. "On its face, the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN is clearly not identical or similar to the mark JUAN VALDEZ. On the contrary, the two marks are distinct and distinguishable from each other. The mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN includes distinct words and elements not found in the trademark JUAN VALDEZ, namely, the words KAPE and NI, a distinct representation of a man dressed in Filipino clothes holding a cup of coffee as well as a circular design which are not found in Opposer's mark JUAN VALDEZ. Moreover, the trademark JUAN VALDEZ includes the word VALDEZ which is not found in Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN. These differences make the two marks distinct and distinguishable from each other.

35. "In Bristol Myers vs. The Director of Patents and United American Pharmaceuticals (G.R. No. L-21587, May 19, 1966) quoting Mead Johnson VS. N.V.J. Van Dorp. Ltd., the Honorable Supreme Court held that the marks should be taken in their entirety to determine confusing similarity, to wit:

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 the respective labels, in relation to the goods to which they are attached. Said rule was enunciated by this Court through Justice Felix Bautista Angelo 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, appears 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 in a comparison of said words is not the only determining factor. The two marks in their entirety as they appear in the 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...."

36. In Acoje Mining Co., Inc. vs. Director of Patents, (G.R. No. L-28744, April 29, 1971). The Honorable Supreme Court reiterated the doctrine of totality enunciated in Bristol Myers. In said case, the registration of the mark LOTUS for soy sauce was allowed despite the fact that another mark LOTUS has already been registered for edible oil. This is for the reason that the two marks are different if viewed in their entirety. Thus, the Honorable Supreme Court held:

... Moreover, there is no denying that the possibility of confusion is remote considering the difference in the type used, the coloring, the petitioner's trademark being in yellow and red while that of the Philippine Refining Company being in green and yellow, and the much smaller size of petitioner's trademark. When regard is had for the principle that the two trademarks in their entirety as they appear in their respective labels should be considered in relation to the goods advertised before registration could be denied, the conclusion is inescapable that respondent Director ought to have reached a different conclusion. Petitioner has successfully made out a case for registration.

37. "In other similar cases, the Honorable Supreme Court reiterated that the trademarks should be viewed in their entirety to determine confusing similarity (American Cyanamid Company vs. Director of Patents, et. al., G.R. No. L-23954, April 29, 1977; Hickok Manufacturing Co., Inc. vs. Court of Appeals, G.R. No. L-44707, August 31, 1982;)

38. "Similarly in the instant case, the trademarks KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN and JUAN VALDEZ when viewed in their entirety, are clearly distinct and



distinguishable from each other because of the different words and elements included in the marks, as previously discussed.

39. "Moreover, the trademarks KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN and JUAN VALDEZ are also not considered confusingly similar to each other under the dominancy test.
40. "In *Asia Brewery, Inc. vs. Court of Appeals, et al.*, G.R. No. 103543, 5 July 1993, the Supreme Court explained the dominancy test, to wit:

Infringement is determined by the "test of dominancy" rather than by differences or variations in the details of one trademark and of another. The rule was formulated in *Co Tiong Sa vs. Director of Patents*, 95 Phil. 1,4 [1954]; reiterated in *Lim Hoa vs. Director of Patents*, 100 Phil. 214, 216-217 [1956], thus:

It has been consistently held that the question of infringement of a trademark is to be determined by the test of dominancy. Similarity in size, form and color, while relevant, is not conclusive. If the competing trademark contains the main or essential or dominant features of another, and confusion and deception is likely to result, infringement takes place. Duplication or imitation is not necessary; nor it is necessary that the infringing label should suggest an effort to imitate. [*C. Neilman Brewing Co. vs. Independent Brewing Co.*, 191 F., 489, 495, citing *Eagle White Lead Co., vs. Pflugh (CC)* 180 Fed. 579]. The question at issue in cases of infringement of trademarks is whether the use of the marks involved would be likely to cause confusion or mistakes in the mind of the public or deceive purchasers. (*Auburn Rubber Corporation vs. Honover Rubber Co.*, 107 F. 2d 588); [Emphasis supplied].






In *Forbes, Munn & Co, [Ltd.] vs. Ang San To*, 40 Phil. 272, 275, the test was similarity or "resembles between the two (trademarks) such as would be likely to cause the one mark to be mistaken for the other. [But] this is not such similitude as amounts to identity."

In *Phil. Nut Industry Inc. vs. Standard Brands Inc.*, 65 SCRA 575, the court was more specific: the test is "similarity in the dominant features of the trademarks."

41. "In the instant case, the dominant element of the trademark JUAN VALDEZ is the name VALDEZ because it is the name which makes it distinctive. The name JUAN has not that much trademark significance to the trademark JUAN VALDEZ because it is merely the first name of JUAN VALDEZ and JUAN is a very common name for persons with Spanish ancestry. Under the Philippine context, the name JUAN has even become a generic name to refer to an ordinary Filipino person. The dominant element of the trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN are the two words KAPE and JUAN as well as the representation of a man dressed in Filipino clothes holding a cup of coffee. These are the conspicuous elements of the trademark and thus make the mark distinctive. Considering therefore that the dominant elements of the trademarks JUAN VALDEZ and KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN are very different, these marks cannot be considered as confusingly similar to each other under the dominancy test.
  
42. "Moreover, the fact that Respondent-Applicant's mark surpassed the objections of the Examiner of this Honorable Office proves that this Honorable Office considered Respondent-Applicant's mark as not confusingly similar to Opposer's mark. The Intellectual Property Office, more particularly its Trademark Examiners are considered by law to be "experts" in the field of Trademarks Law, hence, their initial findings to allow Respondent-Applicant's registration should be given proper consideration.

After receipt of the Answer, Opposer subsequently filed a Reply on 19 May 2008 to Respondent-Applicant's Answer. Respondent-Applicant filed their



Rejoinder to Opposer's Reply on 29 May 2008, after which a Sur-Rejoinder to Respondent-Applicant's Rejoinder was filed by Opposer on 16 June 2008.

Filed as evidence for the Opposer, based on the records, are the following:

1. Affidavit-Testimony of Opposer's witness, Genaro Munoz Ortega - Exhibits "A" to "A-7"
2. Signature of Opposer's witness, Genaro Munoz Ortega - Exhibit "A-7-a"
3. A certified copy of Trademark Registration No. 866,500 issued by the United States of America for the mark Design of a Man, Mule & Mountains - Exhibit "C"
4. A certified copy of Trademark Registration No. 1352381 issued by the United Kingdom for the mark Device (traditional logo without words) - Exhibit "D"
5. A certified copy of Trademark Registration No. 2329775 issued by the United Kingdom For Opposer's mark JUAN VALDEZ 100% CAFÉ DE COLOMBIA and Device - Exhibit "E"
6. A certified copy of Trademark Registration No. 1047576 issued by the United Kingdom For the mark JUAN VALDEZ and Device - Exhibit "F"
7. A certified copy of Trademark Registration No. 2446938 issued by the United Kingdom for the mark JUAN VALDEZ - Exhibit "G"
8. A certified copy of Japanese Trademark Registration No. 4874068 for the mark JUAN VALDEZ - Exhibit "H"
9. A certified copy of Japanese Trademark Registration No. 4946497 for the mark Device (traditional logo without words) - Exhibit "I"
10. A certified copy of Japanese Trademark No. 1288116 for the mark Device (traditional logo) - Exhibit "J"
11. An actual packaging of one of Opposer's Products bearing the mark JUAN VALDEZ - Exhibit "K"
12. A DVD with pictures of JUAN VALDEZ coffee shops and television advertisements for Opposer's products bearing the mark JUAN VALDEZ - Exhibit "L"



13. A certified copy of a decision issued by the Colombian trademark authority recognizing the notoriety of the trademark JUAN VALDEZ together with its English translation - *Exhibit "M"*

Filed as evidence likewise for Respondent-Applicant were the following: Affidavit Direct Testimony of Respondent-Applicant's witness, Patrick Joson (*Exhibit "1", Applicant*); Registrability Report for JOLLYDAY & DEVICE (*Exhibit "2", Applicant*); Copies of newspaper articles of KAPE NI JUAN published in the Philippine Star, Philippine Daily Inquirer and Today Life Food (*Exhibits "2 to 4", Applicant*); Samples of KAPE NI JUAN labels and products (*Exhibits "5 to 9", Applicant*).

### Issues

The issues to be resolved in the instant Opposition case are:

- (a) Whether or not Respondent-Applicant's trademark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN is confusingly similar to Opposer's JUAN VALDEZ trademark such that Opposer will be damaged by registration of KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN mark in the name of Respondent-Applicant; and
- (b) Whether or not Respondent-Applicant's trademark application for KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN should be granted registration.

Before dwelling on issues about confusing similarity in the case at bar, this Bureau finds it imperative to delve on or first determine the other issues raised by Respondent-Applicant. Respondent-Applicant alleged in its Verified Answer that:

*"The Verified Notice of Opposition should be dismissed outright because it was filed beyond the period to file the same"*

Explicit under our Implementing Rules and Regulations on Inter Partes Proceedings, specifically Section 4, Rule 7 that the filing of the verified opposition can be extended for good cause shown but in no case shall the filing of the subject opposition exceed four (4) months from the date of release of the IPO Gazette which publishes the mark for opposition. The Bureau notified Opposer of the extension granted by virtue of Order No. 2008-13. Hence, the filing by Opposer of the Verified Opposition on January 04, 2008 was not only by virtue of

the subject Order but it was within the 4 month-period allowed by law to file the same.

As to the alleged lack of a valid ground considering that Opposer's trademark JUAN VALDEZ is a name of a particular living individual and the consent of Mr. Juan Valdez was not presented in evidence, this Bureau quote the portion of paragraph 33 in Respondent-Applicant's Verified Answer upon which Respondent-Applicant based its reason/s why it alleged as lack of a valid ground the adoption by the Opposer of the trademark JUAN VALDEZ as it was obtained contrary to Section 123.1 © of the Intellectual Property Code:

*"33. The trademark JUAN VALDEZ is **apparently** a name of a particular living person. Therefore, it cannot be registered as a trademark except if there is a written consent issued by Mr. Juan Valdez authorizing the Opposer to use his name as its trademark. xxx"*

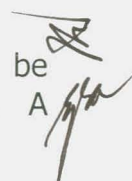
First and foremost, this is an Opposition case and the ground as alleged is a basis of a petition for cancellation of a trademark registration, not in an Opposition proceedings. There is presumption of validity of a trademark registration under Section 138 of R.A. 8293 which provides that:

*Sec. 138. Certificate 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.*

But if ever, what could be a valid ground to cite Section 123.1 © of R.A. 8293 is an evidence that indeed JUAN VALDEZ is a living individual. Respondent-Applicant only alleged that JUAN VALDEZ is **APPARENTLY** a name of a particular living person. Nowhere in the evidence presented by Respondent-Applicant was it shown that JUAN VALDEZ is a living person who may be damaged by the registration of his name as it was obtained without his consent.

A Preliminary Conference of the instant suit was held on 22 June 2008 and on same date, the parties agreed to terminate the said conference. Considering that the case was mandatorily covered by the Summary Rules under Office Order No. 79, this Bureau required both parties to file their respective position paper. Opposer filed its position paper on 18 July 2008 while Respondent-Applicant filed theirs on same date.

This Bureau finds that the issue of confusing similarity can best be resolved by comparative examination or analysis of the marks in question. A



comparison of Opposer's and Respondent-Applicant's marks will show that Respondent-Applicant's KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN is not confusingly similar to Opposer's registered trademark JUAN VALDEZ.

This Bureau reproduced Opposer's as well as Respondent-Applicant's marks for purposes of comparison:

**JUAN VALDEZ**



**Opposer's mark**

*as shown in Reg. No. 42005003684*

**Applicant's mark**

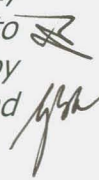
*as shown in Appl. Serial No. 42006011808*

The mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN was printed and stylized in complete variation to Opposer's registered trademark JUAN VALDEZ, hence, the presentation of the labels are totally different. A mere examination and comparison of the competing marks reveal that the adoption of the word JUAN has its contrasting nature for both marks, JUAN in Respondent-Applicant's KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN has its Filipino origin, JUAN DE LA CRUZ being a symbol or is used to depict an ordinary Filipino while the use of JUAN as alleged in Opposer's trademark JUAN VALDEZ has its origin in Colombia which represents the coffee growers in that country. JUAN is a common word or name which can be used by anyone. However, its combination with another word or name can be exclusive as it depends on how it symbolizes a person, country or a sector, as what happened in this case. The records disclose, however, that apart from the use of the word JUAN, there are other essential features composing Applicant's KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN mark which included the use of a device consisting of a caricature of JUAN DE LA CRUZ wearing a Filipino attire/costume of camisa de chino with colorful kerchief. Above the image of

JUAN DE LA CRUZ with circular design comprising Applicant's mark is written the words KAPE NI JUAN. Present in both trademarks is the word JUAN, but the adoption of the word JUAN is different in both designs. Although, both marks are similar in the adoption and use of the common name/word JUAN with Applicant using the word JUAN with KAPE NI as against Opposer's JUAN VALDEZ, they vary substantially as well in the composition and integration of the other main and essential features, in the general design and their overall appearance. It is observed that an ordinary consumer's attention would not be drawn on the minute similarities that were noted but on the differences or dissimilarities of both marks that are glaring and striking to the eye.

In the case of Mead Johnson vs. N.V.J. Van Dorp, Ltd., 7 SCRA 768, no less than the Supreme Court ruled that : while there are similarities in spelling, appearance and sound between "ALACTA" and "ALASKA" the trademarks in their entirety as they appear in their respective labels show glaring and striking differences or dissimilarities such as in size of the containers, the colors of the labels, inasmuch as one uses light blue, pink, and white, while Van Dorp containers uses two color bands, yellowish white and red; furthermore the mark "ALACTA" has only the first letter capitalized and is written in black while the mark "ALASKA" has all the letters capitalized written in white except that of the condensed full cream milk which is in red.

Similarly, the Supreme Court recognized the following as registrable trademarks for medicinal products: **BIOFERIN and BUFFERIN** ( Bristol Myers Company vs. The Director of Patents and United American Pharmaceuticals, Inc., 17 SCRA 128 ); and **SULMET and SULMETINE** ( American Cyanamid Company vs Director of Patents, et. al. G.R. No. L-23954, April 29, 1977);

The adoption of JUAN in Opposer's registered trademark JUAN VALDEZ does not create nor confer upon Opposer the right to exclusively appropriate the word JUAN. JUAN is an ordinary or common name which can be used by anybody but no one can have exclusive use to it. However, the use of JUAN may constitute a valid trademark particularly in combination with another word, such as the word KAPE NI with the picture of JUAN DE LA CRUZ which symbolizes or represents a Filipino individual who loves coffee as in the case at bar. The combination of words and syllables can be registered as trademarks for as long as it can individualize the goods of a trader from the goods of its competitors. Bolstering this observation is the pronouncement by the Court in the case of Ethepe vs. the Director of Patents, Westmont Pharmaceutical, Inc., 16 SCRA 495, " *that while the word by itself cannot be used exclusively to identify one's goods it may properly become a subject of a trademark by combination with another word or phrase; hence, Ethepe's "Pertussin" and Westmont's "Atussin"* 

Opposer further argues that Opposer's registered trademark JUAN VALDEZ is popular all over the world and/or well-known citing provision for the protection of well-known marks for goods or services which are either identical or similar as contained in Section 123.1 (e) of the Intellectual Property Code of the Philippines ( R.A. 8293).

Before evidence showing well-knownness of the mark is assessed and evaluated, there must be shown or established confusing similarity of the trademarks in question. Inasmuch as this Bureau finds no confusing similarity between the subject trademarks in the light of discussions on the evidence adduced and/or presented to this Bureau, the issue of well-knownness of the mark has become unnecessary.

All told, confusion or deception to the purchasing public or the apprehension, if at all, that the public may be misled into believing that there is some connection or association between Opposer's goods using its JUAN VALDEZ trademark and Respondent-Applicant's KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN, the likelihood that these goods may be mistaken as coming from the same origin, is far-fetched.

Based on the foregoing and despite allegation of well-knownness of Opposer's registered trademark JUAN VALDEZ, this Bureau resolves to grant protection to Respondent-Applicant's mark KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN , the two marks not being confusingly similar.

**WHEREFORE**, based on the foregoing facts and the evidence, the Notice of Opposition filed by herein Opposer is, as it is hereby, **DENIED**. Accordingly, application bearing Serial No. 4-2006-011808 for the mark "**KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN**" filed on 30 October 2006 for use on goods under Class 30 is, as it is hereby **GIVEN DUE COURSE**.

Let the filewrapper of KAPE NI JUAN AND DEVICE ENCLOSED BY A CIRCULAR DESIGN , subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

**SO ORDERED.**

21 August 2008, Makati City.

  
**ESTRELLITA BELTRAN-ABELARDO**  
*Director, Bureau of Legal Affairs*