

Republic of the Philippines  
 Ministry of Trade and Industry  
 Philippine Patent Office  
 Midland Buendia Building  
 403 Sen. Gil J. Puyat Avenue  
 Makati, Metro Manila

SOCIETE DES PRODUITS  
 NESTLE S.A.,

Opposer,

INTER PARTES CASE NO. 1859

OPPOSITION TO

Appln. Serial No. 39704

Applicant: Malaysia Dairy  
 Industries Private, Ltd.

Filed: October 5, 1979

Trademark: VITAGEN

Used on: Milk and other

dairy products

DECISION NO. 86-46 (TM)

MALAYSIA DAIRY INDUSTRIES  
 PRIVATE LIMITED,

Respondent-Applicant.

June 16, 1986

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D E C I S I O N

Captioned case pertains to an Opposition filed by Societe des Produits Nestle S.A. (hereinafter referred to as Opposer), a company organized under the laws of Swiss Confederation, domiciled in Switzerland, and having its registered head office in Vevey, Canton of Vaud, Switzerland, against an application for registration (assigned with Serial No. 39704) of the trademark "VITAGEN" used on milk and other dairy products belonging to Class 29 filed on October 15, 1979 by Malaysia Dairy Industries Private Limited (hereinafter referred to as Respondent-Applicant), of the Republic of Singapore.

The Opposer alleged the following as its ground for Opposition:

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"1. That applicant's trademark VITAGEN is confusingly similar to the trademark VITA owned by opposer which is used in respect of 'vegetable-based meat extender, and soya-based food products, specially beverage soya drinks, and not abandoned, as to be likely, when applied to or used with the goods of the applicant, 'milk and other dairy products', to cause confusion or mistake or to deceive purchasers thereof.

2. That the registration of VITAGEN in the name of Malaysia Dairy Industries Private, Limited will cause great and irreparable injury and damage to opposer within the meaning of Section 8 of Republic Act No. 166, as amended."

To support its Opposition, the Opposer relied on the following facts:

- "a) Opposer is the owner of the trademark VITA and has obtained registration of the same in the Principal Register of the Philippine Patent Office with Certificate of Registration No. 31168 issued October 1, 1982;
- b) Opposer has adopted and extensively used the said trademark in the Philippines;
- c) As a result of long, continuous and extensive use by Opposer, the trademark VITA has become well known in the Philippines and has been identified with the goods and business of the Opposer in the mind of the purchasing public here, such that the use of any other trademark which is identical thereto is likely to confuse the purchasing public;
- d) The trademark applied for by Malaysia Dairy Industries Private, Limited consists of the word VITAGEN, is likely to be confused by the purchasing public as a trademark belonging to or associated with the

goods and/or business of the Opposer."

Pursuant to existing procedures, a Notice to Answer was sent to Messrs. Siguion Reyna, Montecillo and Ongsiako, counsel as well as resident agent of Respondent-Applicant. On November 2, 1984, Respondent-Applicant filed its Answer denying specifically all the allegations in the Opposition except that which refers to the existence of its application for registration bearing Serial No. 39704 and the fact of publication of the same on Page 40, No. 8, Volume 80, February 20, 1984 issue of the Official Gazette.

By way of affirmative and special defenses, Respondent-Applicant alleged further in its Answer the following:

"3. It incorporates by reference the foregoing averments insofar as the same are pertinent and material herein.

4. Opposer has no valid legal cause of action against respondent-applicant.

5. Opposer is not licensed to do business in the Philippines and, consequently, it has no legal capacity or personality to institute, much less prosecute, the instant Notice of Opposition.

6. Respondent-applicant has adopted and has been using the trademark 'VITAGEN' for milk and other dairy products in good faith.

7. Conformably with the principle of estoppel and/or estoppel, Opposer can not now question the use as well as the ownership by respondent-applicant of the trademark 'VITAGEN' for milk and other dairy products.

8. The Notice of Opposition is fatally defective as it fails to comply with the requirements of Section 8 of Republic Act No. 166, as amended.

9. Respondent-Applicant has complied with all the requirements of Republic Act No. 166, as amended.

Issues having been joined, the case was set for pre-trial conference on December 11, 1984, on which date counsel for Respondent-Applicant, due to conflict of interest, filed his written withdrawal of appearance which was later made of record, per Order No. 85-017. As a consequence, the scheduled pre-trial conference was postponed to January 25, 1985.

Records will show that after several postponements due to the absence of a representative or counsel of Respondent-Applicant, this Office sent a Notice of Pre-Trial Conference dated April 23, 1985 resetting for the last time the pre-trial conference to May 30, 1985, with a warning that should Respondent-Applicant fail to retain the services of a counsel by the next scheduled hearing, it shall be declared as in default.

Records will further show that for failure of Respondent-Applicant or its counsel to appear during the hearing of May 30, 1985, this Office, after proper motion by Opposer, not only declared Respondent-Applicant as in default but also set the date (July 11, 1985) for the ex-parte presentation of evidence by Opposer, through Order No. 85-187 dated June 11, 1985.

On the ex-parte hearing for the reception of Opposer's evidence, counsel for Opposer presented both testimonial as well as documentary evidences. Said counsel presented Atty. Mabini L. Antonio and Mr. Jose Maria Sy Mendoza as his witnesses.

The first witness testified, among others, that:

1. He has been connected with Filipro, Inc. as Assistant Vice-President for Corporate Affairs since December, 1971 and responsible for, among others, overseeing the protection of industrial property rights of the company related to business operations;
2. Filipro, Inc. is the manufacturer and distributor of food products carrying the trademark NESTLE, "MILO", "VITA", "MAGGI" and other products known locally and in many parts of the world;
3. Filipro, Inc. is the licensee in the Philippines of the Opposer particularly with

respect to the manufacture of the products above-mentioned;

4. The trademark "VITA" has been duly registered in the Philippines as evidenced by a registration certificate (marked as Exhs. "A", "A-1", "A-2", "A-3" and "A-4");

5. Part of his duties is to see to it that the company's trademarks are not infringed upon by competitors in food manufacturing and distribution; and

6. Sometime in 1984, they came across a publication in the Official Gazette of the trademark application for "VITAGEN" covering the same class of goods as that covered by their trademark "VITA". (Tsn., pp. 3-10, July 11, 1985)

On the other hand, the second witness testified, among others, that:

1. He has been connected with Filipro, Inc. as Brand Manager for milk products since 1978 up to the present and responsible for, among others, coordinating and supervising the production, advertising, costing and distribution of various milk products such as Nido, Bear Brand, Vita and many others, as well as the sale and marketing of the same;

2. The trademark "VITA" was first used in the Philippines on October 25, 1979, as evidenced by several sales slips covering the sale of products bearing the trademark "VITA" (marked as Exhs. "B", "B-1", "B-2", "B-3" and "B-4");

3. Products bearing the trademark "VITA" are actually sold in the Philippines, as evidenced by sales invoices from 1980 all the way to 1985 (marked as Exhs. "B-5", "B-6", "B-7", "B-8", "B-9", "B-10", "B-11" and "B-12");

4. The amount of sales generated by the products bearing the trademark "VITA" from October, 1979 to end of June, 1985 is approximately thirty-five million pesos (P35,000,000.00); and

5. Products bearing the trademark "VITA" were promoted or advertized by Filipro, Inc. through media efforts, which include print (Exhs. "C", "C-1" and "C-3"), television and radio advertisements and non-media efforts, which include posters (Exhs. "C-2" and "C-4"), leaflets and others (Tsn., pp. 12-22, July 11, 1985).

The two (2) witnesses having testified, Opposer formally offered the following exhibits as evidence which, thereafter, were admitted as evidence by this Office:

Exhibits "A", "A-1", "A-2" and "A-3" -

Certificate of Registration No. 31168 for the trademark "VITA" to show the said trademark has been registered with the Philippine Patent Office and that the same is still in full force and effect.

Exhibits "B", "B-1", "B-2", "B-3" and "B-4" -

Sales slips or invoices covering the sale of the product bearing the trademark "VITA", all dated October 25, 1979 to show that said trademark has been in actual use in the Philippines since October 25, 1979.

Exhibits "B-5", "B-6", "B-7", "B-8", "B-9",  
"B-10", "B-11" and "B-12" -

Sample invoices covering the sale of the products bearing the trademark "VITA" to show that said trademark has been in use and still being used and marketed in the Philippines.

Exhibits "C", "C-1", "C-2", "C-3" and "C-4" -

Promotional materials showing the products bearing the trademark "VITA" as used on soya-based food products, soya-based beverage drinks, either solely or in combination with other dairy product, particularly chocolate and milk to show that the Opposer, through its local licensee, has spent considerable amounts in establishing the goodwill of the product bearing the trademark "VITA" and that these products bearing the trademark "VITA" have been identified and associated by the purchasing public with the products of the Opposer.

Exhibit "C-5" -

Sample product of "Chocolate Milk and Soya Health Drink" bearing the trademark "VITA" in its package form to show that said trademark is also used on products containing a combination of soya and other dairy based drinks.

To augment its position, Opposer filed through counsel its Memorandum on August 15, 1985, after which the case was deemed submitted for decision.

The crux of the instant controversy is whether or not under the provision of Section 4(d) of Republic Act No. 166, as amended, the allowance of Respondent-Applicant's application for registration of the trademark "VITAGEN" used on milk and other dairy products is prohibited.

Before touching on the issue, this Office considers it necessary to bring to the fore the undisputed fact that Opposer is the registered owner of the trademark "VITA" in the Principal Register, as evidenced by Certificate of Registration No. 31168 issued on October 1, 1982 (Exhs. "A", "A-1", "A-2" and "A-3") and that Opposer has adopted and extensively used the trademark "VITA" in commerce in the Philippines since October 25, 1979 up to the present (Exhs. "B", "B-1" to "B-12"), with sales amounting to approximately thirty-five million pesos from October, 1979 to June, 1985 (Tsn., p. 18, July 11, 1985).

Likewise, this Office considers it necessary to stress that the trademark "VITA" has been the subject of extensive advertising and sales promotion through media and non-media campaigns since October, 1979 up to the end of June, 1985 wherein approximately twenty two million pesos were spent (Exhs. "C", "C-1" to "C-4"; tsn., pp. 18-22, July 11, 1985) and that the said mark has become well known in the market as indicating the source of Opposer's soya-based food products and soya-based beverage drinks.

Retracing back to the issue, this Office quotes hereunder, for appropriate emphasis, Section 4(d) of Republic Act No. 166, as amended, to wit:

"SEC. 4. Registration of trade-marks, trade-  
names and service-marks on the principal register

- There is hereby established a register of trade-marks, trade-name and service marks which shall be

known as the principal register. The owner of a trademark, trade-name or service-mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless it:

x

x

x

(d) Consists of or comprises a mark or trade-name which so resembles a mark or trade-name registered in the Philippines or a mark or tradename previously used in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers; x x x"

From the afore-quoted provision, one could glean that the determination of the issue in the case at bar would depend much on the degree of similarity of the contending trademarks "VITA" and "VITAGEN".

On the basis of evaluation of the records and evidence and of the logical and reasonable inferences drawn from it, this Office finds that the Respondent-Applicant's trademark "VITAGEN" is confusingly similar to Opposer's trademark "VITA".

It must be stated that in considering the degree of similarity between the two marks, the key inquiry is not similarity per se but rather whether a similarity exists which is likely to cause confusion. (See Exxon Corp. vs. Xpil Energy 634, 641-42 (S.D. N.Y. 1981.) This must be applied from the perspective of the prospective purchasers. Thus, it must be determined whether the impression which the infringing mark makes upon the consumer is such that he is likely to believe the product is from the same source as the one he knows under the trademark. And, with respect to purchasers, the factual test applied in determining likelihood of confusion is not that of a careful and discriminating purchaser, but that of an ordinary and casual buyer, or perhaps even ignorant, inexperienced, and gullible purchaser (Marquis Who's who, Inc. vs. North American Advertising Associates, Inc. [DC DistCol], 194 USPQ 441).



Turning to the two (2) marks involved here, a similarity and some differences are readily apparent. The patent similarity between the marks is that both employ the word "VITA". On the other hand, the most glaring difference between them is that in one, the letters G, E and N are added to the "VITA". Another difference, albeit slight, is the style of lettering used, as shown in the Opposer's labels and in Respondent-Applicant's drawings (attached to the application for registration). It is pertinent and material to state at this point that since the Respondent-Applicant's application for registration is based on a foreign registration (Republic of Singapore), the submission of labels is, under the existing practice, not required. Hence, in the instant case, the Office is not afforded the opportunity to examine the labels on which Respondent-Applicant's trademark "VITAGEN" is reflected.

This Office, in spite of the cited differences, did not give great significance to them. Differences or variations in the details of one trademark and of another are not the legally accepted tests of determining whether a trademark is confusingly similar to another. In deciding whether one of two trademarks infringes the other, consideration should be given to the impression created by each mark as a whole, not as dissected. This is because the consuming public not expected to analyze or to dissect respective marks carefully. Moreover, as what is well settled in foreign jurisprudence, the addition of a house mark, trade name or other matter to a term which, in the absence of the added matter, would be the same as or confusingly similar to another mark is generally not sufficient to preclude confusion in trade. It must be noted that had the letters G, E and N been omitted in the trademark "VITAGEN" then, obviously, Respondent-Applicant would be using the trademark "VITA".

On this matter, the Supreme Court, in a number of cases (Forbes-Munn & Co. vs. Ang San To, 40 Phil. 272, 275; Co Tiong Sa vs. Director of Patents, 95 Phil. 1, 4; Etepha vs. Director of Patents, G.R. No. L-206, 351, March 31, 1966; and Phil. Nut Industry vs. Standard Brands, Inc., 65 SCRA 575, 579), applied the dominant feature standard wherein it pronounced 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

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place. Duplication or imitation is not necessary, nor is it necessary that the infringing label should suggest an effort to imitate.

This rule has its basis in experience. As noted in the case of Co Tiong Sa vs. Director of Patents, the average or ordinary customer or buyer retains in his mind only the dominant characteristics or features or central idea in what he buys and forgets the attendant decorations, flourishes and variations.

In the case at bar, this Office cannot close its eyes to the great possibility that, due to the extensive promotions and advertisements of the Opposer, the trademark "VITA" is already impressed in the mind of the consumers. Also, this Office could not disregard the reasonable possibility that, in case Respondent-Applicant is allowed to use the trademark "VITAGEN" on its goods, the word "VITA" may become the dominant feature of the mark.

It is, thus, logical to surmise that an ordinary purchaser who has been influenced by the advertisements of the Opposer may, upon seeing the Respondent-Applicant's goods, be misled or be mistaken to believe that said goods are associated or originated from the Opposer.

Of course, there is no question that the respective products of the parties herein are not exactly the same. Respondent-Applicant's trademark "VITAGEN" is used on milk and other dairy products belonging to Class 29, while Opposer's trademark "VITA" is used on soya-based food products, soya-based beverage drinks and vegetable based meat extender belonging to Classes 29 and 32 (Exh. "A-2"). However, as aptly held in a case, for the purpose of determining the likelihood of source confusion of trademarks, the goods need not be identical, or even competitive, it being sufficient that they are so related and/or conditions surrounding their marketing are such that they are likely to be encountered in the market place by the same relevant purchasers who, because of the relatedness of the goods and the marks' similarities, would believe, mistakenly, that they share a common source or are associated with the same producer (In re Epic System Corporation, 228 USPQ 213, 216). With this in mind, this Office considers the fact that while the products of the contending parties are not identical, they are certainly related and competitive. Attention should be directed not only to the fact that some

of Respondent-Applicant's goods belong to the same classification as that to which the Opposer's goods belong, but also to the business practice that health drinks are often displayed in the same section of a store or supermarket. In fact, as sufficiently established, the Opposer's goods and that of the Respondent-Applicant are both directed toward the same health drink market, marketed through the same distribution channels, and advertised through the same media.

By and large, this Office concludes that the allowance of Respondent-Applicant's application for registration of the trademark "VITAGEN" would be violative of Section 4(d) of Republic Act 166, as amended, hereinbefore quoted.

This conclusion finds added support from the fact that Respondent-Applicant constantly failed to appear during the scheduled hearings of this case, which ultimately led this Office to declare it as in default. Such failures may be construed as an indication of the loss of interest on the part of Respondent-Applicant to prosecute further its application for registration.

WHEREFORE, all the foregoing premises considered, the Opposition filed by Opposer, Nestle Food Products, Inc. is, as it is hereby, GRANTED. Accordingly, Respondent-Applicant's application for registration (bearing Serial No. 39704) filed on October 15, 1979 for the registration of the trademark "VITAGEN" used on milk and other dairy products is, as it is hereby, REJECTED. Let the records of this case be transmitted to the Trademark Examining Division for proper action pursuant to this Decision.

SO ORDERED

(SGD.) CESAR C. SANDIEGO

Director