

EN BANC

G.R. No. 196372 – GINEBRA SAN MIGUEL, INC., Petitioner, v. DIRECTOR OF THE BUREAU OF TRADEMARKS, Respondent.

G.R. No. 210224 – TANDUAY DISTILLERS, INC., Petitioner, v. GINEBRA SAN MIGUEL, INC., Respondent.

G.R. No. 216104 – TANDUAY DISTILLERS, INC., Petitioner, v. GINEBRA SAN MIGUEL, INC., Respondent.

G.R. No. 219632 – TANDUAY DISTILLERS, INC., Petitioner, v. GINEBRA SAN MIGUEL, INC., Respondent.

Promulgated:

August 9, 2022



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DISSENTING OPINION

LEONEN, J.:

This case will determine whether we will allow a word commonly used by Spanish-speaking peoples around the world to refer to a particular product that will be appropriated here by a business, to the exclusion of all others.

Further, we determine whether we will implicitly give license to and grant our approval for other countries to unconditionally register ordinary terms from our own languages as trade or service marks. Already, in Europe, a cookie brand called “Filipinos” is being sold.¹

The law is clear enough. Generic words cannot be appropriated, excluded, and burdened for profit through exclusion.

With regrets and an abundance of respect, I dissent.

I explain further.

Trademark Application No. 4-2003-0001682 must be denied, because the word mark “Ginebra” for the Class 33 good “gin” is not registrable under

¹ “Philippines protest ‘Filipinos’ as cookie brands”, Kyodo News/Asian Economic News, August 27, 1999, available at <https://www.thefreelibrary.com/Philippines+protests+%27Filipinos%27+as+cookie+brand.-a055759591> (last accessed on August 9, 2022).



Republic Act No. 8293, or the Intellectual Property Code. Following this, the applicant Ginebra San Miguel, Inc. (Ginebra San Miguel) cannot exclude others, including Tanduay Distillers, Inc. (Tanduay), from using the generic word "ginebra" in their own trademarks for Class 33 goods.

I

The purpose of a trade or service mark is to distinguish an enterprise's goods or services.² When a person or enterprise introduces a good or service to the market, a trade or service mark directs the public's attention to that good or service and keeps their patronage, with the mark acting as a shorthand in the public's memory. Because the good or service is produced or provided by the originating person or enterprise, the trade or service mark serves an assurance of that good or service's origins and quality. Further, should another person or enterprise attempt to direct some fraction of that attention or patronage to its own similar good or service, it cannot do so by appropriating this trade or service mark to bypass the effort and skill required to establish its own reputation and audience in the market.³

Trade and service marks function to indicate ownership, guarantee quality, and advertise the goods and services. At times, they even become markers of identity. The law allows the registrant of a valid trade or service mark registration to exclusively appropriate particular symbols, restricting their communicative purpose in commerce for the benefit of a particular person or enterprise. In *Mirpuri v. Court of Appeals*:⁴


Modern authorities on trademark law view trademarks as performing three distinct functions: (1) they indicate origin or ownership of the articles to which they are attached; (2) they guarantee that those articles come up to a certain standard of quality; and (3) they advertise the articles they symbolize.

Symbols have been used to identify the ownership or origin of articles for several centuries. As early as 5,000 B.C., markings on pottery have been found by archaeologists. Cave drawings in southwestern Europe show bison with symbols on their flanks. Archaeological discoveries of ancient Greek and Roman inscriptions on sculptural works, paintings, vases, precious stones, glassworks, bricks, etc. reveal some features which are thought to be marks or symbols. These marks were affixed by the creator or maker of the article, or by public authorities as indicators for the payment of tax, for disclosing state monopoly, or devices for the settlement of accounts between an entrepreneur and his workmen.

² Intellectual Property Code, subsection 121.1, which states:
Sec. 121. *Definitions.* – As used in Part III, the following terms have the following meanings:
121.1. "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods[.]

³ *Gabriel v. Perez*, 154 Phil. 371 (1974) [Per J. Makasiar, First Division], *Etepha, A.G. v. Director of Patents*, 123 Phil. 329 (1966) [Per J. Sanchez, En Banc].

⁴ 376 Phil. 628 (1999) [Per J. Puno, First Division].



In the Middle Ages, the use of many kinds of marks on a variety of goods was commonplace. Fifteenth century England saw the compulsory use of identifying marks in certain trades. There were the baker's mark on bread, bottlemaker's marks, smith's marks, tanner's marks, watermarks on paper, etc. Every guild had its own mark and every master belonging to it had a special mark of his own. The marks were not trademarks but police marks compulsorily imposed by the sovereign to let the public know that the goods were not "foreign" goods smuggled into an area where the guild had a monopoly, as well as to aid in tracing defective work or poor craftsmanship to the artisan. For a similar reason, merchants also used merchants' marks. Merchants dealt in goods acquired from many sources and the marks enabled them to identify and reclaim their goods upon recovery after shipwreck or piracy.

With constant use, the mark acquired popularity and became voluntarily adopted. It was not intended to create or continue monopoly but to give the customer an index or guarantee of quality. It was in the late 18th century when the industrial revolution gave rise to mass production and distribution of consumer goods that the mark became an important instrumentality of trade and commerce. By this time, trademarks did not merely identify the goods; they also indicated the goods to be of satisfactory quality, and thereby stimulated further purchases by the consuming public. Eventually, they came to symbolize the goodwill and business reputation of the owner of the product and became a property right protected by law. The common law developed the doctrine of trademarks and tradenames "to prevent a person from palming off his goods as another's, from getting another's business or injuring his reputation by unfair means, and, from defrauding the public." Subsequently, England and the United States enacted national legislation on trademarks as part of the law regulating unfair trade. It became the right of the trademark owner to exclude others from the use of his mark, or of a confusingly similar mark where confusion resulted in diversion of trade or financial injury. At the same time, the trademark served as a warning against the imitation or faking of products to prevent the imposition of fraud upon the public.

Today, the trademark is not merely a symbol of origin and goodwill; it is often the most effective agent for the actual creation and protection of goodwill. It imprints upon the public mind an anonymous and impersonal guaranty of satisfaction, creating a desire for further satisfaction. In other words, the mark actually sells the goods. The mark has become the "silent salesman," the conduit through which direct contact between the trademark owner and the consumer is assured. It has invaded popular culture in ways never anticipated that it has become a more convincing selling point than even the quality of the article to which it refers. In the last half century, the unparalleled growth of industry and the rapid development of communications technology have enabled trademarks, tradenames and other distinctive signs of a product to penetrate regions where the owner does not actually manufacture or sell the product itself. Goodwill is no longer confined to the territory of actual market penetration; it extends to zones where the marked article has been fixed in the public mind through advertising. Whether in the print, broadcast or electronic communications medium, particularly on the Internet, advertising has paved the way for growth and expansion of the product by creating and earning a reputation that crosses over borders, virtually turning the whole world into one vast marketplace.⁵ (Citations omitted)

⁵ Id. at 645-649.

The general rule is that any mark as defined in Subsection 121.1⁶ of the Intellectual Property Code is registrable. The exception is a mark which is non-registrable pursuant to Subsection 123.1:

SECTION 123. Registrability. — 123.1. A mark cannot be registered if it:

(a) Consists of immoral, deceptive or scandalous matter, or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt or disrepute;

(b) Consists of the flag or coat of arms or other insignia of the Philippines or any of its political subdivisions, or of any foreign nation, or any simulation thereof;

(c) Consists of a name, portrait or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the Philippines, during the life of his widow, if any, except by written consent of the widow;

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of: cd

(i) The same goods or services, or

(ii) Closely related goods or services, or

(iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

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

(g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services;

⁶ Intellectual Property Code, Subsection 121.1.

(h) Consists exclusively of signs that are generic for the goods or services that they seek to identify;

(i) Consists exclusively of signs or of indications that have become customary or usual to designate the goods or services in everyday language or in bona fide and established trade practice;

(j) Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services;

(k) Consists of shapes that may be necessitated by technical factors or by the nature of the goods themselves or factors that affect their intrinsic value;

(l) Consists of color alone, unless defined by a given form; or

(m) Is contrary to public order or morality.⁷

Among those non-registrable marks are generic marks, which “[consist] exclusively of signs that are generic for the goods or services that they seek to identify.”⁸ In *Societe des Produits Nestle, S.A. v. Court of Appeals*:⁹

Generic terms are those which constitute “the common descriptive name of an article or substance,” or comprise the “genus of which the particular product is a species,” or are “commonly used as the name or description of a kind of goods,” or “imply reference to every member of a genus and the exclusion of individuating characters,” or “refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product,” and are not legally protectable.¹⁰

Generic marks must be distinguished with descriptive marks, which are related to the quality, description, or other characteristics of the goods or services¹¹ and are not registrable pursuant to Subsection 123.1(j). Although both types of marks are among those enumerated in Subsection 123.1, Subsection 123.2 provides an exception to the non-registrability of descriptive marks:

123.2. As regards signs or devices mentioned in paragraphs (j), (k), and (l), nothing shall prevent the registration of any such sign or device which has become distinctive in relation to the goods for which registration is requested as a result of the use that have been made of it in commerce in the Philippines. The Office may accept as prima facie evidence that the mark has become distinctive, as used in connection with the applicant's goods or services in commerce, proof of substantially exclusive and

⁷ Intellectual Property Code, subsection 123.1.

⁸ Intellectual Property Code, subsection 123.1.(h).

⁹ 408 Phil. 307 (2001) [Per J. Ynares-Santiago, First Division].

¹⁰ Id. at 325.

¹¹ *Ang v. Teodoro*, 74 Phil. 50 (1942) [Per J. Ozaeta, First Division].

continuous use thereof by the applicant in commerce in the Philippines for five (5) years before the date on which the claim of distinctiveness is made.¹²

Other non-registrable marks which may nonetheless be registered after satisfying the conditions in Subsection 123.2 are: (1) geographic marks, also under Subsection 123.1(j); (2) shape marks under Subsection 123.1(k); and (3) color marks under Subsection 123.1(l).

Subsection 123.2 embodies the doctrine of secondary meanings of marks, as explained in *Ang v. Teodoro*:¹³

Second. In her second assignment of error petitioner contends that the Court of Appeals erred in holding that the words "Ang Tibay" had acquired a secondary meaning. In view of the conclusion we have reached upon the first assignment of error, it is unnecessary to apply here the doctrine of "secondary meaning" in trade-mark parlance. *This doctrine is to the effect that a word or phrase originally incapable of exclusive appropriation with reference to an article on the market, because geographically or otherwise descriptive, might nevertheless have been used so long and so exclusively by one producer with reference to his article that, in that trade and to that branch of the purchasing public, the word or phrase has come to mean that the article was his product.*¹⁴ (Emphasis supplied, citations omitted)

However, the acquisition of secondary meanings is limited in the Intellectual Property Code to only four types of non-registrable marks. This is in contrast to the provisions of Republic Act No. 166—the predecessor of the Intellectual Property Code—which, with certain exceptions, states that *any marks* that have become distinctive of the applicant's goods or services may be registered upon proof of substantially exclusive and continuous use of the goods or services:

SECTION 4. Registration of Trade-marks, Trade-names and Service-marks. — The owner of a trade-mark, 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, unless it:

(a) Consists of or comprises immoral, deceptive or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt or disrepute;

(b) Consists of or comprises the flag or coat of arms or other insignia of the Philippines or any of its political subdivisions, or of any foreign nation, or any simulation

¹² Intellectual Property Code, subsection 123.2.

¹³ 74 Phil. 50 (1942) [Per J. Ozaeta, First Division].

¹⁴ Id. at 52-53.

thereof;

(c) Consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the Philippines, during the life of his widow, if any, except by the written consent of the widow;

(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 trade-name 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 purchases; or

(e) Consists of a mark or trade-name which, when applied to or used in connection with the goods, business or services of the applicant is merely descriptive or deceptively misdescriptive of them, or when applied to or used in connection with the goods, business or services of the applicant is primarily geographically descriptive or deceptively misdescriptive of them, or is primarily merely a surname.

(f) *Except as expressly excluded in paragraphs (a), (b), (c) and (d) of this section, nothing herein shall prevent the registration of a mark or trade-name used by the applicant which has become distinctive of the applicant's goods, business or services. The Director may accept as prima facie evidence that the mark or trade-name has become distinctive, as applied to or used in connection with the applicant's goods, business or services, proof of substantially exclusive and continuous use thereof as a mark or trade-name by the applicant in connection with the sale of goods, business or services for the five years next preceding the date of the filing of the application for its registration. (Emphasis supplied)*

When the Intellectual Property Code superseded Republic Act No. 166, the broad provision on acquisition of distinctiveness was undoubtedly limited to only certain types of marks, namely those falling under paragraphs (j), (k), and (l) of Subsection 123.1. These types of marks may be subject to the in-depth, empirical, and even scientific analysis proposed in the *ponencia*, precisely because they are the types of marks that the Intellectual Property Code permits to be registered, for having acquired a secondary meaning.

However, when the mark sought for application consists exclusively of signs which are generic for the goods it seeks to identify—*i.e.*, that it is a Subsection 123.1(g) mark—then not only is the “primary significance” test misplaced, but it is also contrary to Subsection 123.2 of the Intellectual Property Code. To permit this is to allow an exception not written in the law.

Signs that are generic for the goods or services applied for can never be made distinctive and exclusive for a single registrant, even by long use or the passage of time, simply because any person or entity should be able to use the generic word to identify that particular good or service. They cannot be subject of exclusive appropriation under our trademark law.¹⁵ They are also incapable of indicating the goods or services by themselves, foreclosing any finding that those who use it as a trade or service mark have been injured by other people's use of the generic mark, or that the public was deceived by its widespread use.¹⁶

According to the Association of South East Asian Nations (ASEAN) Common Guidelines for the Substantive Examination of Trademarks, which serves as a reference to guide and focus practices of intellectual property offices of ASEAN nations, the non-registrability of generic marks promotes competition and free trade:

A sign that consists exclusively or essentially of a word that is a generic, customary, common scientific or technical name or designation of a particular product or service, or of a category of goods or services, cannot be appropriated in exclusivity by any individual trader as a mark to distinguish such goods or services. Such names and designations need to remain free for use by all competitors in order that they may exercise their trade normally and unfettered by exclusive third-party rights.¹⁷

As early as 1905, in *Baxter v. Zuazua*,¹⁸ this Court held that the name of a flower cannot be registered as a trademark, any more than words such as "coffee," "sugar," or "tobacco":

The defendant alleged in his answer that the word "Kananga" could not be used as a trade-mark because it was the name of a flower. *It is stated in the judgment of the court below that the word "Kananga" represents the name of a well-known tree in the Philippines. This finding has not been disputed by the plaintiffs, who simply allege that the spelling of the said word indicates that it is foreign to the Spanish language. This, by the way, would not prove, even though it were true, that the said word was not in fact the name of a flower of the Philippine Islands, as set out in the judgment. It is apparent, therefore, that the said word could not be used exclusively as a trade-mark, any more than could the words "sugar," "tobacco," or "coffee."* The law is clear and conclusive upon the subject. "A designation or part of a designation," says section 2 of Act No. 666, "which relates only to the name, quality, or description of the merchandise * * * can not be the subject of a trade-mark." This provision is in conformity with the provisions

¹⁵ *Masso Hermanos, S.A. v. Director of Patents*, 94 Phil. 136 (1953) [Per J. Jugo, En Banc]; *Ong Ai Gui v. Director of Patents*, 96 Phil. 673 (1955) [Per J. Labrador, En Banc]; *The East Pacific Merchandising Corp. v. Director of Patents*, 110 Phil. 443 (1960) [Per J. J.B.L. Reyes, Second Division]; *Coffee Partners, Inc. v. San Francisco Coffee & Roastery, Inc.*, 628 Phil. 13 (2010) [Per J. Carpio, Second Division].

¹⁶ *Philippine Refining Co., Inc. Ng Sam*, 201 Phil. 61 (1982) [Per J. Escolin, Second Division].

¹⁷ ASSOCIATION OF SOUTHEAST ASIAN NATIONS, COMMON GUIDELINES FOR THE SUBSTANTIVE EXAMINATION OF TRADEMARKS 79 (Second ed., 2020).

¹⁸ 5 Phil. 160 (1905) [Per J. Mapa, En Banc].

of paragraph 3 of article 5 of the royal decree of the 26th of October, 1888, under which Guillermo Baxter secured the registration of his trade-mark. The said royal decree provided that the denominations generally used in commerce for the purpose of designating a class of goods could not be the subject of labels or trade-marks.

The plaintiffs allege that the defendants did not prove, or even attempt to prove, that the goods manufactured by them had anything to do with the "Kananga" flower. If the goods in question had really nothing to do with the said flower, then it was not lawful for the plaintiffs to sell them to the public under the name of "Agua de Kananga," because the people might be deceived as to the nature of the goods, taking for "Kananga" an article which, as a matter of fact, had nothing to do with the said flower. Both plaintiffs and defendant would be exactly in the same position as one who should sell goods as "coffee" or "tobacco" which were neither one nor the other. Such being the case the plaintiffs could not have maintained this action for unfair competition, because under section 9 of said Act No. 666 such action would not lie "when the trade-mark or designation of its origin, ownership, or manufacture has been used by the claimant for the purpose of deceiving the public as to the nature of the goods in which he deals, his business, profession, or occupation." The law can not and does not permit that trade-marks shall contain indications capable of deceiving the public as to the nature of the goods. This would be exactly the case if under the trade-mark of "Agua de Kananga" the plaintiffs should sell goods that had in fact nothing to do, as they say, with the "Kananga" flower. However the contention of the plaintiffs may be considered, the proof is nevertheless insufficient to show that the word "Kananga" the name of a flower, can be appropriated, as the subject of a trade-mark, under the law.¹⁹ (Emphasis supplied)

Similarly, in *La Yebana Co., Inc. v. Alhambra Cigar & Cigarette Manufacturing Co.*,²⁰ this Court held that the word "chorritos" cannot be exclusively appropriated, as it is the generic name used to identify a kind of cigarette with the tobacco rolled in sweetened black paper. This Court found that many local manufacturers included the word "chorritos" in the names of their version of this cigarette:

We experience no difficulty in reaching the definite conclusion that the registration of the trade-mark of the appellee does not constitute an infringement of appellant's trade-mark. *The word "Chorritos" as we understand it, had come to be a local name given to a special kind of cigarettes the tobacco of which is rolled in sweetened black paper. Like the words "Corona," "Especiales," "Perfectos," etc. which are used in common by local cigar manufacturers to designate the different shapes or forms of cigar manufactured by them, for cigarettes there could be "La Yebana Chorritos," "Alhambra Chorritos," "Chorritos de Gamu," etc.* This is particularly true in so far as the appellant is concerned, since the appellant was one of the last to make use of the word "Chorritos" as a trade-mark, and since all that the appellee has been endeavoring to do has consisted to perfecting a trade-mark originally registered many years ago. On such facts, the appellee, rather than the appellant, could more logically

¹⁹ Id. at 164-165.

²⁰ 56 Phil. 106 (1931) [Per J. Malcolm, En Banc].

contend that it has acquired the exclusive right to use the word “Chorritos” as a trade-mark for cigarettes. In addition, it need only be remarked that a superficial examination is sufficient to show an entire back of deceitful similarity between the trade-mark of the appellant and the trade-mark of the appellee.²¹ (Emphasis supplied; citation omitted)

As recently as *Kensonic, Inc. v. Uni-Line Multi-Resources, Inc. (Phil.)*,²² this Court affirmed *Asia Brewery v. Court of Appeals*²³ in holding that generic marks identifiable for certain goods or services may not be exclusively appropriated:

Section 123(h) of the Intellectual Property Code prohibits the registration of a trademark that consists exclusively of signs that are generic for the goods or services that they seek to identify. It is clear from the law itself, therefore, that what is prohibited is not having a generic mark but having such generic mark being identifiable to the good or service. In *Asia Brewery, Inc. v. Court of Appeals*, the Court ruled that there was no infringement of San Miguel Brewery's Pale Pilsen trademark because Pale Pilsen could not be appropriated.²⁴ (Citation omitted)

Should a generic word be registered as a trademark, it would unfairly deprive other persons engaged in the commerce of the goods or services designated by such generic word the opportunity to use it. In *Asia Brewery v. Court of Appeals*:²⁵

The words “pale pilsen” may not be appropriated by SMC for its exclusive use even if they are part of its registered trademark: SAN MIGUEL PALE PILSEN, any more than such descriptive words as “evaporated milk,” “tomato ketchup,” “cheddar cheese,” “corn flakes” and “cooking oil” may be appropriated by any single manufacturer of these food products, for no other reason than that he was the first to use them in his registered trademark. In *Masso Hermanos, S.A. vs. Director of Patents . . . it was held that a dealer in shoes cannot register “Leather Shoes” as his trademark because that would be merely descriptive and it would be unjust to deprive other dealers in leather shoes of the right to use the same words with reference to their merchandise. No one may appropriate generic or descriptive words. They belong to the public domain . . .*

“A word or a combination of words which is merely descriptive of an article of trade, or of its composition, characteristics, or qualities, cannot be appropriated and protected as a trademark to the exclusion of its use by others . . . inasmuch as all persons have an equal right to produce and vend similar articles, they also have the right to describe them properly and to use any appropriate language or words

²¹ Id. at 108.

²² G.R. Nos. 211820–21, June 6, 2018, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/64270>> [Per J. Bersamin, Third Division].

²³ 296 Phil. 298 (1993) [Per J. Griño-Aquino, En Banc].

²⁴ G.R. Nos. 211820–21, June 6, 2018, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/64270>> [Per J. Bersamin, Third Division].

²⁵ 296 Phil. 298 (1993) [Per J. Griño-Aquino, En Banc].

for that purpose, and no person can appropriate to himself exclusively any word or expression, properly descriptive of the article, its qualities, ingredients or characteristics, and thus limit other persons in the use of language appropriate to the description of their manufactures, the right to the use of such language being common to all. This rule excluding descriptive terms has also been held to apply to trade-names. As to whether words employed fall within this prohibition, it is said that the true test is not whether they are exhaustively descriptive of the article designated, but whether in themselves, and as they are commonly used by those who understand their meaning, they are reasonably indicative and descriptive of the thing intended. If they are thus descriptive, and not arbitrary, they cannot be appropriated from general use and become the exclusive property of anyone. . . .

“ . . . Others may use the same or similar descriptive word in connection with their own wares, provided they take proper steps to prevent the public being deceived. . . .

“ . . . A descriptive word may be admittedly distinctive, especially if the user is the first creator of the article. It will, however, be denied protection, not because it lacks distinctiveness, but rather because others are equally entitled to its use[.]”²⁶ (Emphasis supplied; citations omitted)

These cases must be differentiated from instances when a generic or common word was allowed registration, but for goods or services that bear no relation to the meaning of the word. There, no issue on the exclusive appropriation of the generic word arises, because the generic word’s use to designate a good or service will not unfairly exclude others from using that word.

In *Philippine Refining Co., Inc. v. Ng Sam*,²⁷ this Court recognized that “camia” is descriptive for a genus of plants with white flowers. However, because the “Camia” mark was being used for non-floral products such as threads, yarns, textiles, and a variety of food such as oils and hams, this Court found that the use of “Camia” was fanciful, and capable of distinguishing the goods for which the mark was sought registration. Thus, the element of unrelatedness must be present before an alleged generic mark may be permitted registration.²⁸ This was also the case in *Mighty Corporation v. E.&J. Gallo Winery*,²⁹ concerning the use of the Spanish word “gallo” (translated as “rooster”) as trademarks for cigarettes and wine by different manufacturers.

²⁶ Id. at 314–315.

²⁷ 201 Phil. 61 (1982) [Per J. Escolin, Second Division].

²⁸ *Heirs of Cristina Y. Gabriel-Almoradie v. Court of Appeals*, 299 Phil. 14 (1994) [Per J. Nocon, Second Division].

²⁹ 478 Phil. 615 (2004) [Per J. Corona, Third Division].

The absolute non-registrability of generic marks is not unique to Philippine trademark law. The Paris Convention for the Protection of Industrial Property, to which the Philippines is a signatory, states that marks may be denied registration or invalidated if they are, among others, “devoid of any distinctive character, or consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed.”³⁰

Moreover, all countries in the ‘ASEAN,’³¹ as well as the European Union,³² have provisions in their respective trademark laws or regulations concerning the non-registrability of generic marks. While some of the ASEAN member-nations—such as Brunei,³³ Myanmar,³⁴ and Singapore³⁵—

³⁰ Paris Convention, art. 6*quinquies*(B)(2).

³¹ See fn. 43 in the ASEAN Common Guidelines for the Substantive Examination of Trademarks (Second Edition), p. 79.

³² Regulation (EU) 2017/1001, art. 7 provides:

Article 7

Absolute grounds for refusal

1. The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade[.]

³³ Brunei Trade Marks Act (2000), sec. 6 provides:

Absolute grounds for refusal of registration.

6. (1) The following shall not be registered—

...

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or of rendering of services, or other characteristics of goods or services;

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade:

Provided that a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) if, before the date of application, it has in fact acquired a distinctive character as a result of the use made of it.

³⁴ Myanmar Pyidaungsu Hluttaw Law No. 3/2019 (Trademark Law), sec. 13 provides:

13. Any of the following characteristics of a mark constitutes absolute grounds for refusal and the aforementioned mark is not eligible for registration:

...

(b) containing only marks or indications of a good’s or service’s type, related information, quality, quantity, intended use, value, origin, time of manufacture, or other characteristics;

Exceptions – If one of the following circumstances applies to the provisions in subsections (a) and (b), there are no grounds for refusal of the registration of the mark in question.

(1) If the mark’s distinctiveness is known among consumers due to its use before the date of application for mark registration;

(2) If the applicant, in good faith, is exclusively using the mark continuously within the commercial area of Myanmar.

The English provisional translation from the Burmese original is provided by the JICA Judicial and Legal Project, available at <<https://www.myanmar-law-library.org/law-library/laws-and-regulations/laws/myanmar-laws-1988-until-now/national-league-for-democracy-2016/myanmar-laws-2019/pyidaungsu-hluttaw-law-no-3-2019-trademark-law-burmese.html>> (last accessed August 9, 2022).

³⁵ Singapore Trade Marks Act 1998, sec. 7 provides:

Absolute grounds for refusal of registration

7.-(1) The following must not be registered:

and the European Union³⁶ do provide for the acquisition of secondary meanings in generic marks, these stand in contrast with the Intellectual Property Code, which does not contain a similar provision, as discussed above.

II

The prohibition against the registration of generic marks must extend even to foreign equivalents of generic marks.

The Intellectual Property Code permits the registration as trade or service marks of words which are not in English or Filipino. Spanish words like “gallo”³⁷ and “marca piña”,³⁸ French words like “le cordon bleu”,³⁹ Japanese words like “sakura”,⁴⁰ and Italian words like “adagio”⁴¹ had been or are among the trade or service marks registered in this country. The law only requires that the applicant must provide a translation or transliteration of the mark being applied for:

SECTION 124. Requirements of Application. — 124.1. The application for the registration of the mark shall be in Filipino or in English and shall contain the following:

.....

(j) A transliteration or translation of the mark or of some parts of the mark, as prescribed in the Regulations[.]

Under Rule 404 of Memorandum Circular No. 17-010⁴² of the

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services; and

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade.

(2) A trade mark shall not be refused registration by virtue of subsection (1) (b), (c) or (d) if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

³⁶ Regulation (EU) 2017/1001, article 7 provides:

3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested as a consequence of the use which has been made of it.

³⁷ *Mighty Corp. v. E.&J. Gallo Winery*, 478 Phil. 615 (2004) [Per J. Corona, Third Division].

³⁸ *Chung Te v. Ng Kian Giab*, 124 Phil. 1375 (1966) [Per J. Makasiar, En Banc].

³⁹ *Ecole de Cuisine Manille (Cordon Bleu of the Philippines), Inc. v. Renaud Cointreau & Cie*, 710 Phil. 305 (2013) [Per J. Perlas-Bernabe, Second Division].

⁴⁰ *Kensonic, Inc. v. Uni-Line Multi-Resources, Inc. (Phil.)*, G.R. Nos. 211820-21, June 6, 2018, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/64270>> [Per J. Bersamin, Third Division].

⁴¹ *Romero v. Maiden Form Brassiere Co., Inc.*, 119 Phil. 829 (1964) [Per J. Barrera, En Banc].

⁴² “Rules and Regulations On Trademarks, Service Marks, Trade Names and Marked or Stamped Containers of 2017”, available at <<https://ipophil.gov.ph/images/2017Uploads/IPOPHL-Memorandum-Circular-No.-17-010-Rules-and-Regulations-on-Trademarks-Service-Marks-Trade-Names-and-Marked-or-Stamped-Containers-of-2017.pdf>> (last accessed August 9, 2022).

Intellectual Property Office of the Philippines, foreign words in marks must be translated or transliterated:

Rule 404. *Translation or Transliteration.* — A translation or transliteration of the mark or of some parts of the mark must accompany the application if the mark or of some parts of the mark is/ are in foreign word(s), letter(s) and character(s), or foreign sounding.

The purpose of the translation requirement is to prevent the circumvention of the provisions of the Intellectual Property Code, by which an applicant for a mark may obtain an exclusive right to use a non-registrable mark simply by using a language unfamiliar to the trademark examiner. Applicants for trademarks should not be allowed to use the foreign-language equivalents of marks which would have been otherwise denied for non-registrability had they been applied for in English or Filipino.

In *Etepha A.G. v. Director of Patents*,⁴³ the Latin root word “tussin,” and its derivative “tussis,” cannot be monopolized by one trademark registrant for cough medication, since the word means “cough”:

2. That the word “tussin” figures as a component of both trademarks is nothing to wonder at. The Director of Patents aptly observes that it is “the common practice in the drug and pharmaceutical industries to ‘fabricate’ marks by using syllables or words suggestive of the ailments for which they are intended and adding thereto distinctively prefixes or suffixes”. And appropriately to be considered now is the fact that, concededly, the “tussin” (in Pertussin and Atussin) was derived from the Latin root word “tussis” meaning cough.

“Tussin” is merely descriptive; it is generic; it furnishes to the buyer no indication of the origin of the goods; it is open for appropriation by anyone. It is accordingly barred from registration as trademark. With jurisprudence holding the line, we feel safe in making the statement that any other conclusion would result in “appellant having practically a monopoly” of the word “tussin” in a trademark.

While “tussin” by itself cannot thus be used exclusively to identify one's goods, it may properly become the subject of a trademark “by combination with another word or phrase”⁹ And this union of words is reflected in petitioner's Pertussin and respondent's Atussin, the first with prefix “Per” and the second with prefix “A”.⁴⁴ (Emphasis supplied; citations omitted)

The translation requirement becomes even more essential in today's globalized marketplace, where the trade of goods and services are no longer confined within national or geographical boundaries but are becoming increasingly borderless.

⁴³ 123 Phil. 329 (1966) [Per J. Sanchez, En Banc].

⁴⁴ Id. at 333–334.

Our trademark laws and regulations help foster cross-border trade with mechanisms such as those provided in the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (Madrid Protocol), which is a “centralized system providing a one-stop solution for registering and managing marks worldwide, allows the trademark owner to file one application in one language, and to pay one set of fees to protect his mark in the territories of up to 97 member-states.”⁴⁵

Systems such as the Madrid Protocol both facilitate the export of Philippine products and services to other countries and the proliferation of international brands in local commerce. Yet marks sought for registration using the Madrid Protocol are still examined according to the relevant national law,⁴⁶ which in the case of the Philippines is the Intellectual Property Code. If this Court seeks to diminish the statutory terms under which marks are examined for registration, then it will affect both local trade or service marks as well as foreign persons’ or entities’ trade or service marks used in this country’s commerce.

This Court’s proposed changes to Spanish-language generic words for the goods or services they refer to may adversely affect the local availability of goods or services which are referred to or marketed in part using the now-trademarked generic foreign-language word. It likewise signals to other nations that the exclusive appropriation of Filipino and other Philippine-language words generic for a good or service for commercial purposes is acceptable, diluting their communicative effect in favor of profit-seeking and depriving people of common symbols of which they socially and culturally ought to have free use.

The *ponencia*’s reliance on foreign rules, such as the Trademark Manual of Examination Procedure of the United States Patent and Trademark Office,⁴⁷ and American trademark jurisprudence, is highly improper.

The Intellectual Property Office of the Philippines has not issued any rule or regulation adopting the United States Patent and Trademark Office’s guidelines on foreign equivalents of dictionary words. Moreover, if this Court were to adopt a foreign agency’s guidelines on trademark examination on behalf of the Intellectual Property Office of the Philippines, it would be an encroachment on the latter’s power to formulate its own manual of examination procedure for trademarks.

Even conceding that this Court may adopt the limitations to the doctrine

⁴⁵ *Intellectual Property Association of the Philippines v. Ochoa*, 790 Phil. 276, 287 (2016) [Per J. Bersamin, En Banc].

⁴⁶ *Id.* at 302.

⁴⁷ *Ponencia*, pp. 36 and 38.

of foreign equivalents proposed in the *ponencia*,⁴⁸ neither is helpful in this case. Spanish is not an unfamiliar or dead language to Filipinos, and there is still a considerable number not just of Spanish speakers, but also speakers of variations of Chavacano⁴⁹ in this country. It is also apparent from the number of alcohol manufacturers and distillers who also use the word “ginebra” for their alcoholic products, including Tanduay, that ordinary purchasers and drinkers have some idea that “ginebra” is a word at least associated with the liquor product gin.

The cases cited in the *ponencia* for this point are inapplicable. *Palm Bay Imps., Inc. v. Veuve Clicquot Ponsardin Maison Fondée En*.⁵⁰ evidently involved a French-language mark (“Veuve Royale”) which was claimed to be confusingly similar to a previously-registered English-language mark (“The Widow”). Both of these marks are not generic for the goods sparkling wine products, but instead are random or imaginative marks.

On the other hand, the Russian-language mark “Moskovskaya” in *In re Spirits Int’l N.V.*⁵¹ is a geographic mark (“for Moscow” in English) for vodka products, which is among the limited types of marks which may acquire secondary meanings in Subsection 123.2 of the Intellectual Property Code.

Moreover, while this Court has often cited American doctrines in trademark law, these cases cannot supplant the categorical restrictions on the registrability of marks in the Intellectual Property Code. In particular, the Lanham Act does not contain any provision similar to Subsection 123.1(g), meaning that unlike the Intellectual Property Code, United States federal trademark law does not contain an express statutory prohibition against the registration of generic marks, or the acquisition of secondary meaning of a generic mark that would otherwise permit its registration.

Hence, any attempt to use United States caselaw to interpret the Intellectual Property Code’s provisions is incomplete by nature, because Philippine grounds for absolute refusal of a trade or service mark are broader and more comprehensive than those in United States federal trademark law. Neither can foreign cases invalidate Subsection 123.1(g) of the Intellectual Property Code and overturn the consistent rulings of this Court that generic marks cannot be subject of exclusive appropriation.⁵²

⁴⁸ Id. at 36–39.

⁴⁹ A Spanish-derived creole language with an extensive vocabulary of Spanish loanwords.

⁵⁰ *Ponencia*, p. 37.

⁵¹ Id.

⁵² See *Baxter v. Zuazua*, 5 Phil. 160 (1905) [Per J. Mapa, En Banc]; *Masso Hermanos, S.A. v. Director of Patents*, 94 Phil. 136 (1953) [Per J. Jugo, En Banc]; *Ong Ai Gui v. Director of the Philippines Patent Office*, 96 Phil. 673 (1955) [Per J. Labrador, En Banc]; *The East Pacific Merchandising Corp. v. Director of Patents*, 110 Phil. 443 (1960) [Per J. J.B.L. Reyes, Second Division]; *Coffee Partners, Inc. v. San Francisco Coffee & Roastery, Inc.*, 628 Phil. 13 (2010) [Per J. Carpio, Second Division]; *Asia Brewery v. Court of Appeals*, 296 Phil. 298 (1993) [Per J. Griño-Aquino, En Banc]; *La Yebana Co., Inc. v. Alhambra Cigar & Cigarette Manufacturing Co.*, 56 Phil. 106 (1931) [Per J. Malcolm, En Banc]; *Etepha*

III

Clearly “Ginebra,”⁵³ the mark Ginebra San Miguel seeks to register, is a generic mark for the purposes of Subsection 123.1(h).

It is undisputed that “ginebra” is the Spanish word for the liquor product known as gin. Ginebra San Miguel’s trademark application for “Ginebra” is for the product “gin” under Class 33 of the International (Nice) Classification of Goods and Services, which covers alcoholic beverages, except beer, and alcoholic preparations for making beverages. This is precisely the type of generic mark contemplated in Subsection 123.1(h) that cannot be registered. As noted by the Court of Appeals in its August 13, 2010 Decision in CA-G.R. SP No. 112005:

In the case at bar, petitioner itself provided the English translation of the Spanish word “GINEBRA” as “gin”. Its use therefore, in gin products would be merely indicative and descriptive of the merchandise or product designated. It is therefore a generic term which cannot be appropriated for petitioner’s exclusive use because it will unjustly deprive other gin dealers of the right to use the same with reference to their merchandise. Hence, the IPO Director General correctly denied registration of the said mark.

Corollary thereto, petitioner’s claim that the “GINEBRA” mark is not solely generic but also descriptive which may acquire secondary meaning in accordance with the provisions of Section 123.1(j) in relation to Section 123.2 of R.A. No. 8239 since it designated the kinds of goods manufactures is untenable. Its contention that “GINEBRA” is not a direct Spanish counterpart of the English word “gin” but rather, the Spanish equivalent of “genever” or “jenever”, the juniper berry-flavored grain spirit which originated in the Netherlands in the 17th century, hence, considered a “kind of gin,” compared to “gin” which may refer to any kind of alcoholic spirits, does not change the fact that “ginebra” and “gin” refer to the same object. Hence, being exclusively generic, the doctrine of secondary meaning ... finds no applicability. Besides, for the doctrine to apply, the use of the mark must have been exclusive which is not the case here. Records reveal that other manufacturers of gin and other alcoholic beverages like Tanduay Distillers, Inc., Twin Ace Holding Corporation, Consolidated Distillers of the Far East, Inc. and Webengton Distillery (Philippines) Inc. had similarly used the mark “GINEBRA” as part of the composite marks for their products[.]⁵⁴

To compound the situation, the mark sought to be registered is a word mark, which has been described by the Philippine Intellectual Property Code

A.G. v. Director of Patents, 123 Phil. 329 (1966) [Per J. Sanchez, En Banc]; and *Kensonic, Inc. v. Uni-Line Multi-Resources, Inc.*, G.R. Nos. 211820-21, June 6, 2018, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/64270>> [Per J. Bersamin, Third Division].

⁵³ Subject of Trademark Application No. 4-2003-0001682.

⁵⁴ *Ponencia*, p. 5. Court of Appeals Decision, pp. 3–4. The Decision penned by Associate Justice Estela M. Perlas-Bernabe (now a retired Member of the Court) with Associate Justices Bienvenido B. Reyes (now a retired Member of the Court) and Elihu A. Ybañez, concurring.

in its 2017 Trademark Regulations to be one having no special characteristics:

RULE 402. Reproduction of the Mark. — One (1) reproduction of the mark shall be submitted upon filing of the application which shall substantially represent the mark as actually used or intended to be used on or in connection with the goods and/or services of the applicant. The reproduction may be added or pasted on the space provided for in the application form or printed on an ordinary bond paper. The reproduction must be clear and legible, printed in black ink or in color, if colors are claimed, and must be capable of being clearly reproduced when published in the IPO eGazette. An electronic copy of the reproduction may likewise be submitted in lieu of the printed reproduction. The electronic reproduction should be in .jpg format and must not exceed one (1) megabyte.

In the case of word marks or if no special characteristics have to be shown, such as design, style of lettering, color, diacritical marks, or unusual forms of punctuation, the mark must be represented in standard characters. The specification of the mark to be reproduced will be indicated in the application form and/or published on the website.

The provisions of this Rule shall, however, be construed liberally in determining whether the application shall be considered complete for purposes of granting a filing date. (Emphasis supplied)

Unlike other “Ginebra”-inclusive marks registered by Ginebra San Miguel⁵⁵ that were compound word marks or composite marks, Trademark Application No. 4-2003-0001682 consists solely of the single word “Ginebra,” without any other included words, shapes, designs, or special characteristics.

The characteristics of the mark sought to be registered is essential,⁵⁶ as the Intellectual Property Code grants to a successful registrant the right to exclude others from using that mark as it is registered,⁵⁷ or its dominant feature.⁵⁸ This is demonstrated in *Coffee Partners, Inc. v. San Francisco Coffee & Roastery, Inc.*,⁵⁹ where this Court clarified that although the respondent had validly acquired the right to exclusively appropriate “San Francisco Coffee,” it did not mean exclusive use of the component words “San Francisco” and “coffee”:

⁵⁵ Id. at 8.

⁵⁶ J. Leonen, Dissenting Opinion in *Prosel Pharmaceuticals & Distributors, Inc. v. Tynor Drug House, Inc.*, G.R. No. 248021, September 30, 2020, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/66883>> [Per J. Carandang, Third Division].

⁵⁷ Intellectual Property Code, sec. 147.1 provides:

Sec. 147. Rights Conferred. — 147.1. Except in cases of importation of drugs and medicines allowed under Section 72.1 of this Act and of off-patent drugs and medicines, the owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner’s consent from using in the course of trade identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

⁵⁸ *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.*, G.R. No. 228165, February 9, 2021, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/67171>> [Per J. Caguioa, En Banc].

⁵⁹ 628 Phil. 13 (2010) [Per J. Carpio, Second Division].

Applying either the dominance test or the holistic test, petitioner's "SAN FRANCISCO COFFEE" trademark is a clear infringement of respondent's "SAN FRANCISCO COFFEE & ROASTERY, INC." trade name. The descriptive words "SAN FRANCISCO COFFEE" are precisely the dominant features of respondent's trade name. Petitioner and respondent are engaged in the same business of selling coffee, whether wholesale or retail. The likelihood of confusion is higher in cases where the business of one corporation is the same or substantially the same as that of another corporation. In this case, the consuming public will likely be confused as to the source of the coffee being sold at petitioner's coffee shops. Petitioner's argument that "San Francisco" is just a proper name referring to the famous city in California and that "coffee" is simply a generic term, is untenable. Respondent has acquired an exclusive right to the use of the trade name "SAN FRANCISCO COFFEE & ROASTERY, INC." since the registration of the business name with the DTI in 1995. *Thus, respondent's use of its trade name from then on must be free from any infringement by similarity. Of course, this does not mean that respondent has exclusive use of the geographic word "San Francisco" or the generic word "coffee." Geographic or generic words are not, per se, subject to exclusive appropriation. It is only the combination of the words "SAN FRANCISCO COFFEE," which is respondent's trade name in its coffee business, that is protected against infringement on matters related to the coffee business to avoid confusing or deceiving the public.*⁶⁰ (Emphasis supplied)

Ginebra San Miguel should not be allowed to: (a) allow the registration of the word mark "Ginebra" in Class 33, particularly gin products; and (b) exclude any other person or entity from using the Spanish word for gin as a name or label for gin products, even in conjunction with other words. Considering this, the United States Supreme Court case cited in the *ponencia*⁶¹ is inapplicable, because there, the mark sought to be registered is not merely the generic word "booking," but "booking.com," which conveyed an association with a single website, which only respondent's business could occupy based on the nature of top-level domains on the Internet.⁶²

Moreover, the grounds for absolute refusal of registration listed in the Lanham Act which was the basis of the ruling in *United States Patent and Trademark Office v. Booking.com B.V.* do not correspond to those in the Intellectual Property Code. We cannot assume that Philippine courts will reach a similar legal conclusion when the laws involved are not the same.

In this regard, the reliance on the "primary significance test"⁶³ is highly misplaced.

The clause in Section 151 of the Intellectual Property Code cited in the

⁶⁰ Id. at 24-25.

⁶¹ *United States Patent and Trademark Office v. Booking.com B.V.*, 591 U.S. (2020) (Slip Opinion).

⁶² Id.

⁶³ *Ponencia*, pp. 29-34.

*ponencia*⁶⁴ refers to instances when a registered mark has become so generic, that it may be subjected to cancellation proceedings. This presupposes that: (1) there is a registered mark; (2) that registered mark has become a generic name for the goods and services for which it was registered; and (3) that a party has filed a petition for cancellation of that mark. None of these circumstances are availing in the cases here, because the action with regard to “Ginebra” is an application for its registration.

Further, “Ginebra” is not a registered mark which has allegedly become a generic name. As discussed above, “Ginebra” is a generic word for gin, which registrability is under question. It is not a mark that had become generic and, thus, became susceptible to the cancellation of its registration.

Finally, as “Ginebra” has not yet been allowed registration, it cannot be subject of a cancellation case which would have placed it within the coverage of Section 151 of the Intellectual Property Code. Likewise, the 2020 Revised Rules of Procedure for Intellectual Property Rights Cases provides a test to determine if a registered mark can be deemed generic in the appreciation of evidence in trademark infringement and unfair competition cases.⁶⁵ Again, this cannot apply to applications for registration of marks.

As I have discussed above, it is improper to resort to American jurisprudence and rules, especially when the text of our Intellectual Property Code is clear on the matter. However, even when this Court may consider foreign caselaw, those cited in the *ponencia* are inapplicable when attempting to determine if a mark is registrable under our trademark law.

⁶⁴ Id. at 32. The *ponencia* provides:

Notably, the primary significance test, which is used to measure public perception in the United States to determine whether a term is generic or not, is also reflected in our jurisdiction under Sec. 151.1(b) of R.A. No. 8239. The provision reads:

SECTION 151. *Cancellation.* – 151.1. A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

(a) x x x x

(b) At any time, if the registered mark becomes the generic name for the goods or services, of a portion thereof, for which it is registered, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of this Act, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used. If the registered mark becomes the generic name for less than all of the goods or services for which it is registered, a petition to cancel the registration for only those goods or services may be filed. A registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as a name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used.

(c) x x x x

Under Sec. 151.1(b) of R.A. No. 8239, a registered trademark is made susceptible to cancellation if it subsequently becomes a generic name for the product or services it represents. In determining whether a registered trademark has become generic, the provision categorically adopted as the test therefor—“the primary significance of the registered mark to the relevant public...” This, in franker terms, is an explicit call for the application of public perception under the primary significance test in determining the genericness or distinctiveness of a mark.

⁶⁵ Rule 8 of the 2020 Revised Rules of Procedure for Intellectual Property Rights Cases, under which Section 8 can be found, covers evidence in trademark infringement and unfair competition cases.

The cases of *Bayer Co. v. United Drug Co.*⁶⁶; *Singer Manufacturing Co. v. June Manufacturing Co.* and *Singer Manufacturing Co. v. Redlich*⁶⁷; *Genessee Brewing Co. v. Stroh Brewing Co.*⁶⁸; *Kellogg Co. v. National Biscuit Co.*⁶⁹; *Royal Crown Co. v. Coca-Cola Co.*⁷⁰; *Glover v. Ampak, Incorporated*⁷¹; *Princeton Vanguard LLC v. Frito-Lay North America, Inc.*⁷²; *Berner Intern. Corp. v. Mars Sales Co.*⁷³; and *Filipino Yellow Pages Inc. v. Asian Journal Publications, Inc.*⁷⁴ all involved marks which were originally arbitrary, fanciful, or suggestive, but by dint of widespread and common usage, became generic marks for the products or services to which they signify. In other words, these were instances of “genericide.”

Conversely, the case presented before this Court now is the opposite: that of Ginebra San Miguel’s attempt to convince this Court that the Spanish equivalent of a generic word is no longer a generic mark, but rather one susceptible to its exclusive appropriation.

Not even the customary use by Ginebra San Miguel of the word “ginebra” in its products, no matter how extensive or well-documented,⁷⁵ should overcome the absolute bar on the non-registrability of generic words for goods or services. As astutely observed by the Court of Appeals, Ginebra San Miguel’s use of the word “ginebra” for alcohol products cannot even be considered exclusive, because the same word is used by other manufacturers and distributors for their own gin or alcohol products. That alone should demonstrate that, regardless of Ginebra San Miguel’s tireless efforts, even in the marketplace it has not excluded other distillers and distributors from designating their alcohol products as some kind of “ginebra.”

Pursuant to the *ponencia*’s interpretation, generic words for particular goods or services are susceptible of exclusive appropriation regardless of our jurisprudence and the Intellectual Property Code’s unqualified provisions. This creates, in words and symbols, an unqualified property right that benefits only the trademark registrant, when trade and service marks—unlike most other forms of property, intellectual or otherwise—are only permitted

⁶⁶ 272 F. 505 (S.D.N.Y. 1921). Concerning the mark “Aspirin” over the medicine acetyl salicylic acid. See *ponencia*, p. 34.

⁶⁷ 163 U.S. 169 (1896) and 132 U.S. 518 (1889). Concerning the mark “Singer” for sewing machines. See *ponencia*, p. 34.

⁶⁸ 124 F.3d 137 (1997). Concerning the mark “Honey Brown” for beer. See *ponencia*, p. 30.

⁶⁹ 302 U.S. 111 (1939). Concerning the tradename “Shredded Wheat” for a wheat biscuit. See *ponencia*, p. 30.

⁷⁰ 892 F.3d 1358 (Fed. Cir. 2018). Concerning the mark “Zero” for zero-calorie drinks. See *ponencia*, p. 30.

⁷¹ 74 F.3d 57 (4th Cir. 1996). Concerning the mark “White Tail” for knives. See *ponencia*, p. 31.

⁷² 786 F.3d 960 (2015). Concerning the mark “Pretzel Crisps” for pretzel crackers. See *ponencia*, p. 31.

⁷³ 987 F.2d 975 (3d Cir. 1993). Concerning the mark “Air Door” for air curtains. See *ponencia*, p. 31.

⁷⁴ 198 F.3d 1143 (9th Cir. 1999). Concerning the mark “Filipino Yellow Pages” for a telephone directory. See *ponencia*, p. 31.

⁷⁵ *Id.* at 48–58.

continuity of exclusive appropriation by proof of use,⁷⁶ notwithstanding the first-to-file system in the Intellectual Property Code.

Courts should take care not to foster monopolistic practices in trade and service mark laws, to the detriment not only of fair competition in the marketplace, but also the free exchange and propagation of shared symbols within and across languages.

IV

Because Ginebra San Miguel cannot claim to have an exclusive right to use “Ginebra” for Class 33 goods, it follows that it cannot be damaged by the registration by other persons or entities of marks that include the word “ginebra.”

Although Ginebra San Miguel has other valid registered marks that contain the word “ginebra,” it cannot use those registered marks to oppose or cancel other marks that contain the word “ginebra”, as it does not have the right to exclude others from using that word in their own trademarks, especially for goods in Class 33. As held in *Ong Ai Gui v. Director of the Philippine Patent Office*,⁷⁷ using a generic term in a trade or service mark is conditioned on the limitation that “the registrant does not acquire the exclusive right to the descriptive or generic term or word.”⁷⁸ What it acquired are rights over the combinations of words and images that happen to include the word “ginebra,” as embodied in its certificates of trademark registrations.⁷⁹

Here, a review of the records show that the word “ginebra” has been consistently disclaimed in Ginebra’s trademark registrations for “Ginebra San Miguel.”⁸⁰ “Ginebra 65” was likewise disclaimed in “Ginebra S. Miguel 65.”⁸¹ Similarly, the phrase “ginebra mix” was disclaimed in the mark “La Tondeña Cliq! Ginebra Mix & Stylized Letters Ltd. With Crown Device Inside A Rectangle.”⁸²

It must be pointed out that Section 126 of the Intellectual Property Code

⁷⁶ Intellectual Property Code, sec. 145 provides:

Sec. 145. *Duration.* – A certificate of registration shall remain in force for then (10) years: *Provided,* That the registrant shall file a declaration of actual use and evidence to that effect, or shall show valid reasons based on the existence of obstacles to such use, as prescribed by the Regulations, within one (1) year from the fifth anniversary of the date of the registration of the mark. Otherwise, the mark shall be removed from the Register by the Office.

⁷⁷ 96 Phil. 673 (1955) [Per J. Labrador, En Banc].

⁷⁸ Id. at 677.

⁷⁹ *Coffee Partners, Inc. v. San Francisco Coffee & Roastery, Inc.*, 628 Phil. 13 (2010) [Per J. Carpio, Second Division].

⁸⁰ *Rollo* (G.R. No. 210224), p. 1128 and 1132. Trademark Registration No. 7484 in Class 33 for the goods “gin”.

⁸¹ Id at 1135. Trademark Registration No. 53668 in Class 33.

⁸² Id at 1147. Trademark Registration No. 4-1996-11357 in Class 33 for the goods “gin mix”.

permits disclaimers, through which a mark may still be registered even if a component of it is unregistrable:

SECTION. 126. *Disclaimers.* – The Office may allow or require the applicant to disclaim an unregistrable component of an otherwise registrable mark but such disclaimer shall not prejudice or affect the applicant's or owner's rights then existing or thereafter arising in the disclaimed matter, nor shall disclaimer prejudice or affect the applicant's or owner's right on another application of later date if the disclaimed matter became distinctive of the applicant's or owner's goods, business or services.

In line with this, Rule 604 of the Rules and Regulations on Trademarks, Service Marks, Trade Names, and Marked or Stamped Containers of 2017 states that generic terms, among others, must be disclaimed in a composite mark:

Rule 604. *Disclaimers.* – The basic purpose of disclaimers is to make of record, that a significant element of a composite mark is not being exclusively appropriated apart from the composite. The following portions of a mark, when forming part of the composite mark, must be disclaimed to permit registration, namely:

- (a) a generic term;
- (b) a descriptive matter in a composite mark;
- (c) a customary term, sign, or indication; or;
- (d) a matter which does not function as a trademark, or service mark or a trade name[.]

A disclaimer has the purpose of allowing the registration of a mark regardless of the inclusion of an unregistrable component, conditioned on the registrant being disallowed from claiming exclusivity over the unregistrable component. That “Ginebra” is disclaimed in trademark registrations in Class 33 demonstrates that Ginebra San Miguel, Tanduay, or any other entity cannot rely on registered marks containing the word “Ginebra” to prove their exclusive appropriation of this word.

As such, the Court of Appeals was incorrect in G.R. Nos. 210224 and 216104 to hold that the dominant feature of Ginebra San Miguel's registered marks is “ginebra,” such that it can exclude others from using or registering marks that contain said word. A disclaimer functions to limit the exclusive appropriation of a registered mark's components when they are unregistrable—and therefore not susceptible to exclusive appropriation—under the Intellectual Property Code.

Moreover, although a disclaimed component of a mark may later become registrable due to the acquisition of a secondary meaning, this clause

must be read in conjunction with Subsection 123.2. This means that, even if an applicant previously successfully registered marks that contained the generic word, it is clear, under Philippine trademark law and jurisprudence, that no secondary meaning can inure in favor of a generic mark, and that would otherwise transform it into a registrable distinctive mark.

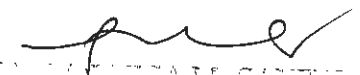
As Ginebra San Miguel cannot exclude other enterprises from using the word “ginebra” in their Class 33 marks, it must rely on the strength of its existing registrations “Ginebra San Miguel” (word marks and composite marks) to obtain favorable rulings in its trademark opposition, trademark infringement, and unfair competition cases against Tanduay. There, it cannot be said that the dominant feature of Ginebra San Miguel’s marks, namely “Ginebra San Miguel,” can be found in Tanduay’s “Ginebra Kapitan” mark. Likewise, it cannot be said that there is a likelihood of confusion between “Ginebra San Miguel” and “Ginebra Kapitan” among ordinary purchasers of alcohol products.


Thus, to find that Tanduay was attempting to imitate or pass its gin products as Ginebra San Miguel’s when it chose to include the word “ginebra” in a trademark for a gin product, is to ignore that “ginebra” is a reasonable word to include in a name or mark for alcohol which contains gin, in a country which national language incorporates several Spanish loan words.

ACCORDINGLY, I vote as follows:

1. The Petition for Review for Certiorari in G.R. No. 196372 is **DENIED**. The August 13, 2010 Decision and March 25, 2011 Resolution of the Court of Appeals in CA-G.R. SP No. 112005 are **AFFIRMED**.
2. The Petitions for Review on Certiorari in G.R. Nos. 210224 and 219632 are **GRANTED**. The Decisions and Resolutions of the Court of Appeals in CA-G.R. SP No. 127255 and CA-G.R. CV No. 100332 are **REVERSED AND SET ASIDE**. The October 5, 2012 Decision of Branch 211, Regional Trial Court of Mandaluyong City in IP Case No. MC03-01 is **REINSTATED**.
3. The Petition for Review on Certiorari in G.R. No. 216104 is **GRANTED**. The Decision and Resolution of the Court of Appeals in CA-G.R. SP No. 132441 are **REVERSED AND SET ASIDE**. The September 24, 2013 Decision of the Office of the Director General of the Intellectual Property Office of the Philippines is **REINSTATED**.

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MAYNARD A. DELA CRUZ
CLERK


MARVIC M.V.F. LEONEN
Senior Associate Justice