

****Title:**** Fruit of the Loom, Inc. vs. Court of Appeals and General Garments Corporation

****Facts:****

The case began when Fruit of the Loom, Inc. (petitioner), a corporation under the laws of Rhode Island, USA, and holder of the registered trademark FRUIT OF THE LOOM in the Philippines, filed a complaint against General Garments Corporation (private respondent), a domestic corporation that registered the trademark FRUIT FOR EVE. Both trademarks were used in relation to garments including women's panties and pajamas. The petitioner alleged infringement of trademark and unfair competition, contending that the respondent's trademark and hang tag closely resembled its own, potentially confusing consumers.

The respondent denied these claims, arguing the distinctiveness of its trademark and the products' use. The trial court sided with the petitioner, ordering the cancellation of the private respondent's trademark registration, a permanent injunction against its use, and payment of attorney's fees to the petitioner. However, both parties appealed to the Court of Appeals, which reversed the trial court's decision, leading the petitioner to approach the Supreme Court (SC).

****Issues:****

1. Whether the word "FRUIT" can be exclusively appropriated by the petitioner in its trademark.
2. Whether the trademarks FRUIT OF THE LOOM and FRUIT FOR EVE are confusingly similar in sound and appearance, hence constituting trademark infringement.
3. Whether private respondent's registration of FRUIT FOR EVE was obtained through fraud or misrepresentation.
4. Whether the trial court erred in not awarding damages to the petitioner.

****Court's Decision and Analysis:****

The SC held that the trademarks in question, when compared in their entirety, were not confusingly similar to warrant a case of infringement. Notably, the court underscored the dissimilarities in the design, color scheme, and general appearance of the hang tags, concluding that these differences were sufficient to dispel confusion among ordinary purchasers. Consequently, the SC found no violation of the petitioner's trademark rights, affirming the decision of the Court of Appeals. The Court reasoned that the word "FRUIT," being generic, cannot be exclusively appropriated, and observed that the trademark FRUIT

FOR EVE, both phonetically and visually, does not confuse or deceive an ordinary buyer as to simulate the petitioner's trademark FRUIT OF THE LOOM.

****Doctrine:****

1. In trademark infringement cases, the likelihood of confusion, mistake, or deception regarding the source of the commodities must be established.
2. A trademark must be considered in its entirety, and not merely by its individual elements, to determine confusing similarity.
3. Generic terms cannot be exclusively appropriated in a trademark.
4. The intelligence and discernment of the ordinary purchaser are to be considered in assessing potential confusion between trademarks.

****Class Notes:****

1. ****Likelihood of Confusion Standard:**** When analyzing potential trademark infringement, a key consideration is whether the use of the disputed mark is likely to cause confusion regarding the origin of the goods or services.
2. ****Comparison in Entirety:**** A trademark is to be compared in its entirety, including words, design, and color scheme, rather than isolated elements, to assess potential confusion.
3. ****Generic Terms and Trademark:**** Generic terms within trademarks cannot be exclusively owned and are not grounds for asserting infringement based on the use of the generic term alone.
4. ****Ordinary Purchaser's Perception:**** Trademark infringement analyses consider the ordinary purchaser's intelligence and ability to distinguish between similar marks based on their overall presentation.

****Historical Background:****

This case underscores the evolving jurisprudence on trademark infringement in the Philippines, especially regarding the comparison of trademarks in their entirety and the role of an ordinary purchaser's perception in determining confusing similarity. It highlights the judiciary's caution against granting exclusivity over generic terms within trademarks, balancing the protection of established trademarks with ensuring fair competition and consumer choice.