

EN BANC

G.R. No. 196372 – Ginebra San Miguel, Inc., *petitioner*, v. Director of the Bureau of Trademarks, *respondent*;

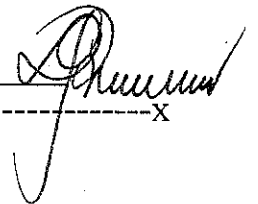
G.R. No. 210224 – Tanduay Distillers, Inc., *petitioner*, v. Ginebra San Miguel, Inc., *respondent*;

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



X-----

X

DISSENT

LAZARO-JAVIER, J.:

*Sa bawat bolang binibitaw
'Di mapigilang mapapasigaw
Kahit hindi relihiyoso
Naaalala ko ang mga santo
O San Miguel, Santa Lucia
Sana manalo ang Ginebra
Galit ako sa mga pasista
Galit ako sa imperyalista
Feel na feel kong maging aktibista
'Pag natatalo ang Ginebra*

*-Gary Granada,
Pag Natatalo ang Ginebra*

In this country where basketball is a sport squirting with fanaticism, and the hometown team is indubitably *Barangay* Ginebra of petitioner Ginebra San Miguel (*GSM*). For a number of male fans, it often ends up with bottles of alcoholic beverages, gin is Ginebra and Ginebra is probably no other than *GSM Blue*, flavored Ginebra, 4 x 4, 2 x 2, or Premium, all products of *GSM* and no other. The ditty '*Pag Natatalo ang Ginebra*' is a throwback to



Ginebra's immense popularity, a blast from the past and perhaps into the present, when basketball is Ginebra and gin is Ginebra, both referring to GSM's commercial products.

Unfortunately, the law has not caught up with public sentiment and popularity as a measure for the registrability of generic terms as trademarks. As ably pointed out by Senior Associate Justice Marvic Mario Victor F. Leonen (*Senior Associate Justice Leonen*), generic words fall under Section 123.1(h) of our *Intellectual Property Code*,¹ which states, "[a] mark cannot be registered if it: x x x. Consists exclusively of signs that are generic for the goods or services that they seek to identify."² For reasons which are explained in more detail by Senior Associate Justice Leonen, generic terms are not subject to registration and belong to the public domain. Everyone can use generic words as part of their trademarks.

My dissent has to do with the power of the Court to introduce exceptions to statutory provisions when they provide none, either by their literal language or statutory construction. This is especially true in commercial matters where predictability and stability are the norms that their stakeholders give prime importance to. These are policy matters which belong to the political branches of government. And rightly so. There are many factors and actors involved. Each must be consulted about the impact of creating exceptions and introducing new policies. This is because their impact is great and their requirements probably go beyond the job description which we hold as members of the Court.

Section 3 of the *Intellectual Property Code* commands:

SECTION 3. International Conventions and Reciprocity. — Any person who is a national or who is domiciled or has a real and effective industrial establishment in a country which is a party to any convention, treaty[,] or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, **shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act.**³
(Emphasis supplied)

So when the Court creates rights to favor petitioner Ginebra San Miguel, it also automatically favors others anywhere in the world. We do not give relief only to the party litigant but to others as well. There is too the reverse reciprocity provision to consider in Section 231 of the *Code* —

¹ REPUBLIC ACT NO. 8293, AN ACT PRESCRIBING THE INTELLECTUAL PROPERTY CODE AND ESTABLISHING THE INTELLECTUAL PROPERTY OFFICE, PROVIDING FOR ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES, APPROVED ON JUNE 6, 1997.

² *Id.*

³ *Id.*

Section 231. Reverse Reciprocity of Foreign Laws. — Any condition, restriction, limitation, diminution, requirement, penalty[,] or any similar burden imposed by the law of a foreign country on a Philippine national seeking protection of intellectual property rights in that country, shall reciprocally be enforceable upon nationals of said country, within Philippine jurisdiction.⁴

My objection to the otherwise brilliant exposition of the highly esteemed Chief Justice Alexander G. Gesmundo (*Chief Justice Gesmundo*) is that we may be engaging in *judicial legislation*. In the recent case of *Calleja v. Executive Secretary*,⁵ he wisely counseled:

Another aspect of judicial review that this proposal seeks to address is that, in the exercise of judicial power, a currently noticeable tendency in court rulings is to veer away from their sworn duty of settling rights and obligations or determining the presence of grave abuse of discretion on the part of the government by **unwittingly determining policies themselves, an exercise of power reserved for the political branches. This anomaly has come to be known as “judicial legislation” where a court “engraft[s] upon a law something that has been omitted which [the court] believes ought to have been embraced,” as opposed to finding a statute’s true meaning by way of liberal construction.**⁶ (Emphases supplied)

The Court abhors judicial legislation. We chided the National Transmission Corporation for seeking a benefit that the Electric Power Industry Reform Act statute did not grant.⁷ The Court held —

x x x TransCo **urges this Court to exercise liberality and set a jurisprudential precedent, allowing the rounding-off method to be applied in the government sector in computing separation benefits. This, however, we cannot do without inserting words and phrases in the [unequivocal language of the governing laws] in order to supply an intention for the legislature. The EPIRA is clear on its prescribed amount of separation pay, and there is no statutory authority upon which TransCo’s submission, no matter how noble, may find support. The Court’s mandate is generally limited to the interpretation of laws and their application to cases and controversies. We cannot engraft upon a law something that has been omitted which someone believes ought to have been embraced lest we transcend the area of “judicial legislation forbidden by the tripartite division of powers among the three departments of government[.]” We cannot, in the guise of interpretation, enlarge the scope of a statute or include, under its terms, situations that were not provided nor intended by the lawmakers.**⁸ (Emphases supplied)

⁴ Id.

⁵ G.R. No. 252578, December 7, 2021.

⁶ Id.

⁷ *National Transmission Corporation v. Commission on Audit*, G.R. No. 246173, June 22, 2021.

⁸ Id.

*Fruehauf Electronics Philippines Corporation v. Technology Electronics Assembly and Management Pacific Corporation*⁹ refused to add the power to review the correctness of a Construction Industry Arbitration Commission award to the Court's jurisdiction because Republic Act No. 9285, *Alternative Dispute Resolution*, did not so provide. The Court held: "There is **no law granting the judiciary authority to review** the merits of an arbitral award. If we were to insist on reviewing the correctness of the award (or consent to the CA's doing so), it would be **tantamount to expanding our jurisdiction without the benefit of legislation. This translates to judicial legislation** – a breach of the fundamental principle of separation of powers."¹⁰

We also cautioned in *Securities and Exchange Commission v. Commission on Audit*¹¹ that –

The primary rule in addressing any problem relating to the understanding or interpretation of a law is to examine the law itself to see what it plainly says. This is the plain meaning rule of statutory construction. **To go beyond what the law says and interpret it in its ordinary and plain meaning would be tantamount to judicial legislation.** The plain meaning rule or *verba legis* is the most basic of all statutory construction principles. When the words or language of a statute is clear, there may be no need to interpret it in a manner different from what the word plainly implies. **This rule is premised on the presumption that the legislature knows the meaning of the words, to have used words advisedly, and to have expressed its intent by use of such words as are found in the statute.** (Emphases supplied)

In *Spouses Cueno v. Spouses Bautista*,¹² the Court held –

"Where the law speaks in clear and categorical language, there is no room for interpretation — there is room only for application." x x x. In view of the express wording of Article 173, the non-consenting wife must file her action within ten years from the questioned transaction, *i.e.*, the execution of the relevant deed. Failing which, the remedy of the wife is "to demand from the husband or his heirs the value of the property after the dissolution of the marriage in case said alienation was in fraud of the wife."¹³ (Emphasis supplied)

In a footnote to the quoted portion, the Court reminded us all –

⁹ 800 Phil. 721–768 (2016).

¹⁰ *Id.* at 758.

¹¹ G.R. No. 252198, April 27, 2021.

¹² G.R. No. 246445, March 2, 2021.

¹³ *Id.*

As likewise discussed by Justice Zalameda, Article 173 “should not be subject to interpretation insofar as the reckoning period of the exercise of the remedy as Article 173 is clear and categorical. **Also, despite the seeming unfairness of the situation, the Court cannot engage in judicial legislation by moving the reckoning period to another time, say from the wife’s knowledge or discovery of the transaction.**”¹⁴ (Emphasis supplied)

The Majority adopts the *primary significance test* to determine a product’s generic nature. But as pointed out by Senior Associate Justice Leonen, in his dissent, this test appears in Section 151.1(b)¹⁵ and refers to the *cancellation* of registration of a mark that has become generic. It is an after-the-fact test, not a test to determine *genericness* at the first instance. More significantly, the test is *meant to show the generic quality of an already registered mark*, which here is *not the issue*. Ginebra is *admittedly* already a *generic* name. The issue is, can there be an exception by way of a test to show that *Ginebra is no longer generic*. Hence, the reference to Section 151.1(b)¹⁶ is respectfully submitted to be not in point.

At first instance, the relevant definer of *genericness* is still the one in *Societe Des Produits Nestle, S.A., v. Dy, Jr.*,¹⁷ which both the brilliant *ponencia* Chief Justice Gesmundo and the dissent of Senior Associate Justice Leonen have referred to. As to whether the primary significance test *would be* adopted to determine the generic classification of a mark *at first instance* remains to be seen. Should the Court adopt it? Since we presume that Congress intended to exclude generic marks from any exceptions to the registrability disqualification, it should be Congress that must make the determination.

The Majority also refers to the exceptions to the doctrine of foreign equivalents to justify the registrability of a generic mark in its original foreign text but not in its translated version. Again, whether we should adopt these

¹⁴ Id.

¹⁵ 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:

x x x x

(b) At any time, if the registered mark becomes the generic name for the goods or services, or 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. (REPUBLIC ACT NO. 8293, AN ACT PRESCRIBING THE INTELLECTUAL PROPERTY CODE AND ESTABLISHING THE INTELLECTUAL PROPERTY OFFICE, PROVIDING FOR ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES, APPROVED ON JUNE 6, 1997).

¹⁶ Id.

¹⁷ 641 Phil. 345 (2010).

exceptions as grounds for allowing the registrability of generic marks despite the solid bar against their registration is not for the Court to decide. This is because the institution of these exceptions would effectively amend Section 123.1(h) of our *Intellectual Property Code*.¹⁸ This action would tread upon forbidden judicial legislation.

The same observation applies to the extension of the doctrine of secondary meaning to cover generic marks as well. This would mean an amendment of Section 123.1(h) of the *Intellectual Property Code*, which is beyond our jurisdiction. Congress chose to codify our intellectual property laws. With more reason, this means that Congress has opted to make the rights and obligations created by the *Code* to be comprehensive and complete.

I do not doubt the conclusion of the Majority that when the Ginebra name is read or mentioned aloud, it is more likely than not that the relevant public is referring to petitioner Ginebra San Miguel's products. The unfortunate thing, however, is that the *Intellectual Property Code* does *not* recognize popularity as an exception to the *unregistrability* of generic names. This state of affairs could be unfair to GSM. But Congress has its reasons for not providing for this or other exceptions to the general rule of their *non-registrability*. The Court *cannot just step in* since in commercial matters, the *relevant stakeholders have been consulted*, and *with all their means and intelligence*, already knew, or at least presumed to have known, what the impact of commercial laws, including the *Code*, would have on their businesses. *We cannot change the rules of the ball game in the middle of the game*. This is *not the ethos* that has driven the fanaticism which has breathed life into the legend of *Barangay Ginebra*.

Thus, I vote to deny the petition of Ginebra San Miguel and grant the petition of petitioner Tanduay Distillers, Inc..

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL
SECURITY DIVISION
MANILA


AMY C. LAZARO-JAVIER

¹⁸ SECTION 123. Registrability. - 123.1. A mark cannot be registered if it:

x x x x

(h) Consists exclusively of signs that are generic for the goods or services that they seek to identify; x x x (REPUBLIC ACT NO. 8293, AN ACT PRESCRIBING THE INTELLECTUAL PROPERTY CODE AND ESTABLISHING THE INTELLECTUAL PROPERTY OFFICE, PROVIDING FOR ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES, APPROVED ON JUNE 6, 1997).