

LILY TANLO SY CHUA	)	INTER PARTES CASE NO. 3083
Opposer,)	
	)	OPPOSITION TO:
)	
	)	Application Serial No. 57130 &
	)	SR-7228
- versus -	)	Filed : August 13, 1985
	)	Applicant : Nemesio Cu
	)	Trademark : CLUB CALIFORNIA
	)	Used on : Jeans, jackets,
	)	briefs, etc.
)	
	)	<u>DECISION NO. 93-13 (TM)</u>
)	
NEMESIO CU,	)	December 13, 1993
Respondent-Applicant.)	
x-----x)	

DECISION

This is an opposition to trademark application Serial No. 57130 and Petition for the Cancellation of Trademark Registration No. SR-7228 for the trademark CLUB CALIFORNIA filed by Opposer/Petitioner LILY TANLO SY CHUA, a citizen of the Philippines and doing business under the name and style of Lily Tanlo Commercial, with postal address at R-428 Folgueras Commercial Center, 861 Carmen Planas Street, Manila.

The trademark application opposed was published for opposition on page 64, Volume I No. 2 of the Official Gazette of this Bureau under date of 08 April 1988 in the name of Nemesio Cu of 1070 Carmen Planas Street, Tondo, Manila.

On the other hand, the trademark registration sought to be cancelled was issued on 4 March 1986 which is also registered in the name of Mr. Nemesio Cu, the same Respondent in the Opposition.

Opposer believing that she will be damaged by the said registrations filed this opposition/cancellation proceedings based on:

1. The trademark CLUB CALIFORNIA is similar to our registered mark CALIFORNIAN under SR-4951 issued on September 5, 1980 and the Principal Register No. 29190 issued on April 13, 1981 which is still subsisting and being used by Opposer.
2. That Opposer has prior use of the mark since it started to use the mark CALIFORNIAN as early as 1978.
3. The applicant's date of first use in its application is not true as Opposer had not seen in the market on that date applicant's product.
4. That the mark of the applicant is similar to Opposers mark and there is a likelihood of confusion among the purchasers as to the origin of the product carrying Opposer's and respondent's mark.
5. That the trademark CALIFORNIAN of Opposer has gained tremendous goodwill among the purchasing public through long and exclusive use of the mark

and the expenditure of large sums of money in making the mark popular among the purchasing public.

The Respondent filed his Answer denying all the allegations in the Opposition and raised as an affirmative defense, the fact that in the examination of the trademark application in question the trademark "CALIFORNIA & DEVICE" was cited as a reference. Despite this citation, this Office gave due course to the application and allowed it to be published for opposition.

With respect to the cancellation of Trademark Registration No. DR-7228, Respondent averred that application for registration on the supplemental register is not a proper subject matter of an opposition proceeding pursuant to Section 19-A of R.A. 166. Therefore it is impressed on this Office that prayer for cancellation is highly misplaced.

After the issues have been joined, pre-trial conferences were conducted. As the parties were not able to reach an amicable settlement and no substantial matters having been agreed upon, the pre-trial proceedings were terminated and hearing on the merits ensued.

Opposer/Petitioner, presented its lone witness in the person of Conchita Tanlo Yu, and claimed that she is the one in charge of sales of Lily Tanlo Commercial and Jeans International Garments, the single proprietorship of the Opposer, she also identified two trademark registrations in the name of the Opposer for the trademark CALIFORNIAN, namely:

- a) SR-4951 issued on 5 September 1980; and
- b) No. 29190 issued on 13 April 1981

On the part of the Respondent, he presented the filewrapper of the Application No. 57130 (the application subject of the opposition) showing that one of the cited references thereto was the registration of the herein Opposer for the mark "CALIFORNIAN". He also adduced in evidence the notice of allowance of the said application. (Exhibit "3" and its submarkings).

Respondent also presented in evidence the certificate of Trademark Registration No. SR-7228 (the subject matter of the cancellation) issued in his favor.

After the presentation of evidence of both parties and the submission of their memorandum, this case was submitted for resolution.

There is no dispute that the competing marks are used by the contending parties on the same kind of goods namely clothing. There is also no dispute as to the validity of the registration of the mark CALIFORNIAN in the name of the opposer under Registration Nos. SR 4951 dated 5 September 1980 and 29190 dated 13 April 1981.

The issue to be resolved in this case is whether the mark CLUB CALIFORNIA is confusingly similar with the mark CALIFORNIAN.

In resolving questions of confusing similarity of trademarks, the law does not require that the competing marks be so identical as to produce actual error or mistake: it would be sufficient for the purpose of the law that similarity between two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the new brand for it (American Wire Cable vs. Director of Patents, 31 SCRA 544). That is, if there is similarity in the dominant features of the competing marks there maybe a likelihood of confusion (Phil. Nut Industry vs. Standard Brands, 65 SCRA 575).

The word CALIFORNIA printed across the label of the Respondent easily attracts and catches the eye of the ordinary consumer and it is this word and none other that sticks to his mind when he thinks of jeans, jackets and other clothing materials. Although Respondent uses the word "CLUB" together with CALIFORNIA on its labels, this does not lessen the dominance of CALIFORNIA. After all, CLUB is a generic term. On the other hand, CALIFORNIA attracts and

catches the attention of the buyer because it is the name of a state in the United States with perhaps the highest level of recognition and popularity among Filipinos. Among the states in the U.S., it is where most Filipinos reside or visit.

In the Phil. Nut Case, it has been held that the issue of whether or not two trademark causes confusion and is likely to deceive the public is a question of fact which is to be resolved by applying the test of dominancy, meaning if the competing marks contain the main or essential or dominant features of another by reason of which confusion and deception are likely to result.

In the American Wire Cable Case, it was held that the dominant and essential feature of an article is the trademark itself.

Thus, this Office finds the mark CLUB CALIFORNIA confusingly similar to CALIFORNIAN.

There is also no legal basis for this office not to consider the merits of the petition to cancel Certificate No. SR-7228 as raised by the Respondent. From the Notice of Opposition, there is an express prayer for such a relief and this Office in order to avoid multiplicity of suits, and in order to protect public interest, finds it imperative to disregard technicalities of procedure. In essence, the issue in both opposition and cancellation proceedings are the same: Is there confusing similarity between CLUB CALIFORNIA and CALIFORNIAN? For this office to do otherwise, that is let respondent's registration on the Supplemental Register remain uncanceled would result in grave injustice to the opposer, and create confusion among the consuming public.

WHEREFORE, premises considered this Opposition is hereby SUSTAINED and Application Serial No. 57130 is hereby REJECTED and Trademark Registration No. SR 7228 is hereby CANCELLED.

Let the records of this case be forwarded to the Trademark Examining Division and a copy of this Decision be furnished the Patent/Trademark Registry and EDP Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director