GIMBEL BROTHERS, INC., Petitioner,))	INTER PARTES CASE NO. 1895 PETITION FOR CANCELLATION	
- versus -))))	Cert. of Reg. Issued Registrant	No. 21300 : February 5, 1974 : Philmade Garments, Inc., assignor to Britedale Garments, Inc.
))))	Trademark Used on	: GIMBEL'S : Assorted ready made garments, pants, etc.
PHILMADE GARMENTS, INC., Respondent-Assignee.))	<u>DECISION NO. 94-25 (TM)</u> March 9, 1994	
X	-x		

DECISION

On 20 November 1984, a Petition for Cancellation was filed by Gimbel Brothers, Inc. of Registration No. 21300 of the trademark GIMBEL'S used on "assorted ready made garments, pants, jeans, jackets, shirts and shorts" in the name of PHILMADE GARMENTS, INC.

Petitioner Gimbel Brothers, Inc, is a corporation duly organized under the laws of the State of New York, United States of America and doing business at 1275 Broadway, New York, N.Y. 10001, Respondents Philmade Garments, Inc, and Britedale Garments, Inc., on the other hand, are corporations organized and existing under Philippine laws with the same business address at 7749 St. Paul Road, Makati, Metro Manila.

It appears from the records that the Notice to Answer was duly served on the Respondents on 31 December 1984 (Reg. Mail No. 7291) but the latter failed to answer the Petition for Cancellation. On 26 February 1985, Petitioner moved to declare Respondents in DEFAULT, to which this office granted in its Order No. 85-082 dated 07 March 1985, Meanwhile, on 05 March 1985, Counsel for Respondents filed an Urgent Motion for Extension of Time to File Answer, alleging that it was only on 02 March 1985 that the Notice to Answer came to the knowledge of the Respondents. Then on 14 March 1985, Respondents filed a Motion to Lift Order of Default. Petitioner filed an Opposition to the latter, to which Respondents filed a Reply. On 30 July 1985, Order No. 05-246 was issued denying Respondent's Motion to Lift Order of Default. Respondents again moved for a Reconsideration of the said Order and, again, Petitioner opposed the same. After a Reply and a Rejoinder were filed by the parties, the Office issued Resolution No. 85-16 denying Respondent's Motion for Reconsideration, thus, paving the way for Petitioner to present its evidence <u>ex-parte</u>.

Claiming to be damaged by Respondent's registration of the mark GIMBEL'S, Petitioner relied on the following facts alleged in support of its Petition:

"a.) Petitioner is the owner of the marks GIMBELS which was first adopted and used in commerce in the United States of America on or about 12 September 1987, and has never been abandon. Petitioner's mark GIMBELS was first used in the Philippines on 01 January 1969;

"b.) The mark GIMBELS is registered in the United States of America and other foreign countries such as Belgium (Reg. No. 116,786 issued on November 29, 1968), Benelux (Reg. No. 71,944 issued on October 29, 1971), Canada (Reg. No. 273,947 issued on November 19, 1982), Chile (Reg. NO. 271,536 issued on December 15, 1982), France and Italy (Reg. No. 5825 issued on November 19, 1968), France (Reg. No. 1,070,753 issued on October 9, 1978) France (Reg. No. 1,191,033 issued on December 30, 1981), Israel (Reg. No. 29,393 issued on November 19, 1975), Korea (Reg. No. 47, 131 issued on September 16, 1976), Mexico (Reg. No. 273,070 issued on January 27, 1982), Mexico (Reg. No. 25,286 issued on September 9, 1980), Singapore (Reg. No. 1444/81 issued on April 1, 1981), Spain (Reg. No. 574,739 issued on November 21, 1968), Spain (Reg. No. 994,688 issued on January 18, 1983), Switzerland (Reg. No. 315,552 issued on December 10, 1981), Taiwan (Reg. No. 77,764 issued on September 1, 1975), Taiwan (registration No. 7,877 issued on October 16, 1982), United States of America (Reg. No. 1,213,968 issued on October 26, 1982, United States of America (Reg. No. 1,228,567 issued on February 22, 1983) and West Germany (Reg. No. 884,397 issued on November 26, 1968);

"c.) The mark GIMBELS was, and still is, extensively advertised in magazines and catalogues with international circulation and distribution since its adoption and use in commerce in September 12, 1987, Representative copies of sample advertisements of Petitioner showing the use of its mark GIMBELS are attached hereto as Annexes "B", "C" and "E" and made integral parts hereof;

"d.) Petitioner is one of the world's largest retail department stores. It sells by mail order substantial quantities of clothing throughout the world and distributes GIMBELS catalogues to selected charge account customers, including those in the Philippines and other countries who request them. Evidently, petitioner has earned an enviable reputation and goodwill in this country and its trademark GIMBELS in well-known and established publicly;

"e.) Respondent's registered trademark GIMBEL'S was allegedly used in commerce on 30 July, 1971 only and the goods (i.e. assorted ready made garments: pants, jeans, jackets, shirts, shorts) on which it is used are similar, identical and/or related. Furthermore, both marks owned by Petitioner and Respondent are in Class 25;

"f.) Respondent's registered trademark GIMBEL'S is confusingly similar with and/or identical to Petitioner's GIMBELS and the use of the former on the goods similar, identical and/or related to the goods of herein Petitioner will actually mislead or is likely to mislead the purchasing public to believe that the goods of respondent Philmade Garments, Inc. and or its assignee, Britedale Garments, Inc. under the mark GIMBEL'S originate from the same source as the goods of the herein petitioner's business and goodwill and that of the buying public in general. The confusion becomes more evident in light of the same classification of goods (both are in Class 25) covered by the identical mark GIMBELS.

"g.) Under the guidelines outlined in the Ministry of Trade and Industry Memorandum dated October 25, 1983, the validity of which was upheld by the Supreme Court in <u>La Chemise Lacoste, S.A. vs. Hon. Oscar C. Fernandez, et.al.,</u> G.R. Nos. 63796-97, and <u>Gobindram Hemandas Sujanani vs. Hon. Roberto V.</u> <u>Ongpin, et.al.</u> G.R. No. 65659, the mark GIMBELS is an internationally-known or world famous trademark and must be accorded the appropriate recognition in this jurisdiction. Pursuant to said Memorandum, Registration No. 21300 should be cancelled as being contrary to the Paris Convention for the Protection of Industrial Property of which the United States of America is a signatory".

On 13 January 1936, Petitioner formally submitted in evidence the Affidavit of its Assistant Secretary, Yves Ardito, duly authenticated by Foreign Service of the Philippines'

Consul Guillermo G. Arceo. Identified by the affiant are various foreign trademark registrations (Exhibits "A" to "F-3-b").

On 13 February 1986, another Affidavit of Yves Ardito was admitted in evidence, together with various (Exhibits "1" to "15") pointing to Petitioner's success.

As in any trademark case before this Office, there are two primary issues to be resolved, to wit:

a.) whether Respondent's mark which registration is sought to be cancelled is confusingly similar to Petitioner's mark with respect to the respective goods these goods are used; and

b.) who between the parties is the first to use the mark in commerce.

On confusing similarity, there could be no denying that the word marks used are the same; i.e. "GIMBELS", and that both are used on clothings. Hence, likelihood of confusion is beyond question and will not merit further discussion.

As regards the first to use the mark in commerce in the Philippines, we find that Petitioner's mark has been in use and known in the Philippines prior to Respondent's claim of first use on 30 July 1971.

In her testimony, Yves Ardio stated that Petitioner started business in 1842 until it was incorporated in 1922. Continuously since 1922, the corporation has operated GIMBELS retail department stores and sold goods under the GIMBELS mark by mail order to customers throughout the world, including the Philippines (p.2, Affidavit). In 1972 alone, the Petitioner claims to have sold some \$400,000,000 in world-wide sales in excess of the U.S. sales and expended some \$10,000,000 in world-wide advertising.

Noteworthy among the Petitioner's documentary evidence is the Encyclopedia Americana International Edition (Exhibit "12" of the Affidavit) which, as correctly pointed out by Petitioner, was even copyrighted in the Philippines in the years 1972, 1973 and 1974. In the pertinent page thereof, it was stated that in 1931 the "seven Gimbel stores with 20,000 employees constituted the world's largest department store enterprise".

Likewise notable among the evidence presented and admitted in evidence are the 28 certificates of registration from 18 countries (Exhibits "A" and "B"). Six of these registrations were issued before Respondent's claim of first use. While these six certificates of registration will not suffice to show that Petitioner's mark GIMBELS is internationally known, they surely add-up with the extent of sales and promotions of the Petitioner and the reputation brought about by the international publications to arrive at the conclusion that Petitioners mark GIMBELS is indeed internationally known even at the time of Respondent's purported first use of the mark.

Finally, it bears repeating that Respondent was duly declared in default and thus was not able to prove its claim of first use. Since it was accorded the opportunity to prove its claim yet failed to do so, it should now face the consequences thereof. This is not just an ordinary litigious controversy where a Petitioner cannot rely on the weakness of Respondent's evidence but must prove its own claims. Rather, trademark cases subsume the interest of the buying public to be spared from any possible confusion brought about by the conflicting interests of the parties. Thus, a higher level of vigilance is asked of the parties in the care of their concerns in order to protect public interests.

WHEREFORE, Registration No. 21300 of the mark GIMBELS in the name of Britedale Garments Inc. is hereby CANCELLED.

Let a copy of this Decision be furnished to the Patents, Trademarks Registry and EDP Division for proper action.

SO ORDERED.

IGNACIO S. SAPALO Director