

LOLLY TOGS LIMITED,)	INTER PARTES CASE NOS. 3685
Petitioner,)	
)	PETITION FOR CANCELLATION
)	
)	Cert. of Reg. No. 46250
)	Issued : August 25, 1989
- versus -)	Registrant : Elizabeth Y. Dionisio
)	Trademark : FRENCH TOAST
)	Used on : Polo, t-shirts
)	
)	<u>DECISION NO. 93-15 (TM)</u>
)	
ELIZABETH YAO DIONISIO,)	December 14, 1993
Respondent-Registrant.)	
x-----x)	

DECISION

This is a Petition for Cancellation of trademark "FRENCH TOAST" bearing Certificate of Registration No. 46250 issued on August 25, 1989 used on polo and t-shirts falling under Class 25 which was filed on June 15, 1987 by Elizabeth Yao Dionisio, hereinafter referred to as Respondent-Registrant.

Petitioner is a corporation duly organized and existing under the laws of the state of New York, U.S.A. with principal office located at # 112 West 34th Street, New York, N.Y., U.S.A.

The grounds alleged in the Petitioner are as follows:

1. Petitioner is the registered owner, proprietor, first user, and adoptor of the trademark FRENCH TOAST, for clothing under U.S Certificate of Registration No. 1,362,076 issued on September 24, 1985. Petitioner has also registered the same trademark in other countries of the world. In the Philippines, petitioner has a pending application for registration of the trademark FRENCH TOAST for clothing under Application Serial No. 71945 filed on May 18, 1990.
2. The respondent-registrant's trademark FRENCH TOAST is exactly identical to the trademark FRENCH TOAST owned by petitioner, as to be likely, when applied to or used in connection with the goods of the respondent-registrant, to cause confusion or mistake and deceive purchasers thereof or may be mistaken in thinking that said goods originated from or is sponsored by petitioner. Thus, the application for registration of respondent-registrant should not have been given due course and be refused registration as mandated by Section 4, of R.A. # 166, as amended.
3. Petitioner's trademark FRENCH TOAST is well-known throughout the world, including the Philippines, to be exclusively owned by petitioner. Hence, registration of the trademark FRENCH TOAST in the name of the respondent-registrant is contrary to the clear provisions of Article 6bis of the Paris Convention for the Protection of Industrial Property of which the Philippines is a signatory and which is being enforced in this jurisdiction by virtue of the Memorandum of the then Minister of Trade dated November 20, 1980 and October 1983 directing the Director of Patents to cancel and/or reject/refuse all unauthorized registrations of world famous trademarks.

4. The registration of the trademark FRENCH TOAST in the name of respondent-registrant will cause grave and irreparable injury and damage to the opposer within the meaning of Section 8 of R.A. No, 166, as amended.

The Petitioner herein will rely on the following facts to support its petition.

a) Petitioner is the owner of the world renowned trademark FRENCH TOAST for clothing for boys and girls and infants, namely, woven shirts, knitted shirts, sweaters, sweatshirts, sweatpants, sweat jackets, jogging suits, pants, overalls, slacks, shorts, jackets, coats and vests: girl's clothing, namely, blouses, skirts and jumpers under U.S. Certificate of Registration No. 1,362,076 issued on September 24, 1985.

b) Petitioner has also registered the trademark FRENCH TOAST in other states and countries of the world.

c) In the Philippines, petitioner has a pending application for registration of the trademark FRENCH TOAST for the same goods under Application Serial No. 71945 filed on May 18, 1990.

d) The trademark FRENCH TOAST was first used and adopted by petitioner on March 1, 1970. Thereafter, products bearing the trademark FRENCH TOAST have been distributed all over the world. In fact, petitioner has been manufacturing its FRENCH TOAST garments in the Philippine Export Processing Zone for export to the United States and other countries.

e) On the other hand, the registration subject of the petition was issued only on August 25, 1989 and it alleged a date of first use of July 8, 1986.

f) The respondent-registrant's trademark FRENCH TOAST is exactly identical to the petitioner's trademark FRENCH TOAST.

g) The subject mark of the respondent-registrant is used on goods exactly similar and related to the products bearing the trademark FRENCH TOAST of the petitioner. This uncanny similarity and identity in the mark and the goods of the respondent-registrant with those of the petitioner makes it very obvious that respondent-registrant is riding on the international popularity of petitioner's trademark FRENCH TOAST and is passing-off its good as those of the petitioner.

h) Petitioner has spent large sums of money for advertising and popularizing the products bearing the trademark FRENCH TOAST which coupled with petitioner's long use and unblemished and esteemed public reputation as a manufacturer and dealer of high quality products, has generated and established an immense and valuable goodwill for the trademark the world over.

i) Moreover, the use and registration of the trademark FRENCH TOAST by respondent-registrant will likely cause the dilution of the advertising value of petitioner's mark FRENCH TOAST and the excellent image of the said mark and will surely weaken its power of attraction.

j) Under the circumstances, the use and registration of the trademark FRENCH TOAST by respondent-registrant will amount to a violation of petitioner's proprietary rights over the trademark FRENCH TOAST, cause great and irreparable injury to petitioner, and will likely prejudice the buying public who might mistakingly believe that respondent-registrant's products are those of the petitioner, or sponsored by petitioner, or originated from or are related to petitioner herein.

For failure to file Answer within the time prescribed by the rules, the herein Respondent-Registrant was declared in Default (ORDER NO. 92-18 dated January 8, 1991).

The issues to be resolved are the following:

1. Whether or not the trademark of Respondent-Registrant is confusingly similar with that of the Petitioner;
2. Whether or not Petitioner has acquired priority of registration and goodwill over the mark "FRENCH TOAST" to the exclusion of use/registration of the same by all others.

The trademark "FRENCH TOAST" was registered in the United States Patent and Trademark Office under Registration No. 1,362,076 date registered September 24, 1985 and the goods covered are for clothing for boys and girls and infants, namely, woven shirts, knitted shirts, sweaters, sweat-shirts, sweat pants, sweat jackets, jogging suits, pants, overall, slacks, shorts, jackets, coats and vests. Girls clothing namely: blouses, skirts, and jumpers in Class 25. The date of first use of the said mark are the goods mentioned is March 1, 1970; (Exhibit "A")

The above-mentioned mark was likewise registered in other countries namely:

- | | | |
|---------------------------|-----------------|---------------|
| 1. Argentina | 12. Curacao | 23. Malaysia |
| 2. Australia | 13. Egypt | 24. Mexico |
| 3. Aruba | 14. El Salvador | 25. Panama |
| 4. Bangladesh | 15. Equador | 26. Portugal |
| 5. Benelux | 16. France | 27. Singapore |
| 6. Brazil | 17. Hongkong | 28. Sri Lanka |
| 7. Canada | 18. India | 29. Spain |
| 8. Chile | 19. Indonesia | 30. Sri Lanka |
| 9. China | 20. Italy | 31. Sweden |
| 10. Colombia | 21. Japan | 32. Taiwan |
| 11. Costa Rica | 22. Korea | 33. Thailand |
| 34. USSR
(Exhibit "B") | | |

Based on the evidence submitted, the Respondent-Registrant's trademark "FRENCH TOAST" is confusingly similar with the Petitioner's mark as both marks are exactly similar with respect to spelling, sound and appearance.

Moreover, the mark of Respondent-Registrant is used on goods exactly similar and related to Petitioner's products. The use of the trademark "FRENCH TOAST" by respondent-registrant has caused and will continue to cause confusion, mistake and deception of the buying public that respondent-registrant's products are manufactured by sponsored by, originated from or related with Petitioner.

Under Philippine jurisprudence, colorable imitation implies similarity; however this does not mean such a similitude as amounts to identity. One test given is that if the form, marks, contents, words or other special arrangement or general appearance of the words of the alleged infringer's device are such as would be likely to mislead persons in the ordinary course of purchasing the genuine articles, then the similarity is such as entitled the injured party to equitable protection.

It is, therefore, not necessary that the matter sought to be protected be literally copied. Difference or variations or similarity in the details of one device or article of those of another are not the legally accepted tests whether an action based on confusing similarity exists. It is

insufficient that the substantial and distinctive part of the main or essential or dominant features of one mark is copied or imitated in another (Co Tiong Sa vs. Director of Patents, 95 Phil.1)

Respondent-Registrant's trademark (FRENCH TOAST) was granted only on August 25, 1989 with June 15, 1987 as the date of application.

On the other hand, the Petitioner's trademark (FRENCH TOAST) was registered in the United States on September 24, 1985 under Regn. No. 1,362,076 (exhibit "A").

On the basis of the evidence presented, the herein Petitioner has established that it owns the trademark (FRENCH TOAST) through prior and continuous use of the same in many countries the world to merit protection as a well-known mark.

WHEREFORE, the Petitioner is GRANTED. Consequently, Certificate of Registration No. 46250 for the trademark FRENCH TOAST issued to Respondent-Registrant is hereby CANCELLED.

Let the filewrapper of this case be remanded to the Patent/Trademark Registry and EDP Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director