

MAGLIFICIO BIELLESE FRATELLI)	INTER PARTES CASE NO. 1369
FILA S.P.A.,)	
Petitioner,)	PETITION FOR CANCELLATION
)	
)	Cert. of Reg. No. 27976
)	Issued on : Dec. 20, 1979
- versus -)	Registrant : Rosendo Ong
)	Trademark : FILA
)	Used on : Suiting material
)	
)	<u>DECISION NO. 94-36 (TM)</u>
)	
ROSENDO ONG,)	September 14, 1994
Respondent-Registrant.)	
x-----x)	

DECISION

On April 8, 1980, Maglificio Biellese Fratelli Fila, S.P.A., a foreign corporation organized and existing under the laws of Italy, filed a Petition for Cancellation (Inter Partes Case No. 1369) of the certificate of registration (Registration No. 27976) issued on December 20, 1979 in favor of Rosendo Ong, a Filipino citizen doing business under the name and style of "Bagong Anyo Enterprises", for the trademark "FILA" for use on suiting and garment materials.

For failure of Respondent Ong to file his Answer within the reglementary period, and upon motion of Petitioner Fila's counsel, Respondent was declared in default (Order dated July 3, 1981) and Petitioner was allowed to present its evidence ex-parte on August 7, 1981.

Petitioner filed this Petition for Cancellation on the ground that the registration of Respondent's trademark "FILA" was obtained fraudulently or contrary to the provisions of Section 4 of Republic Act 166, as amended, and alleged the following reasons" (1) that Petitioner possesses the exclusive titled and interest in and to the "FILA" trademarks and logo ("F" Device) by virtue of its indisputable ownership and prior use or appropriation thereof; (2) that the mark which Respondent has registered comprises the name of particular living individuals and hence cannot be registered except by their written consent; and (3) that the continued registration of "FILA" trademark in favor of Respondent will only aggravate the worsening confusion and deception presently plaguing the local market as to the source and origin of Respondent's goods to the continuing damage and prejudice of Petitioner.

The primary issue to be resolved is whether or not the registration of Respondent's trademark "FILA" is in accordance with Section 4(d) of Republic Act 166, as amended, and with Article 6bis of the Convention of Paris for the Protection of Industrial Property.

The records of this case show that Petitioner is a corporation established in 1911 in Italy by the Fila Brothers (Fratelli Fila) initially as a textile firm but which eventually branched out into sportswear, sports goods and other similar lines (Exh. "C") as their business progressed. Concomitant with their business success, it registered the trademark "FILA & DEVICE" (Exh. "B") starting in the year 1965 in several countries of the world where the goods bearing their name were marked, such as Italy, United Sates of America, Canada, Greece and Australia (Exhs. "D-1" to "D-20"). By virtue of the said registration in various commercial centers of the world, Petitioner's trademark has attained worldwide publicity and international acceptance since 1965 up to the present with a 1979 sales forecast of 42,000,000,000 lire for Italy and other foreign countries (Exh. "C").

It is undeniable from the records that Petitioner's trademark "FILA & DEVICE" is an internationally well-known trademark. In fact, the former Minister of Trade, Hon. Luis R. Villafuerte, in his Memorandum to the Director of Patents dated November 20, 1980, has included the said trademark in the list of world famous trademarks in respect of which applications for registration of similar Philippine trademarks are to be refused, cancelled or prohibited, pursuant to Article 6bis of the Convention of Paris for the Protection of Industrial Property, to which the Philippines is a signatory.

The applicable provisions are Section 4(d) of R.A. No. Act 166, as amended (Trademark Law), and Article 6bis of the Convention of Paris for the Protection of Industrial Property, the pertinent provisions of which are hereunder set forth:

"Sec. 4. Registration of trademarks, tradenames and service marks on the principal register. There is hereby established a register of trademarks, tradenames and service marks which shall be known as the principal register. the owner of a trademark, tradename or service mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register unless it:

x x x

(d) Consists of or comprises a mark or tradename which so resembles a mark or tradename registered in the Philippines or a mark or tradename previously used in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or service of the applicant, to cause confusion or mistake or to deceive purchasers".

Article 6bis

[Marks: Well-Known Marks]

(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration of use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark or an imitation liable to create confusion therewith.

It should be emphasized that as early as 1965, Petitioner has been using its trademark "FILA & DEVICE" while Respondent started to use its trademark "FILA" only on October 1, 1976, as evidenced by the records of this case. It is likewise emphasized that the earliest registration date of Petitioner's trademark "FILA" is January 26, 1965 (Exh. "D-6"), which is much earlier than the registration date of Respondent's therefore, no doubt as to Petitioner's ownership and prior use of the trademark "FILA & DEVICE".

Respondent's trademark needs no further scrutiny. It is clearly similar in spelling, sound and appearance with Petitioner's trademark. Considering that Respondent's goods are of the same general type and nature as those of Petitioner, the likelihood of confusion, mistake or deception as to the source of the goods can not be avoided.

As the rightful owner and prior user of the trademark "FILA & DEVICE", Petitioner should be given protection from unlawful copying or imitation by local businessmen, such as Respondent, pursuant to our country's obligation under the above-quoted Article 6bis of the Paris Convention, and in compliance with the provisions of our Trademark Law. Thus, the Supreme Court has declared in several cases that:

“That objects of a trademark are to point out distinctly the origin or ownership of the article to which it is affixed, to secure to him, who has been instrumental in bringing into the market a superior article or merchandise; the fruit of his industry and skill, and to prevent fraud and imposition.” (Etepha vs. Director of Patents, 16 SCRA 495; La Chemise Lacoste, S.A. vs. Fernandez, 129 SCRA 373)

“The owner of a trademark or tradename has a proprietary right in which he is entitled to protection, since there is damage to him from confusion of reputation or goodwill in the mind of the public as well as confusion of goods. The modern trend is to give emphasis to the acts and to treat the issue as a fraud.” (Ang vs. Teodoro, 74 Phil. 50; arce Sons & Co. vs. Selecta Biscuits Co., Inc., 1 SCRA 253)

“Modern trade and commerce demands that depredations on legitimate trademarks of non-nationals including those who have not shown prior registration thereof should not be countenanced. The law against such depredations is not only for the protection of the owner of the trademark but also and more importantly for the protection of purchasers from confusion, mistake or deception as to the goods they are buying. (Asari Garments Corp., vs. Director of Patents, 41 SCRA 50; La Chemise Lacoster, S.A. vs. Fernandez, supra)

Apart from the foregoing, Petitioner has established the fact that the word “FILA” refers to the surname of the Fila Brothers (Fratelli Fila) of Italy (Exh. “C”), founders of Petitioner’s corporation.

Section 4(c) of Republic Act 166, as amended, explicitly prohibits the use or appropriation of a name identifying a particular living individual without his written consent. Thus:

“Sec. 4. xxx The owner of a trademark xxx shall have the right to register the same of the principal register, unless it:

x x x

(d) Consisting of or comprising a name, portrait or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the Philippines, during the life of his widow, if any, except by the written consent of the widow.”

In the leading case of De La Rama Steamship Co. vs. National Development Co. (35 SCRA 567), the Supreme Court ruled that:

“Under Sec. 4 (c) of R.A. 166, as amended, what is prohibited from being appropriated and being registered are tradenames, consisting of, or comprising of, or comprising, a name identifying a particular living individual xxx.”

It is evident, therefore, that Respondent has no right at all to register the trademark “FILA” inasmuch as the written consent of Petitioner to the registration in question is mandatory. On this ground alone, cancellation of Respondent’s trademark registration is warranted.

In spite of the millions of terms and combination of letters available to Respondent, it adopted and registered a mark similar to that of Petitioner. Under the foregoing circumstances, the intention of Respondent to take advantage of the reputation and goodwill generated by Petitioner’s trademark is likewise evident.

It must be noted that the herein Respondent-Registrant was declared in DEFAULT in accordance with the Rules of Court for his failure to file his Answer within the reglementary period, and upon motion of Counsel for the Petitioner (ORDER dated July 3, 1981)

It was recently held by the Supreme Court in DELBROS HOTEL CORPORATION vs. Intermediate Appellate Court, 159 SCRA 533, 543 (1988), that –

“Fundamentally, default orders are taken on the legal presumption that in failing to file an Answer, the Defendant does not oppose the allegations and relief demanded in the complaint.”

Indeed, this Office cannot but notice the lack of concern the Respondent-Registrant had shown in protecting the mark which is contrary to the norm that: “A person takes ordinary care of his concern” (Sec. 3(d), Rule 131 of the Rules of Court).

WHEREFORE, the Petitioner is GRANTED; Certificate of Registration No. 277976 is CANCELLED.

Let the filewrapper of this case be remanded to the application, Issuance and Publication Division for appropriate action in accordance with this Decision. Likewise, let a copy of this Decision be furnished the Trademark Examining Division for information and to update its record.

SO ORDERED.

IGNACIO S. SAPALO
Director