

PRUDENTIAL INSURANCE	)	INTER PARTES CASE NO. 3286
COMPANY OF AMERICA,)	
Opposer,	)	OPPOSITION TO:
)	
	)	Application Serial No. 58345
	)	Filed : April 14, 1986
- versus -	)	Applicant : Prudential Life
	)	Plan, Inc.
	)	Trademark : PRUDENTIALIFE
	)	Used on : Life, memorial
	)	and pension plans
)	
PRUDENTIAL LIFE PLAN,	)	<u>DECISION NO. 93-3 (TM)</u>
INC.,)	
Respondent-Applicant.	)	January 12, 1993
x-----x)	

DECISION

This is an Opposition to the application for registration of the trademark PRUDENTIALIFE for life memorial and pension plans filed by Respondent-Applicant Prudential Life Plan, Inc., a corporation duly organized and existing under the laws of the Philippines with principal address at Prudential Life Building, 118 Gamboa Street, Legaspi Village, Makati, Metro Manila.

Opposer, Prudential Insurance Co. of America, a foreign corporation, duly organized and existing under the laws of the State of New Jersey, U.S.A., located and doing business in Newark, New Jersey, U.S.A. alleged that it will be damaged by the registration of the aforesaid mark in the name of the Respondent under Serial No. 58345 filed on 14 April 1986 which was published for opposition on page 111, Vol. I, No. 7 of the official gazette of this Bureau dated 30 September, 1988.

The Verified Opposition, filed on 11 January 1985 alleged that:

“1. That opposer is a foreign corporation duly organized and existing under the laws of the State of New Jersey, U.S.A., located and doing business in Newark, New Jersey, U.S.A.; whereas, respondent-applicant is a domestic corporation duly organized and existing under Philippine Laws and with office address at Prudential Life Plan Building, 118 Gamboa Street, Legaspi Village, Makati City, Metro Manila, where it may be served with summons and other official processes;

2. That opposer is the exclusive owner and registrant of the tradename THE PRUDENTIAL INSURANCE COMPANY OF AMERICA under Certificate of Registration No. 31391 issued by the Philippine Bureau of Patents, Trademarks and Technology Transfer (BPTTT) on 24 November 1982 for the following goods: all forms of insurance protection and services incidental thereto, including life, health, annuities, pension and profit sharing funds, property and casualty and reinsurance; also independent administrative services of the type performed in the normal conduct of its insurance of annuity operations including consultative, actuarial, data processing, accounting and claims services; and investment services including the purchase and sale of real estate and securities in connection with fund management;

3. That the said tradename THE PRUDENTIAL INSURANCE COMPANY OF AMERICA has not been abandoned by opposer and opposer has adopted and used said tradename in the United States since 1975; likewise opposer first used the said tradename in the Philippines in July 1973;

4. That respondent-applicant filed an application for the registration of the trademark PRUDENTIALIFE on 14 February 1986 under Application Serial No. 58345 for the following goods: "life, memorial and pension plan business"; said application for registration was published for purposes of opposition on page 111, Vol. I, No. 7 of the Official Gazette of the BPTTT dated 30 September 1988;

5. That registration of PRUDENTIALIFE PENSION PLAN, INC. & LOGO will cause great and irreparable injury to the business, reputation and goodwill of opposer and opposer prays for denial of the registration of the said trademark PRUDENTIALPENSION PLAN INC., & LOGO on the following grounds:

a. The trademark sought to be registered by respondent-applicant consists of the dominant word PRUDENTIAL which is evidently similar in sound and appearance to the dominant feature of opposer's tradename and thus, is likely to be confused by the purchasing public as a tradename/trademark/servicemark belonging to or associated with the goods, services, business of the opposer; and

b. Both opposer and respondent-applicant are in the same business—insurance—thus, there is the likelihood that confusion and deception will arise as to the source of the goods/services/business concerned."

After a series of motions for extension of time to file its answer, Respondent-applicant nevertheless failed to file its Answer to the Opposition hence was declared in default per resolution no. 89-12 dated 05 May 1989.

Respondent-Applicant then filed a motion to lift the order of default on 05 May 1989 and the Opposer filed its opposition thereto in open proceeding on 6 June 1989. In the said hearing, the order of default was lifted and the answer of the Respondent which was belatedly filed, was admitted where it denied all the material allegations of the opposition.

In the hearing of this, case scheduled on 01 October 1992, Counsel for Respondent-Applicant failed to appear despite due notice. On the other hand, this office granted the oral motion of opposer to adopt the evidence it presented in Inter Partes Case No. 3297, which involved the same parties, the same issue and the same trademarks. In Order No. 92-778 dated 04 November 1992, this office admitted all the documents formally offered in evidence.

The only issue in this case is whether or not the servicemark PRUDENTIALIFE PLAN INC & DEVICE maybe registered despite the opposition of Prudential Insurance Co. of America.

To support its Opposition, Opposer offered in evidence Certificates of Registrations (Exhs. F to F-7) which was issued by this Office on 24 November 1982 covering the trademark "The Prudential Insurance Co. of America" in favor of the Opposer. The said registration was based on Application Serial No. 36726 filed on 7 November 1978 alleging first date of use in the Philippines on July 1973 covering all forms of insurance protection and services incidental thereto including life, health, annuities pension and profit. It also adduced in evidence Exhibit "L" which is the Certificate of Registration of the trademark Prudential Reinsurance Company for reinsurance business issued by this Office on 17 October 1984.

From the evidence on record, this Office sustains the Opposition filed by Prudential Insurance Company of America. As it is often said, the function of a trademark is to point distinctly, either by its own meaning or by association, to the origin or ownership of the wares to which it is applied (*Arce and Sons vs. Selecta Biscuits*, 1 SCRA 253). Although it is true, as alleged by the Respondent in its Answer, that prudential is a term appearing in any dictionary, maybe used or employed by anyone in promoting his business once adopted or coined in connection with one's business as an emblem, sign or device to characterize its products, it may acquire a secondary meaning as to be exclusively associated with its products and business. In this sense, its use by another may lead to confusion in trade and cause damage to its business. (please see *Arce Case*, *Supra*)

Although the trademark in question appears to be different in presentation with the Opposer's trademarks, i.e. Prudentialife for the Respondent and Prudential for the Opposer, this Office finds the dominant feature PRUDENTIAL in both marks. The word PRUDENTIAL will easily attract and catch the eye of the ordinary clientele and it is that word and none other that sticks in his mind whenever he thinks of insurance. Even if there is a slight variation in the presentation of both marks, we find it insignificant to enable ordinary customers to distinguish the origin and source of the services covered by the competing marks. As held in the case of *American Wire Cable Inc. vs. Director of Patents*, 31 SCRA 544 the dominant and essential feature of an article is the trademark itself.

From a careful examination of the documents on record the line of service covered by the competing marks are undoubtedly the same if not related and refers to the business of life insurance. The questioned mark is used for pension plans. This is supported by brochures submitted by the applicant to show proof of use as mandated by the Trademark Law. In the said brochure, it is specifically stated that "Prudentialife Pension" is a plan designed to give financial security by providing a regular monthly income upon end of term. The amount of the monthly income will depend on the type of plan and the total amount contributed.

This is clearly a contract of annuity which is defined in Webster's Third New International Dictionary as (1.) an amount paid yearly or at other regular intervals for a certain or uncertain period, and (2.) a contract of agreement under which one or more persons receive annuity in return for prior payments made by themselves or another. It is also worthy to reiterate that the business of annuity pension and profits are covered by Opposer's trademark registrations.

In Teodorico Martin's Commentaries and Jurisprudence on the Philippine Commercial Laws (p. 218 of Volume 2 of 1981 Edition) we read:

"A contract for annuity is distinguished from insurance in that it is payable yearly during the life of the annuitant rather than upon a future contingency."

However, in Section 180 of the Insurance Code, it is provided that every contract of pledge for the payment of endowments of annuity shall be considered a life insurance contract for purposes of this code.

Clearly, the pension plan of the Respondent is nothing but life insurance under a different nomenclature. The scheme is the same and the benefits and obligations for both the insurer, insured and the beneficiary are also the same. Furthermore, in Respondent's brochures, it becomes more evident that the pension plan is also a life insurance when it is mentioned that:

"You also get the additional benefits of a decreasing term insurance which states that the plan becomes fully paid should death occur before full payment and will entitle your beneficiary to receive full benefits."

It is also stressed that Respondent, despite the well-known identity of the mark he was applying to, strongly challenge his right to the mark, took a passive stance. Not only did he fail to present any evidence to establish his right to the mark; he also failed to file a Demurrer to

Evidence. Being known to the respondent that it was already declared in default on 05 May 1989, and again on 16 October 1992, no positive action was manifested by Prudential Life Plan, Inc., to support its position. The situation demanded that his right to the mark be clearly established. As aptly held by the Supreme Court in the case of Sterling vs. Farbenfabriken A.G., p. 1224, 44 SCRA 1226-127:

“xxx (i)t would seem quite clear that adoption alone of a trademark would not give exclusive right thereto. Such right grows out of their actual use. Adoption is not use. One may make advertisements, issue circulars, give out price lists on certain goods; but this alone would not give exclusive right of use. For trademark is creation of use. xxx” (Underscoring supplied)

WHEREFORE, premises considered, the Opposition is hereby SUSTAINED and Application Serial No. 58353-A is hereby REJECTED.

Let the filewrapper of this case be forwarded 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