

SCOTCH WHISKY ASSOCIATION OF  
UNITED KINGDOM,  
Opposer,

-versus-

DESTILERIA LIMTUACO & CO.,  
Respondent-Applicant.

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} INTER PARTES CASE NO. 3360  
} Opposition to:  
}

} Serial No. : 63585  
} Date Filed : April 22, 1986  
} Trademark : "WINDSOR CASTLE"  
} Used on : Whisky  
}

} Decision No. : 2000-06

## DECISION

This case pertains to a Notice of Opposition to the application for registration of the mark "WINDSOR CASTLE" bearing Serial No. 63585 used on whisky and filed by the herein Opposer "The Scotch Whisky Association of United Kingdom" a trade association of Scotch Whisky distillers and blenders organized and existing under the laws of the United Kingdom with address at 20 Atholl Crescent Edinberg EH3, 8HF Scotland, United Kingdom, which application was published on page 37, Vol. 2, No. 2 of the Official Gazette dated February 28, 1989.

The herein Respondent-Applicant is Destileria Limtuaco & Co. Inc., a domestic corporation organized and existing under Philippine Laws with address at 1830 E. delos Santos Avenue, Quezon City, Metro Manila.

The grounds of the opposition are as follows:

- "1. Respondent-Applicant Destileria Limtuaco & Co.. Inc. is not entitled to register the trademark "WINDSOR CASTLE (WORDS)" because it has not had bona fide commercial use thereof before its application for its registration or thereafter;
- "2. The trademark "WINDSOR CASTLE (WORDS)" of respondent-applicant, assuming it was actually manufactured in the Philippines, is likewise unregistrable under the provisions of Sec. 4(e) of the Trademark Act as being deceptively misdescriptive from a geographical point view. The trademark applied for by respondent-applicant, as used in connection with the goods (whisky), is also unregistrable under the same Sec. 4 (e) for being deceptively misdescriptive of the said goods.
- "3. Respondent-Applicant's mark constitutes a direct or indirect use of a false indication of the source of its products which is an act contrary to honest practices in industrial or commercial matters or an act of unfair competition which the member countries of the Paris Union, including the Philippines, undertake to assure to nationals of the other countries of the Union appropriate legal remedies to repress effectively in accordance with the provisions of Article 10, 10bis and 10ter of the said Paris Convention. The Honorable Office of the Director of Patents, as an instrument of the Philippine Government can help discharge this treaty obligation by denying respondent-applicant's application Serial No. 63585.

Opposer relied on the following facts to support its opposition:

- "a. Respondent-Applicant has had no previous bona fide commercial use of the trademark in question before its application therefore with the Patent Office and/or has abandoned the said trademark through non-use over a considerable period of time;

- “b. WINDSOR CASTLE is a famous castle in the United Kingdom which is one of the Queen’s residences. It is visited by large numbers of overseas tourists and is accordingly well known in many countries, WINDSOR is also the Queen’s family name.
- “c. The United Kingdom is noted worldwide for top quality whisky and the use of the name WINDSOR CASTLE (WORDS) by respondent-applicant on its locally produced whisky is clearly in a manner which suggests that it is Scotch Whisky, and therefore is of a nature to mislead the public as to the existence of a connection between respondent-applicant and bona fide Scotch Whisky distillers and blenders which are members of the opposer Scotch Whisky Association of United Kingdom;
- “d. WINDSOR CASTLE is a famous landmark in the United Kingdom and the use of the name by respondent-registrant as a trademark for its locally produced whisky is evocative of England, capable of leading consumers to the assumption that WINDSOR CASTLE comes from the United Kingdom, particularly in view of the International reputation of Scotch Whisky as coming from the United Kingdom, thereby constituting a misleading indication of source of origin;
- “e. The Philippines became an adherent to the Paris Convention for the Protection of Industrial Property by agreement that went into force on September 17, 1965 and proclaimed by the President under Proclamation No. 3, Series of 1996 which period far preceded the filing of the application for registration by the respondent-applicant on April 22, 1986, or its alleged date of first use of the mark “WINDSOR CASTLE (WORDS)” on October 17, 1984;
- “f. Articles 10, 10bis and 10ter of the Convention of Paris for the Protection of Industrial Property of which Great Britain and the Philippines are members provide:

Article 10

- “1. The provisions of protecting Article shall apply in cases of direct or indirect use of a false indication of the source of the product or the identity of the producer, manufacturer or trader.
- “2. Any producer, manufacturer or trader, whether a natural or juridical person, engaged in the production or manufacture of or trade in such goods and established either in the locality falsely indicated as the source or in the district where this locality is situated, or in the country falsely indicated, or in the country where the false indication of source is used, shall in any case be deemed an interested party.

Article 10bis

- “1. The countries of the Union are bound to assure to persons entitled to the benefits of the Union effective protection against unfair competition.

- “2. Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.
- “3. The following in particular shall be prohibited:
  - “1. all acts of such a nature as to create confusion by any means whatever with the establishments, the goods, or the industrial or commercial activities of a competitor;
  - “2. false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities of a competitor;
  - “3. Indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, manufacturing process, the characteristics, the suitability for their purpose or the quantity of the goods.

#### Article 10ter

- “1. The countries of the Union undertake to assure to nationals of the other countries of the Union appropriate legal remedies to repress effectively all the acts referred to in Article 9, 10 and 10bis.
- “2. They undertake, further, to provide measures to permit syndicates and associations which represent the industrialists, producers or traders concerned and the existence of which is not contrary to the laws of their countries, to take action in the Courts or before the administrative authorities, with a view to the repression of the acts referred to in Article 9, 10 and 10bis, in so far as the law of the country in which protection is claimed allows such action by the syndicates and associations of that country”.

On July 6, 1989, Respondent-Applicant filed its Answer denying all the material allegations of the Notice of Opposition and alleged therein the following affirmative Defenses:

- “1. It repleads and incorporates by reference all the foregoing allegations insofar as they may be pertinent herein;
- “2. The Opposer has no legal standings in this Opposition proceeding on the ground that it is not a real party in interest or any person who could be damaged by the registration of the mark “WINDSOR CASTLE” in the name of the Respondent-Applicant. This infirmity of lack of legal standing of the Opposer can be clearly seen thru a closer look and scrutiny of the laws.”

All issues having been joined, this Office called the case for Pre-Trial Conference. Failing to reach an amicable settlement, the parties went into trial and adduced their respective evidences both documentary and testimonial.

The main issue to be resolved in this case is: Whether or not Respondent-Applicant is entitled to register the mark "WINDSOR CASTLE".

Republic Act 166, as amended, which was the law in force and in effect at the time the trademark application of Respondent was filed and the ongoing Opposition thereto was likewise filed by herein Opposer should govern the resolution of the issues in the instant Opposition proceedings.

Sec 2 of R.A. 166 as amended particularly provides to wit:

Sec.2 - What are registrable - trademarks, tradenames and service marks owned by persons, corporations, partnerships or association domiciled in the Philippines and by persons, corporations, partnerships or associations domiciled in any foreign country may be registered in accordance with the provisions of this Act: PROVIDED, that said trademarks, tradenames or service marks are actually in use in commerce and services NOT LESS THAN TWO MONTHS in the Philippines BEFORE THE TIME THE APPLICATIONS ARE FILLED: and provided further, that the country of which the applicant for registration is a citizen of the Philippines, and such fact is officially certified, with a certified true copy of the foreign law translated into the English language, by the Government of the foreign country to the government of the Republic of the Philippines (as amended by R.A. No. 865)"

(Underscoring provided)

As shown by the records of the case, the trademark application subject of the opposition proceeding "WINDSOR CASTLE" was filed on April 22, 1986 and that in the trademark application itself, Respondent-Applicant claimed the date of first use as October 17, 1984.

However, Respondent-Applicant failed to present any concrete evidence to substantiate its claim that its mark was used on October 17, 1984 or on any date prior to April 22, 1986, the filing date of the application. The earliest proof of commercial use of the mark which Respondent-Applicant managed to present was one (1) sales invoice of WINDSOR CASTLE products dated March 26, 1987 (Exhibit 18).

In the absence of proof of earlier use of the mark, the inevitable conclusion would be, that it was only on March 26, 1987 that the Respondent-Applicant first used the mark WINDSOR CASTLE in commerce in the Philippines or almost one year after the filing date of the subject trademark application which is clearly violative of Sec. 2 of R.A. No. 166 as amended.

An important point to be considered and which this Office takes judicial notice of is the fact that wines and spirits are among the products for which the law requires BIR Label approval before they can be lawfully sold in commerce and the products or goods covered by the trademark application of the herein Respondent-Applicant being "WHISKY" which falls under the category of wines.

It appears from the testimony on record that the BIR LABEL APPROVAL was obtained only in May 1987 by the herein Respondent-Applicant (pp 8 to 18 TSN, November 3, 1992), which is also more than one year after the filing date of the application subject of the opposition.

Actual use in commerce or business is a pre-requisite to the right of ownership over a trademark. (STERLING PRODUCTS vs. FARBENFABRIKEN BAYER, 27 SCRA 1214; Intellectual Property Journal, Vol. 1 No. 2, March 1987 p. 14)

The second issue interposed by Opposer is that the trademark "WINDSOR CASTLE" being applied for registration by Respondent-Applicant, is likewise unregistrable under the provisions of Sec. 4 (e) of the Trademark Act as being deceptively misdescriptive from a geographical point of view.

As established by the evidence on record, the trademark "WINDSOR CASTLE" is a famous castle in the town of WINDSOR in the United Kingdom and is one of the Queen's Principal residences (Exhibit "E"), and that the place is visited by a large number of tourists coming from different countries of the world (Exhibit "G").

That United Kingdom where WINDSOR CASTLE is located has a worldwide reputation for the production of Scotch whisky which have been exported to the Philippines in great volume since 1937 (Exhibit "D"), hence the use of such name by Respondent for its locally produced whisky could materially induce purchasers to buy thinking that it originated in the said place.

As cited by Mr. J. Thomas McCarthy in his book Trademark and Unfair Competition:

"A mark consisting of or comprising a geographic term is not deceptive unless it involves a false assertion calculated, planned, designed or implied to deceive the public as to the geographical origin of the goods bearing the mark. (Re Amerise 1969, TMT & App Bd 160 U.S. Pat. Quat. 687.)  
(Underscoring supplied)

That "WINDSOR" being a very popular place in the United Kingdom, but is being used by Respondent-Applicant on the good or products being manufactures or produces in the Philippines, is deceptively misdescriptive from the geographical point of view considering that Windsor Castle is located in the United Kingdom which has a worldwide reputation for the production of Scotch whisky, hence, proscribed under Sec. 4(e) of R.A. 166, as amended, which provides that-

"Sec.4 : Registration of trade-marks, trade-names, and service-marks on the principal register – There is hereby established a register or trade-marks, trade-names and service-marks which shall be known as the principal register. the owner of a trade-mark, trade-name 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

"(e) – Consists of a mark or trade-name which, when applied to or used in connection with the goods, business or services of the applicant is merely descriptive or deceptively misdescriptive of them, or when applied to or used in connection with the goods, business or services of the applicant is primarily geographically descriptive or deceptively misdescriptive of them, or is primarily merely a surname. (Underscoring supplied)

IN VIEW THEREOF, THE Notice of Opposition is, as it is hereby SUSTAINED. Consequently, application bearing Serial No. 63585 filed by Destileria Limtuaco & Co. for the registration of the mark "WINDSOR CASTLE" used on whisky is hereby REJECTED.

Let the records of this case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau for appropriate action in accordance with this DECISION with a copy furnished the Bureau of Trademarks for information and to update its record.

SO ORDERED.

Makati City, July 11, 2000.

ESTRELLITA BELTRAN-ABELARDO  
Director