

SECOND IMAGE LIMITED,	)	INTER PARTES CASE NO. 3176
Opposer,)	
	)	OPPOSITION TO:
)	
	)	Application Serial No. 54062
	)	Filed : June 15, 1984
- versus -	)	Applicant : Eduardo Sy
	)	Trademark : SECOND IMAGE & DEVICE
	)	OF A RECTANGULAR
	)	FRAME WITH CONFIGURA-
	)	TION OF S DEVICE
	)	Used on : Jeans, t-shirts, polo
	)	shirts, handkerchiefs
)	
	)	<u>DECISION NO. 92-25 (TM)</u>
)	
EDUARDO SY,	)	November 11, 1992
Respondent-Applicant.)	
X-----X)	

DECISION

This is a Notice of Opposition filed by Second Image Limited to Application Serial No. 54062 for the trademark "SECOND IMAGE AND DEVICE OF A RECTANGULAR FRAME WITH CONFIGURATION OF S DEVICE" allegedly being used on jeans, t-shirts, polo shirts and handkerchiefs.

Opposer, Second Image Limited, is a foreign corporation duly organized and existing under the laws of the United Kingdom with principal office at 31-33 Park Royal Road, London NW10 7LQ, United Kingdom, Respondent EDUARDO SY is a citizen of the Philippines with residence at 1069 Carmen Planas Street, Tondo, Manila.

Claiming to be damaged by the registration of the subject mark, Opposer interposes the following grounds:

i. The registration of the trademark SECOND IMAGE OF A RECTANGULAR FRAME WITH CONFIGURATION OF S DEVICE in the name of respondent-applicant will mislead the purchasing public and make it convenient for respondent-applicant to pass off its goods particularly jeans, t-shirts, polo shirts and handkerchiefs which are identical to the goods of opposer, as those of the latter, resulting in damage to both the public and the opposer;

ii. The trademark SECOND IMAGE OF A RECTANGULAR FRAME WITH CONFIGURATION OF S DEVICE is, if not identical, so confusingly similar to the trademarks SECOND IMAGE and PIN DEVICE owned and being used by the opposer such that registration of the trademark SECOND IMAGE OF A RECTANGULAR FRAME WITH CONFIGURATION OF S DEVICE will run counter to Article 6bis of the Paris Convention for the Protection of Industrial Property of which the United Kingdom, opposer's national country, is a member and to which convention the Philippines has acceded as of September 27, 1965;

iii. The registration of the trademark SECOND IMAGE OF A RECTANGULAR FRAME WITH CONFIGURATION OF S DEVICE in the name of respondent applicant will violate the proprietary rights and interests of the opposer over its trademarks SECOND IMAGE and PIN DEVICE and will therefore cause great and irreparable injury to the latter".

On September 14, 1988, a Notice to Answer was duly served upon the defendant through registered mail. For failure to file an Answer to the Notice of Opposition, Opposer filed a motion to Declare Defendant in Default on 25 November 1988. In the Office Order No. 88-561 issued 6 December 1988, Respondent was declared in default and opposer was allowed to present its evidence ex-parte.

In support of its claim that it will be damaged by such registration, Opposer submitted the following pieces of evidence:

1. Affidavit – testimony of Mr. Rajuikant Lakhamaski Shah, managing Director of Second Image Limited (Exhibit “A”)
2. Duly legalized and authenticated Certificate of Registration No. 1,103,614 for “Second Image” obtained by the opposer in the United Kingdom. (October 26, 1978)
3. Duly legalized and authenticated Certificate of Registration No. 1,150,830 for “Pin Device” obtained by the opposer in the United Kingdom. (March 19, 1981)
4. Certified and authenticated true copy of Certificate of registration No. 818 of 1987 obtained by the opposer in Hongkong. (October 17, 1978)
5. Certified and authenticated true copy of Certificate of Registration No. 29637 obtained by the opposer in Kenya. (February 12, 1982)
6. Certified and authenticated true copy of Certificate of Registration No. 82948 obtained by the opposer in the Republic of Korea. (July 19, 1982)
7. Certified and authenticated true copy of Certificate of Registration No. B148352 obtained by the opposer in the New Zealand. (August 10, 1983)
8. Certified and authenticated true copy of Certificate of Registration No. B148352 obtained by the opposer in the New Zealand. (August 10, 1983)
9. Certified and authenticated true copy of Certificate of Registration No. 664385 obtained by the opposer in Benelux. (March 13, 1984)
10. Certified and authenticated true copy of Certificate of Registration No. 16973 obtained by the opposer in Malta. (November 11, 1985)
11. Certified and authenticated true copy of Certificate of Registration No. 326157 obtained by the opposer in Canada. (April 10, 1987)
12. Certified and authenticated true copy of Certificate of Registration No. 2482/1982 obtained by the opposer in Hongkong. (October 1, 1981)
13. Certified and authenticated true copy of Certificate of Registration No. 192,120 obtained by the opposer in Sweden. (July 13, 1984)
14. Certified and authenticated true copy of Certificate of Registration No. 311.944 obtained by the opposer in Chile (October 1, 1981)

Opposer has not however shown, that the subject trademark is sold in the Philippines.

Since Opposer has not registered or used "SECOND IMAGE & DEVICE" in the Philippines, it has not established any property right in the Philippines. Consequently, Opposer should not claim that it suffered any damage. The protection under foreign registrations could not extend to the Philippines because "the law of trademarks rests upon the doctrine of nationality or territoriality. The United States, from which our Trademark Law has been copied, and most other countries respect this basic premise. The scope of protection is determined by the law of the country in which protection is sought, and international agreements for the protection of industrial property are predicated upon the same principle. x x x The use required as the foundation of the trademark rights refers to local use at home and not abroad. x x x" (2 Callman, Unfair Competition and Trademarks, par, 76.4, p. 1006). Further, as held in *Sterling Products International, Inc. vs. Farbenfabriken A.G.*, 44 SCRA 1226-1227:

"(t)he United States is not the Philippines. Registration in the United States is not registration in the Philippines. x x x Plaintiff itself concedes that the principle of territoriality of trademark law has been recognized in the Philippines. Accordingly, the registration in the United States of the BAYER trademark would not of itself afford plaintiff protection for use by the defendants in the Philippines of the same trademark for the same or different goods."

And in a later decision, the Supreme Court held that a foreign company selling a brand of shoes abroad but not in the Philippines has no goodwill that would be damaged by registration of the same trademark in favor of the domestic corporation which has been using it for years here (*Bata Industries Ltd. vs. Court of Appeals*, 114 SCRA 318).

With regards to the provision of Article 8 of the Paris Treaty invoked by the Opposer, this Office is of the opinion that there is no automatic application thereof. Protection of a tradename against its use by another as a trademark must be based on proof that it has acquired a "second meaning" i.e. that it has become known to the public as an indication of the origin of the goods. No evidence was submitted in this regard. If the Opposer's product has not been sold in the Philippines, it has no goodwill to speak of in the Philippines; secondary meaning is not established.

In *Kabushiki Kaisha Isetan vs. Intermediate Appellate Court*, G.R. No. 75420, 15 November 1991, the Honorable Supreme Court said:

The mere origination or adoption of a particular tradename without actual use thereof in the market is insufficient to give any exclusive right to its use (*Johnson MFG. Co. v Leader Filling Stations Corp.* 196 N.E. 852, 291 Mass. 394), even though such adoption is publicly declared, such as by use of the name in advertisements, circulars, price lists, and on signs and stationery. (*Consumers Petroleum Co. v. Consumers Co. of ILL.* 169 F 2d 153)

The Paris Convention for the Protection of Industrial Property does not automatically exclude all countries of the world which have signed it from using a tradename which happens to be used in one country. To illustrate – If a taxicab or bus company in a town in the United Kingdom or India happens to use the tradename "Rapid Transportation", it does not necessarily follow that "Rapid" can no longer be registered in Uganda, Fuji, or the Philippines.

Although the respondent was declared in default for failure to file an Answer to the Notice of Opposition, the Petitioner is still bound to discharge the burden of proof to establish his claim (Sec. 1, Rule 19 of the Rules of Court). Favorable relief can be granted only after the court has ascertained that the evidence offered and the facts proven by the presenting party warrants the grant of the same. Otherwise, it would be meaningless to require presentation of evidence if everytime a party is declared in default, a decision would automatically be rendered in favor of the non-defaulting party and exactly according to the tenor of his prayer. This is not sanctioned

by the Rules of Court nor is it sanctioned by the due process clause. (Please see Pascua vs. Florendo 136 SCRA 208)

WHEREFORE, premises considered, this Opposition is hereby DISMISSED and application Serial No. 54062 by the Respondent-Applicant is hereby GIVEN DUE COURSE.

Let the records of this case be forwarded to the Trademark Examining Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director