JOSEPH CO, doing business	}	IPC No. 14-2000-00027	
Under the name and style of	}	Opposition to:	
QUALITRADE MKTG.,	}		
Opposer,	}	Serial No.	: 94549
	}	Filed	: 16 August 1994
-versus-	}	Trademark	: "TANAKA"
	}	Goods	: For Panty hose
CHRISTINE CHUA.	}		
Respondent-Applicant.	}	Decision No. 2001-22	

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DECISION

Before this Office is an Opposition filed by JOSEPH CO, doing business under the name and style of Qualitrade Marketing with business address at No. 252 Fresno Street, Pasay City, to the registration of the trademark "TANAKA" for goods under Class 25 bearing Application Serial No. 94549 and filed on 16 August 1994 in the name of DIXIE MARKETING CORPORATION, a corporation organized and existing under the laws of the Republic of the Philippines with principal place of business at Binondo, Manila.

The subject application was published on Page 34, Volume II, Issue No. 6 of the Official Gazette, which was officially released for circulation on June 19, 2000. Opposer filed a Verified Notice of Opposition on 15 August 2000, having been granted by this Office an extension of time to do so, upon Motion for Extension filed by the Opposer on July 18, 2000.

The instant Opposition is anchored on the following grounds:

"1. The approval of the application in question is contrary to Section 123.1 (d) and (g) of Republic Act No. 8293;

"2. The approval of the application in question will violate Opposer's right to the exclusive use of the trademark "TANAKA" which he has been using long before the above application was filed;

"3. The approval of the application in question has caused and will continue to use great irreparable damage and injury to herein Opposer;

"4. Respondent-Applicant is not entitled to register the trademark TANAKA in its favor;

Opposer relied on the following facts to support its contentions in this Opposition:

"1. That long before August 16, 1994 when Respondent-Applicant filed its application in question for the registration of the trademark TANAKA, Opposer had adopted and has been using the trademark TANAKA for stockings, panty hose and handkerchiefs;

"2. That Opposer has not abandoned the use of the trademark TANAKA. On the contrary, he has continued such use up to the present;

"3. That Opposer has applied for the registration of the trademark TANAKA for use on stockings, panty hose and handkerchiefs under Application Serial No. 99339, which application has been under examination since September 26, 1996 when the examiner-in-charge mailed his action. A certified copy of said application is hereto attached as Annex "A" and made an integral part hereof;

"4. That the trademark TANAKA being applied for registration by Respondent-Applicant is identical to Opposer's trademark TANAKA which he has duly applied for registration and which Opposer has been using extensively and continuously up to the present;

"5. That the approval of the application in question is contrary to Section 123.1 (d) and (g) of Republic Act No. 8293;

"6. That the approval of the application in question is violative of the right of Opposer to the exclusive use of the trademark TANAKA;

"7. That Opposer has spent a substantial amount of money to popularize and promote his TANAKA branded products;

"8. That through extensive advertising and promotional campaigns and because of the high quality of Opposer's products bearing the trademark TANAKA, the mark TANAKA has become distinctive of Opposer's products and has established valuable goodwill in favor of Opposer;

"9. That the approval of the application in question has caused and will continue to cause great and irreparable damage and injury to Opposer;

"10. That Respondent-Applicant is not entitled to register the trademark TANAKA in its favor."

The Notice to Answer dated August 16, 2000 was sent to the Respondent-Applicant by registered mail but the same was returned unclaimed. Finding the necessity to send the summons anew, service of an Alias Notice was validly effected by this Office on November 22, 2001 which was received by Respondent-Applicant's Counsel on December 13, 2000. For Failure of the Applicant to file an Answer within the prescribed period or within fifteen (15) days from receipt of aforesaid Notice, this Office in the Order of February 02, 2001declared Respondent-Applicant in default and allowed Opposer to adduce evidence ex-parte.

Admitted in evidence for the Opposer based on the records are Exhibits "A" to "F" inclusive of submarkings which consisted of sales invoices of Qualitrade Marketing, the Certificate of Registration of the business name QUALITRADE MARKETING, several copyright registration covering various TANAKA packaging/labels and the affidavit of the Opposer himself, Mr. Joseph Co.

For consideration in particular is the propriety of Application Serial No. 94549. The issue hinges on the determination of whether or not Respondent-Applicant is entitled to register the trademark TANAKA on goods belonging to Class 25 for use specifically on panty hose.

Considering that the instant opposition was filed when the new Intellectual Property was already in effect, this Office shall resolve the case under said law but shall bear in mind the

provision of Sec. 236 of the R.A. 8293 to ensure that the enforcement of rights in works, already acquired prior to the effectivity of the new Intellectual Property Code (R.A. 8293) are not affected.

The applicable provision of the Intellectual Property Code, R.A. 8293, particularly Sec. 123.1 (d) and (g) are as follows:

> "Sec. 123 Registrability – 123.1 a mark cannot be registered if it
>
> xxx
>
> "(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of :
>
> "(i) The same goods or services, or
> "(ii) Closely related goods or services, or
> "(iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;"
>
> xxx
>
> "(g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services;"

It is clearly from a reading of the preceding section that the purpose of the Trademark Law is to provide protection not only to the owner of the trademark, but more importantly, to that of the buying public that they may not be confused, mistaken or deceived by goods they are buying.

In the instant case, the mark TANAKA of Respondent-Applicant, is similar in spelling, pronunciation and style of lettering, in fact it is obviously identical to the mark used and not abandoned by Opposer. Opposer had adopted and has being used the mark TANAKA since January 15, 1988, as can be gleaned in the evidence offered (Exhibit "C"). Likewise, in support of his averment, adequate evidence was presented by Opposer to prove his use of the trademark in the Philippines prior to Respondent-Applicant's declaration of first use of the mark. In fact, several sales invoices (Exhibits "D – D24") were offered to prove sales to several retailers including Isetann and Plaza Fair department stores.

From the evidence presented, Opposer has sufficiently corroborated his claim that he had been in the business and was using the trademark TANAKA on stockings and pantyhose since 1988. As held in the case of Unno Commercial Enterprises, Inc. vs. General Milling Corporation *"prior use by one will controvert a claim of legal appropriation by subsequent users."* It may be concluded inevitably that Respondent-Applicant's use of identical mark on the same goods results is an unlawful appropriation of mark previously used as well as the rights previously acquired under R.A. 166, by Opposer, thereby contravening Section 123.1 (d) and (g) and of Republic Act No. 8293.

Moreover, both marks are written in bold letters and in all approach are evidently identical in spelling, pronunciation and sound. That beings so, the issue is narrowed down in resolving the first user of the mark which in this instant Opposition was sufficiently established by the Opposer when it presented Exhibit "C" showing sale of TANAKA stockings on January 15, 1988 while on the part of Respondent-Applicant, there being no testimony taken as to the date of first use except the declaration in its application for registration that their first use of the goods bearing the mark TANAKA was on January 15, 1990. Moreover, the records show that its application for registration of the same trademark was only on 02 August 1991. With the foregoing, this Office concludes that indeed Opposer was the first user of the mark TANAKA.

In the case of HEIRS OF CRISANTA Y. GABRIEL-ALMORADIE, et.al. vs. COURT OF APPEALS, *the principal of "First to Use" was used as basin in resolving the case in favor of private respondent where it states that "Thus, all things being equal, it is then safe to conclude that Dr. Perez had a better right to the mark "WONDER." The regulation of the mark "Wonder GH" should have been cancelled in the first place because its use in commerce was much later and its existence would likely cause confusion to the consumer being attached on the product of the same class as that of the mark "WONDER."*

Note should be taken as well of the fact that Respondent-Applicant was validly served with summons, and was afforded the opportunity to refute the claim of and/or controvert the allegation of prior use by Opposer of the subject trademark if it filed an Answer but that if defaulted. In this regard, it was held by the Supreme Court in "DELEBROS HOTEL CORPORATION vs. Intermediated Appellate Court, 169 SCRA, 533, 543, 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 on the complaint"

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

The Opposer having sufficiently corroborated its claim that it is indeed the prior adopter and use of the trademark TANAKA, there being sufficient evidence to convince this Office that Opposer is the prior adopter and user of the questioned mark on the same goods belonging to Class 25 long before Respondent-Applicant did and its use has not been abandoned, for which reason Opposer and not Respondent-Applicant is the one entitled to registration thereof.

WHEREFORE, premises considered, the Notice of Opposition is hereby SUSTAINED. Consequently, Application bearing Serial No. 94549 filed by Respondent-Applicant, Dixie Marketing Corporation, on August 02, 1991 for the registration of the mark "TANAKA" used on panty hose is hereby REJECTED.

Let the filewrapper of TANAKA subject matter 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, December 7, 2001.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs