

DC COMICS, INC.,	}	IPC No. 14-2002-00025
Opposer	}	Opposition to:
	}	
-versus-	}	Application Serial No. 97733
	}	Date Filed: January 17, 1995
FORTUNE TOBACCO CORP.,	}	Trademark: "SUPER MAN"
Respondent-Applicant,	}	
x-----x		Decision No. 2004-07

## DECISION

This is an Opposition filed by DC Comics, hereinafter called the "Opposer", a general partnership duly formed and existing under the laws of the United States of America, with address at 1700 Broadway, New York, New York, USA, against Application Serial No. 097733 for the trademark "SUPER MAN" for cigarettes filed on January 17, 1995 by Fortune Tobacco Corporation which was published on page 70 Volume IV, No. 11 last March 4, 2002 of the Intellectual Property Office Official Gazette.

Opposer anchored its opposition on the following grounds:

- "1. The trademark "SUPER MAN" is identical with Opposer's trademark "SUPERMAN", a well-known mark, registered in the name of DC Comics with trademark offices worldwide and also registered and previously used in commerce in the Philippines, as to be likely, when applied to or used in connection with the goods of the Applicant, to deceive or cause confusion upon the buying public. In addition, the Applicant's use of the trademark "SUPER MAN" would indicate, in regard to the goods of the Applicant, a connection or relation of sponsorship with the Opposer and likely cause confusion as to source and origin, thereby causing compensable damage to the goodwill and property rights of the Opposer. The application, therefore, is a violation of Section 147 of the Intellectual Property Code;
- "2. The trademark "SUPERMAN", through the Opposer's substantial and exclusive use over a very long period of time, has created such distinctiveness in relation to the Opposer's goods that it has acquired a secondary meaning and may not, therefore, be the subject of another entity's application for trademark registration;
- "3. The registration of the trademark "SUPER MAN" in the name of the Applicant will violate Section 123, subparagraph (e) and Section 131.3 of the Intellectual Property Code ("IP Code"), Republic Act No. 8293;
- "4. The registration by Applicant of the trademark "SUPER MAN" will damage the goodwill of Opposer's mark "SUPERMAN", an internationally well-known mark which the Opposer has been using in commerce in the Philippines long before December 10, 1993, which is the date of first use claimed by the Applicant for "SUPERMAN"
- "5. The registration of the trademark "SUPER MAN" in the name of the Applicant is contrary to other provisions of the IP Code, treaty obligations of the Philippines and well-settled jurisprudence on the matter;
- "6. Contrary to its representations, the Applicant is not using the mark applied for and has thereby abandoned its claim over the same. The Applicant filed and prosecuted its application under the old trademark law,

Republic Act No. 166, which required use of the mark in commerce by the applicant at least two (2) months previous to the filing of the application;

- “7. In addition, the Applicant did not comply with Memorandum Circular No. BT 2K1-3-04. The said Circular requires applicants of trademark applications pending after the effectivity of the Intellectual Property Code (R.A. 8293), to file a Declaration of Actual Use (“DAU”) on or before December 1, 2001, other the application shall be refused registration. Upon verification with the Records Section of the Intellectual Property Office, the applicant did not file the required DAU;
- “. Applicant’s registration of “SUPER MAN” will diminish the distinctiveness and dilute the goodwill and reputation of the Opposer’s mark which is associated with a wholesome and life-saving superhero in contrast to Applicant’s tobacco products which, as warned by the Government, are the cause of cancer and other dreaded diseases.

To support the opposition, Opposer relied on the following facts:

- “1. Opposer is the registrant in the Philippines and in several trademark offices or authorities around the world for the trademark “SUPERMAN” and variants thereof. Opposer is the registered owner of the well-known mark “SUPERMAN” and has used the said trademark for a wide variety of products;
- “2. Opposer is the first, substantial, exclusive and continuous user in the Philippines of the trademark “SUPERMAN” and the said mark was used by Opposer in commerce long before the Applicant’s claimed dated of first used for “SUPER MAN”;
- “3. On account of Opposer’s worldwide use in commerce of the trademark “SUPERMAN”, consumers who see a mark like “SUPER MAN” on Applicant’s goods are likely to be misled into believing that Applicant’s products originate from, are licensed by or are under the sponsorship of the Opposer. Said use, by which a connection between Applicant’s goods and those of the Opposer is suggested, will undoubtedly cause damage to the interests of the Opposer as the prior user and owner of the mark “SUPERMAN”;
- “4. The applicant has not used the mark in commerce or has abandoned any such temporary adoption of the mark and has, in fact, failed to submit the corresponding DAU as otherwise required by the IPO;
- “5. Opposer’s use of the trademark “SUPERMAN” has established valuable international goodwill for the Opposer among consumers who have identified the Opposer as the source of quality products;
- “6. The contending marks are identical in all respects and the applicant obviously intends to ride on the international goodwill and reputation of the Opposer;
- “7. The Opposer’s trademark bears the image and appearance of a wholesome and life-saving superhero who is revered and respected by the general populace for his humanitarian and just acts. In contrast, applicant’s products are the subject of a Government warning and is the cause of lung cancer and other dreaded diseases. Opposer’s mark is

associated with physical strength and saving lives; the Applicant's products are linked to cancer and other fatal illnesses.

On July 3, 2002, this Office issued a Notice to Answer addressed to Fortune Tobacco Corporation which was received by the latter on July 17, 2002. However, despite such receipt, Respondent-Applicant failed to file its answer to the opposition. Consequently, on October 15, 2002, upon motion by the Opposer, Order No. 2002-490 was issued by this Office declaring Respondent-Applicant in default and the ex-parte presentation of the opposer's evidence was set.

During the presentation of the Opposer's evidence, it presented and offered Exhibits "A" to "K" with their submarkings. Comprising the Exhibits offered by the Opposer are: Affidavit of Emmanuel B. Castillo as Exhibits "A" to "A-5"; Book and web page of Superman, The Complete History as Exhibits "B" to "B-14"; Web page of DC Comics History as Exhibits "C" to "C-14"; Superman Home web page as Exhibits "D" to "D-5"; Colored photocopy of the book entitled 'Superman. The Complete History; The Life and Times of the Man of Steel' by Les Daniels as Exhibit "E"; Colored photocopy of the copyright page of the said book as Exhibits "F" to "F-1"; Colored photocopy of the book as Exhibit "G"; Photocopy of an official receipt issued by Bibliarch, Inc. ad Exhibits "H" to "H-1"; Photocopy of the Certificate of Registration of the mark "Superman & Representation of Superman issued by the Intellectual Property Office as Exhibits "I" to "I-5"; Trademark Report on the worldwide registrations and pending application of the mark "SUPERMAN" furnished and prepared by DC Comics as Exhibits "J" to "J-143"; and Colored photocopy of pages of the comic book entitle '100 Years of Comics' as Exhibits "K" to "K-2". On May 6, 2003, the Formal Offer of Evidence by the Opposer was admitted by this office.

One of the bases being relied upon by the Opposer for the refusal of the application for the registration of the subject mark is the failure of the Respondent-Applicant to file a Declaration of Actual Use (DAU) pursuant to Memorandum Circular No. BT 2K1-3-01 which requires applicants to file DAU and evidence of use on or before December 1, 2001.

Another basis why the Opposer is opposing the registration of the trademark "SUPER MAN" under Class 34 is not because there is confusing similarity between the subject trademark and its registered trademark under Class 16 but because this is a controversy involving two identical marks. It further stated that it is undisputed that the goods covered by the Respondent-Applicant's application are totally and so disparately unrelated to the goods of the Opposer (see page 10-11, Opposer's Memorandum). To support this contention, Opposer invoked the protection of Article 6bis of the Paris Convention, and Sections 123.1, paragraph (f) and 147.2 of the Intellectual Property Code ("Code" for brevity).

It is should be noted that the application for registration of trademark being opposed in this case was filed on January 17, 1995 or during the effectivity of the old Trademark Law (R.A. 166, as amended). Section 235.2 of the Code (R.A. 8293) provides:

"235.2 All applications for registrations of marks or tradenames pending in the Bureau of Patents, Trademarks and Technology Transfer at the effective date of this Act may be amended, if practicable to bring tem under the provisions of this Act. The prosecution of such applications so amended and the grant of registrations thereon shall be proceeded with in accordance with the provisions of this Act. *If such amendments are not made, the prosecution of said applications shall be proceeded with and registrations thereon granted in accordance with the Acts under which said applications were filed, and said Acts are hereby continued in force to this extent for this purpose only, notwithstanding the foregoing general repeal thereof.*" (Emphasis supplied)

The records of the application shows that it was not amended to bring it under the Intellectual Property Code, therefore, this Office shall resolve the case under Republic Act 166,

as amended, so as not to adversely affect the rights already acquired prior to the effectivity of the Code.

On the claim of the Opposer that the petition should be refused because the Respondent-Applicant failed to submit Declaration of Actual Use pursuant to Memorandum Circular No. BT 2K1-3-04, we do not find this contention meritorious. Applying Section 235.2 of the Code, this Office has ruled on several occasions that the requirement of submission of Declaration of Actual Use does not apply if the application was filed under R.A. 166, (Old Trademark Law) as amended and the applicant has not amended the application to bring it under the provisions of the New Code because this was not a requirement under the old Trademark Law. It has been the stand of this Office that a Memorandum Circular or Regulation cannot amend a very clear and specific provision of Sec. 235.2 of Republic Act 8293, as quoted above.

On the claim of protection under Article 6bis of the Paris Convention, there is no question on the acquiescence of the Philippines to this covenant since our adherence to it due to pact sunt servanda had been acknowledge in *La Chemise Lacoste S.A. vs. Fernandez*. However, the conditions in the implementation of Article 6bis of the Paris Convention was discussed by the Supreme Court in the case of *Canon Kabushiki Kaisha vs. Court of Appeals*, to wit:

“However, the then Minister of Trade and Industry, the Hon, Roberto V. Ongpin, issued a Memorandum dated 25 October 1983 to the Director of Patents, as set of guidelines for the implementation of Article 6bis of the Treaty of Paris, These conditions are:

- a) The mark must be internationally known:
- b) The subject of the right must be a trademark, not a patent or copyright or anything else;
- c) The mark must be for use in the same or similar kinds of goods; and
- d) The person claiming must be the owner of the mark (The Paris Convention Commentary on the Paris Convention. Article by Dr. Bogsch, Director General of the World Intellectual Property Organization, Geneva, Switzerland, 1985).”

From the set of facts found in records, it is ruled that the Petitioner failed to comply with the third requirement of the said Memorandum that is the mark must be for use on the same or similar kinds of goods. The Petitioner is using the mark “CANON” for products belonging to class 2 (paints, chemical products) while the Respondent is using the same mark for sandals (Class 25). Hence, Petitioner’s contention that its mark is well-known at the time the Respondent filed its application for the same mark should fail.”

As in the above-quoted ruling of the Supreme Court, Opposer cannot invoke the protection of Article 6bis of the Paris Convention because it failed to meet the third requirement for its application since the goods covered by the subject trademark application and that of the Opposer are dissimilar and totally unrelated as admitted by the Opposer.

On the Opposer’s claim that to resolve the issue of this case, Sections 123.1, paragraph (f) and 147.2 of the Code should be considered, we do not find merit on this assertion by reason of the applicability of the old Trademark Law in this case as discussed above. However, the application of trademark principles established in several jurisprudence similar to these provisions should be considered in the appreciation of this case.

One principle in Trademark that can be applied in resolving the issued in this case is the rule on confusion of origin. In *Sterling Products International, Incorporated vs. Farbenfabriken Bayer Aktiengesellschaft*, the Supreme Court said:

“Plaintiff’s trenchant claim is that it should not be turned away because its case comes within the protection of the confusion of origin rule. Callmann notes two types of confusion. The first is the confusion of goods “in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other.” In which case, “defendant’s goods are then bought as the plaintiff’s, and the poorer quality of the former reflects adversely on the plaintiff’s reputation.” The other is the confusion of business: “Here though the goods of the parties are different, the defendant’s products such as might reasonably be assumed to originate with the plaintiff, and the public would then be deceived either into that belief or into the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist.” (Emphasis supplied.)

Likewise, a case decided by the Supreme Court with similar facts as the instant case which applied the confusion of origin rule is Ana L. Ang, vs. Toribio Teodoro, wherein the first user registered the trademark “Ang Tibay” for shoes, sandals and baseballs. After almost 20 years, the second user registered the same mark for shirts and pants. When the first user asked for the cancellation of the registration of the second user, the Supreme Court in affirming the contention of the first user expounded, thus:

“xxx Although two noncompeting articles may be classified under two different classes by the Patent Office because they are deemed not to possess the same descriptive properties, they would, nevertheless, be held by the courts to belong to the same class if the simultaneous use on them of identical or closely similar trade-marks would be likely to cause confusion as to the origin, or personal source of the second user’s goods.

“xxx The courts have come to realize that there can be unfair competition or unfair trading even if the goods are noncompeting, and that such unfair trading can cause injury or damage to the first user of a give trade-mark, first, by prevention of the natural expansion of his business and, second, by having his business reputation confused with and put at the mercy of the second user. When noncompetitive products are sold under the same mark, the gradual whittling away or dispersion of the identity and hold upon the public mind of the mark created by its first user. Inevitably results. The original owner is entitled to the preservation of the valuable link between him and the public that has been created by his ingenuity and the merit of his wares or services. Experience has demonstrated that when a well-known trade-mark is adopted by another even for a totally different class of goods, it is done to get the benefit of the reputation and advertisements of the originator of said mark, to convey to the public a false impression of some supposed connection between the manufacturer of the article sold under the original mark and the new articles being tendered to the public under the same or similar mark. xxx”

To illustrate, the Supreme Court, in the Ang case, went further by giving examples of cases applying the same rule and said:

“A few of the numerous cases in which the foregoing doctrines have been laid down in one form or another will now be cited: (1) In Teodoro Kalaw Ng Khe vs. Lever Brothers Company (G.R. No. 46817), decided by this Court on Arpil 18, 1941, the respondent company (plaintiff below) was granted injunctive relief against the use by the petitioner of the trademark “Lux” and “Lifebouy” for hair pomade, they having been originally used by the respondent for soap; the Court held in effect that although said articles are noncompetitive, they are similar or belong to the same class. (2) In Lincoln Motor Co. vs. Lincoln Automobile Co. (44 F. [2d], 812), the manufacturer of the well-known Lincoln automobile was granted injunctive relief against the use of the word “Lincoln” by another company as part

of its firm name. (3) The case of Aunt Jemima Mills Co. vs. Rigney & Co. (247 F., 407), involved the trade-mark "Aunt Jemima," originally used on flour, which the defendant attempted to use on syrup, and there the court held that the goods, though different, are so related as to fall within the mischief which equity should prevent. (4) In *Tiffany & Co. vs. Tiffany Productions, Inc.* (264 N.Y.S., 459; 23 Trade-mark Reporter, 183), the plaintiff, a jewelry concern, was granted injunctive relief against the defendant, a manufacturer of motion pictures, from using the name "Tiffany." Other famous cases cited on the margin, wherein the courts granted injunctive relief, involved the following trade-marks or trade-named. "Kodak," for cameras and photographic supplies, against its use for bicycles; "Penstar," for medicines and toilet articles, against its use for cigars; "Rolls-Royce," for automobiles, against its use for radio tubes; "Vogue," as the name of a magazine, against its use for hats; "Kotex," for sanitary napkins, against the use of "Rotex" for vaginal syringes; "Sun-Maid," for raisins, against its use for flour; "Yale," for locks and keys, against its use for electric flashlights; and "Waterman," for fountain pens, against its use for razor blades."

Another case decided by the Supreme Court applying the same rule is *Chua Che, vs. Philippines Patent Office*. In this case, when the second user applied for the registration of the mark "K-7" for laundry soap, the first user filed an opposition because he first used the same mark for perfume, lipstick and nail polish. In resolving the case, the Court declared:

"The observation of the Director of Patents to the effect that "the average purchasers are likely to associate X-7 laundry soap with X-7 perfume, lipstick and nail polish or to think that the products have common origin or sponsorship," is indeed well taken. It has been pointed out by appellant that the product upon which the trademark X-7 will be used (laundry soap) is different from those of Appellee's, and therefore no infringement and/or confusion may result. We find no merit in the above contention, for it has been held that while it is no longer necessary to establish that the goods of the parties possess the same descriptive properties, as previously required under the Trade Mark Act of 1905, registration of a trademark should be refused in cases where there is a likelihood of confusion, mistake or deception, even though the goods fall into different categories."

Herein Opposer had successfully established by existence that it has used and promoted the trademark "SUPERMAN" globally including the Philippines for more than sixty (60) years now. Among the evidence presented by the Opposer to support this, are: Affidavit of the Opposer's witness Emmanuel B. Castillo established that the mark "SUPERMAN" and the Superman logo is owned by herein Opposer DC Comics, Inc., and that said mark has gained worldwide notoriety; A 144-page report that Opposer is the owner and registrant of the mark "Superman" with more than 187 registrations in some 69 countries worldwide (Exhibits "J" to "J-143"); Photocopies of pages from the published book by Les Daniels entitled "Superman, the Complete History, The Life and Times of the Man of Steel" which established the history and development of the trademark "SUPERMAN" as well as the worldwide reputation and acceptance of the same (Exhibits "E" to "G"); Photocopy of pages from the book entitled "100 Years of Comics" published by Starlog Group, Inc. which states that Superman is the first comic book to sell more than a million copies and was a newspaper strip from 1939 to 1966 (Exhibits "K" to "K-2"); Registration of the trademark "SUPERMAN" by the Opposer in the Philippines showing that it has registered the mark in this jurisdiction since 1942 (Exhibits "I" to "I-5").

Considering the global reputation the trademark "SUPERMAN" has, there can be no other conclusion but that the applicant applied for the registration of the same mark to ride on its reputation and advertisements and this might convey to the public a false impression or a connection between the herein Opposer and the goods for which the same mark is being applied for by Respondent-Applicant. Although the goods of Opposer and Respondent-Applicant are unrelated and non-competing, the gradual whittling away or dispersion of the identity and hold

upon the public mind of the mark created by the Opposer might result. Therefore, the original owner, Opposer in this case, is entitled to the preservation of the valuable link between it and the public that has been created by its ingenuity and the merit of its wares or services. The conduct of business should conform to ethical business standards. The invocation of equity is bottomed upon the injunction that no one should "Reap where he has not sown."

Moreover, it is worthy to note that the nature and physical characteristics of the goods for which the Respondent-applicant seeks registration of the trademark "SUPER MAN" for cigarettes have a deleterious and disparaging effect on the wholesome and lifesaving attributes of the well-known superhero which the Opposer's trademark represent. Exhibit "D-4" illustrates how the altruistic and heroic dimensions of the "SUPERMAN" trademark evoked images of a savior. To allow association of the "SUPERMAN" mark to be dangerous or hazardous to health would be to countenance an assault on the goodwill and good name of the Opposer's mark.

IN VIEW OF THE FOREGOING, the instant Opposition is hereby SUSTAINED. Accordingly, Application Serial No. 97733 filed by Fortune Tobacco Corporation is, as it is hereby, REJECTED.

Let the filewrapper of the trademark "SUPER MAN" subject matter of the instant case be forwarded to the Administrative, Financial and Human Resources Development Services Bureau for appropriate action in accordance with this Decision with a copy thereof to be furnished the Bureau of Trademarks for information and to update its record.

SO ORDERED.

Makati City, 31 March 2004.

ESTRELLITA BELTRAN-ABELARDO  
Director, Bureau of Legal Affairs