ECOLE DE CUISINE MANILLE, Opposer,

-versus-

RENAUD COINTREAU & CIE, Respondent-Applicant x----------X **INTER PARTES CASE NO. 3915** Opposition to:

Serial No. : 72264 Date Filed : 21 June 1990 Trademark : LE CORDON BLEU & DEVICE

DECISION No. 2006-71

DECISION

This is an opposition to the registration of the mark "LE CORDON BLEU and DEVICE" filed on June 21, 1990 under the application bearing Serial No. 72264 covering the goods falling under Classes 8, 9, 16, 21, 24, 25, 29 and 30 of the International Classification of Goods.

The trademark application subject of the instant opposition was published for opposition in Volume VI. No. 2 of the March-April 1993 issue of the Bureau of Trademarks. Patents and Technology Transfer (BPTTT) Gazette, released for circulation on May 31, 1993.

The Respondent-Applicant is RENAUD CONTREAU AND CIE, a French partnership with address at 41, Avenue Gearge V-75008, Paris.

On the other hand, the Opposer is ECOLE DE CUISINE MANILLE, a domestic corporation with office address at Times St., Quezon City.

The grounds for opposition are as follows:

- "1. The registration of the "LE CORDON BLEAU AND DEVICE" in the name of the Respondent-Applicant will violate and contravene the provisions of Section 4(d) of Republic Act No. 166, as amended because the said mark is confusingly similar to the trademark/tradename owned and unabandoned by the Opposer, as to be actually, or likely when applied to or used in connection with the goods of Respondent-Applicant to cause confusion or mistake or to deceive purchasers thereof;
- "2. The trademark LE CORDON BLEU, ECOLE DE CUISINE MANILLE Philippines is exclusively owned by the Opposer, Hence, registration of the identical trademark LE CORDON BLEU AND DEVICE in the name of Respondent-Applicant will be breach of the clear provisions of the Trademark Law; and
- "3. That the registration of Respondent-Applicant's LE CORDON BLEU AND DEVICE trademark will cause great and irreparable injury and damage to the business reputation and goodwill of the Opposer within the meaning of Section 8 of Republic Act No. 166, as amended.

The Opposer relied on the following facts to support its Opposition:

- "1. The Opposer is the owner of the trademark LE CORDON BLEU ECOLE DE CUISINE MANILLE as used in cooking and other culinary activities including in the restaurant business:
- "2. To protect its proprietary rights to the trademark LE CORDON BLEU ECOLE DE CUISINE MANILLE, Opposer have registered and/or applied for its registration in the Philippines.

- "3. Opposer have been using the trademark/tradename LE CORDON BLEU, extensively and continuously for many years now, long before Respondent-Applicant filed the instant application for the registration of the trademark LE CORDON BLEU AND DEVICE. Hence, the Opposer is a clear senior-user.
- "4. The trademark/tradename LE CORDON BLEU ECOLE DE CUISINE MANILLE has earned an immense and valuable goodwill as a result of the enormous patronage and disciples, the vastly superior quality of its culinary instruction and the large sums of money spent in advertising and promoting its service mark;
- "5. It is obvious that Respondent-Applicant, in adopting and using exactly the same above mentioned trademark with the identical LE CORDON BLEU mark forming part thereof on goods known to be used in culinary activities and restaurant business is intending to ride on and cash-in on the international popularity of Opposer's trademark/tradename LE CORDON BLEU ECOLE DE CUISINE MANILLE and to palm-off its goods as those of the Opposer;
- "6. The use and registration of the trademark LE CORDON BLEU AND DEVICE by the Respondent-Applicant will actually cause confusion, mistake and deception to the buying public on the origin and/or sponsorship of the goods and will definitely dilute the value of Opposer's trademark LE CORDON BLEU ECOLE DE CUISINE MANILLE because the mark of Respondent-Applicant is exactly identical to that of the Opposer;
- "7. Further, the use and registration of the mark LE CORDON BLEU AND DEVICE by Respondent-Applicant will cause great and irreparable injury or damages to the Opposer within the meaning of the Trademark Law.

On October 7, 1993, Respondent-Applicant filed its Answer denying all the materials allegations of the opposition and further alleged the following as its special and affirmative defenses:

- "9. Respondent-Applicant Renaud Cointreau & Cie is the true and lawful owner and have filed applications for the registration of the mark "LE CORDON BLEU AND DEVICE" in various countries of the world including the Philippines with respect to different products and services related to culinary art, in International Classes 8, 9, 16, 21, 24, 25, 28, 29, 30, 31, 32 and 41.
- "10. Created in Paris in 1895, LE CORDON BLEU is a culinary school for worldwide acclaim. No other culinary institution in the world has been endowed with the means of preserving and passing on the art of teaching classical French Cuisine and pastry as rapidly and efficiently as LE CORDON BLEU.
- "11. LE CORDON BLEU Cooking School of Paris has been known for many years as the first cooking school in Paris. For almost a century, it has set a standard for the teaching of classical French cuisine and pastry. Beginning as a Parisian institution, the school rapidly became international. Over this last decade, students for more than eighty (80) countries, including the Philippines, have been trained at that school.

- "12. Each year, LE CORDON BLEU welcomes students of more than 20 nationalities: professionals who wish to further their training, as well as enlightened amateurs seeking to become initiated into the world of gastronomy.
- "13. Today, LE CORDON BLEU's dynamism is highlighted by the opening of new schools. Following the acquisitions of LE CORDON BLEU London, LE CORDON BLEU Japan, was founded in Tokyo, Japan and Le Cordon Bleu was established in Ottawa, Canada. As further testimony to its worldwide expansion, the school maintains tight academic alliances with numerous acclaimed universities, hotel management schools and culinary associations around the globe.
- "14. Petitioners have also embarked on a full scale, comprehensive program for licensing the LE CORDON BLEU trademark products relating to the culinary arts. The mark is being used in France, Japan, the United States, Singapore, the United Kingdom and other countries in the world.
- "15. Petitioners have spent substantial amount of money to promote LE CORDON BLEU. As a result, the name has gained a very strong reputation and acceptance not only in the Philippines but throughout the world including Asian countries like Japan, Korea, China, Hong Kong, and Malaysia. The name symbolizes an extremely valuable goodwill and an excellent business reputation.
- "16. In view of the international fame and popularity of LE CORDON BLEU, students from more than 80 nationalities in the world have been trained at the Le Cordon Bleu and <u>Ms. Lourdes L. Dayrit, the Directress of Opposer</u> was a former student of the famous and renowned Le Cordon Bleu, Paris in 1977.

A copy of the letter of Ms. Dayrit dated 25 July 1988 arranging for a "Gastronomical Tour to France" and brochure of Opposer are hereto attached as Annexes "1", "1-A", "1-B" and "1-C" and made integral parts thereof.

"17. Thus, Opposer's claim that it is the exclusive owner of LE CORDON BLEU is fraudulently misrepresentation which is grossly unfair.

During the pre-trial conference, the parties failed to reach an amicable settlement, hence, trial on the merits was conducted whereby the parties presented their respective evidences in support of their claims.

The Opposer presented its evidence consisting of Exhibits "A" to "D" inclusive of sub markings (Order No. 1994-661) dated September 4, 1994.

On the other hand, the Respondent-Applicant presented its evidence consisting of Exhibits "1" to "41" inclusive of sub-markings (Order No. 2006-271) dated 16 February 2006.

The only issue to be resolved in this particular case is:

WHETHER OR NOT THE RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRTION OF THE MARK "LE CORDON BLEU AND DEVICE".

To be noted in this particular case is the fact that the trademark application subject of the instant opposition was filed on June 21, 1990.

Considering that the trademark subject of the instant opposition proceeding was filed during the effectivity of the old Trademark Law (Republic Act No. 166, as amended), this Bureau (BLA), shall resolve the case under said law so as to not adversely affect rights already acquired prior to the effectivity of the New Intellectual Property Code of the Philippines (Republic Act No. 8293).

The applicable provision of the law is section 4(d) of Republic Act No. 166, as amended, which provides:

Section 4. Registration of trademarks, trade-names and service marks on the Principal Register. There is hereby established a register of trademarks, trade-names and service marks which shall be known as the Principal Register. The owner of a trademark, 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:

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(d) Consist of or comprises a mark or trade name which so resembles a mark or trade name registered in the Philippines or a mark or trade name previously used in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers."

A cursory review of the documentary exhibits indicate that both trademarks of the Respondent-Applicant and the Opposer contain the words "LE CORDON BLEU". They differ only in the presence of the word "MANILLE" in the Opposer's mark which word does not change the situation as the competing marks still considered to be the same of identical under the DOMINANCY TEST in Trademark.

As its title implies, the test of dominancy focuses on the similarity of the prevalent, essential or dominant features of the competing trademarks which might cause confusion or deception.

The dominancy test has been applied by the Supreme Court in ASIA BREWERY, INC., vs. COURT OF APPEALS, 224 SCRA 437; CO TIONG vs. DIRECTOR OF PATENTS, 95 Phil.1; LIM HOA vs. DIRECTOR OF PATENTS, 100 Phil. 214; American Wire & Cable Co., vs. Director of Patents, 31 SCRA 544; Philippine Nut Industry, Inc., vs. Standard Brands, Inc., 64 SCRA 575; Converse Rubber Corp., vs. Universal Rubber Products, Inc., 147 SCRA 154.

Relative thereto, Sections 2 and 2-A of Republic Act No. 166, as amended, provide that:

"Sec. 2. What are registrable. – Trademarks, trade names and service marks owned by persons, corporations, partnership or association domiciled in the Philippines and persons, corporations, partnership or associations domiciled in any foreign country may be registered in accordance with the provisions of this Act; provided, *that said trademarks, trade names or service marks are actually used in commerce and services not less than two months in the Philippines before the time the application for registration are filed.* And provided further that the country of which the applicant for registration is a citizen grants by law substantially similar privileges to 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.

"Sec. 2-A. – Ownership of trademarks, trade names and service marks, how acquired. - Anyone who lawfully produces or deals in merchandise of any kind or who engages in any lawful business or who renders any lawful service in commerce, by actual

use thereof in manufacture or trade, in business and in the service rendered, may appropriate to his exclusive use a trademark, a trade name or service mark from the merchandise, business or service of others. The ownership or possession of a trademark, trade name or service mark not so appropriated by another, to distinguish his merchandise, business or service from the merchandise, business or service of others. The ownership or possession of a trademark, trade name or service mark, heretofore or hereafter appropriated, as this section provided, shall be recognized and protected in the same manner and to the same extent as are the other property rights known to the laws."

The same law also provided that the owner has the right to register the mark in its name unless his mark resembles a mark registered in the Philippines or one which is previously used in the Philippines by another and not abandoned.

On with vital point to be taken into consideration is the fact that the trademark application filed by Respondent-Applicant which is the subject of the instant opposition proceedings was filed for registration with the Bureau of Patents, Trademarks and Technology Transfer (BPTTT) based on Home Registration under Section 37 of Republic Act No. 166 as amended bearing Registration No. 1,290,912 issued on November 25, 1986 in France.

The claim of Respondent-Applicant over the trademark in dispute stemmed from its allegations that it is the true and lawful owner and had filed applications for the registration of the mark in various countries of the world including the Philippines. That it is a well-known mark entitled to protection.

The mark "LE CORDON BLEU" of the Philippines had become known and popular since its first use in the Philippines in 1948 by Pat L. Dayrit who was the mother and predecessor-ininterest of the mark "LE CORDON BLEU MANILLE"; (Paragraph 2 of the affidavit of Ma. Lourdes L. Dayrit, the present Directress of LE CORDON BLEU ECOLE DE CUISINE MANILLE (Exhibit "A")).

LE CORDON BLEU ECOLE DE MANILLE was organized and existing under the laws of the Republic of the Philippines and registered under the name "ECOLE DE CUISINE MANILLE (THE CORDON BLEU of the Philippines), Inc., on May 9, 1980. (Annex "A" of Exhibit "A")

LE PETIT CORDON BLEU, the school of various activities relating to cooking and a pioneer school name in the culinary arts for homeworkers and culinary enthusiasts operated and owned by the Opposer have quite number of graduates who were issued special order (C) by the Department of Education, Bureau of Private School and one of them is Mrs. Victoria Alvarez who graduated on August 6, 1956 under Special Order No. C-1446 S. 1956. (Annex "B" of Exhibit "A")

In 1959, the school of herein Opposer produced about fifty six (56) graduates whose education in the same school was likewise approved by the Department of Education, Bureau of Private School (<u>Annexes "C" to "Q" of Exhibit "A"</u>).

Le Cordon Bleu Manille Culinary School has published several school manuals, pamphlets, recipes, menus. (Annexes "R" to "YY" of Exhibit "A")

Opposer's tradename "CORDON BLEU FOOD ENTERPRISES" has been registered with the Department of Trade and Industry (DTI) on May 19, 1989 (Annex "ZZ") and "LE CORDON BLEU DE CUISINE MANILLE" on October 1, 1991 (Annex "AAA" of Exhibit "A").

On the other hand, the Respondent-Applicant RENAUD COINTREAU & CIE, as stated in the affidavit of ANDRE COINTREAU (Exhibit "TT" paragraph 5, LE CORDON BLEU, a culinary school was created in Paris, in 1895 by MADAME DISTEL.

That many students from more than eighty (80) countries, including the Philippines have been trained in LE CORDON BLEU PARIS as early as in 1965. (Paragraph 11 of Exhibit "TT")

As further stated in paragraph 13 of Exhibit "TT" the mark "LE CORDON BLEU" is being used in France, Japan, the United States, Singapore, the United Kingdom and the other countries of the world by the herein Respondent-Applicant.

This Bureau note that although the Respondent-Applicant has presented certificate of registration abroad particularly issued on November 25, 1986 in France bearing Registration No. 1,390,912 which was the basis for the registration of the mark "LE CORDON BLEU PARIS (LABEL) filed on June 21, 1990 with the Bureau of Patents, Trademarks and Technology Transfer (BPTTT) and other several materials showing its use of the mark outside of the Philippines, the same is not sufficient to establish its claim of prior use over the mark "LE CORDON BLEU" in the Philippines as adoption of the mark was abroad and not in the Philippines.

The adoption and use of a trademark, trade name or service mark must be in commerce in the Philippines and not abroad. The goods, business or services in connection with which the mark or trade name is being used must be sold or carried on in trade in the Philippines.

It is a fundamental principle in the Philippine Trademark Law that actual use in commerce in the Philippines is a pre-requisite to the acquisition of ownership over a trademark or trade name. (Kabushiki Kaisha Isetan vs. Intermediate Appellate, et al., G.R. No. 75420, November 5, 1991)

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, 9 1006)

In the case of Bata Industries, Ltd., vs. Court of Appeals, 114 SCRA 318) the Supreme Court categorically ruled that:

"The use of the mark must be in the country. Foreign use creates no trademark right in the Philippines, following the nationality principle which the Trademark Law rests."

Moreover, since Respondent-Applicant has not registered nor used the trademark "LE CORDON BLEU" in the Philippines prior to the use by the Opposer specifically in 1956, it has not established any property right in this jurisdiction. The protection under foreign registrations could not extend to the Philippines because the law on trademarks rest upon the doctrine of nationality or territoriality. The United States from which our trademark law has been copied most other countries respect this basic premise.

As held in Sterling Products International, Inc., vs. Farbenfabriken A.G., 44 SCRA 1226-1227:

"The United States is not the Philippines. Registration in the United States is not registration in the Philippines. $x \times x$ Plaintiff itself concedes that the principle of territoriality on trademark law has been recognized in the Philippines. Accordingly, the registration in the United States of the "BAYER" trademark would not itself afford Plaintiff protection for use by the Defendants in the Philippines of the same trademark for the same or different goods."

As early as 1969, the Supreme Court has recognized the principle that actual use in commerce is a pre-requisite to the acquisition of right over a trademark. Thus, in the case of Sterling Products International, Inc., vs. Farbenfabriken Bayer Aktiengesellschafts and Allied

Manufacturing and Trading Co., Inc., (G.R. No. L-19906, April 30, 1969) the Supreme Court has ruled that:

"A rule widely accepted and firmly entrenched because it has come down through the years is that actual use in commerce or business is a pre-requisite to the acquisition of the right of ownership over a trademark."

Upon examination of the evidences on record, it appears that the Respondent-Applicant admitted the existence of "LE CORDON BLEU MANILLE" in the Philippines before the year 1977. (Exhibit "B") This refers to the letter of E. Brassart, Directress of "LE CORDON BLEU dated January 26, 1977 from Paris to Madame Dayrit, the Directress of herein Opposer.

It is likewise true that Ma. Lourdes L. Dayrit have graduated from the LE CORDON BLEU in Paris, France in 1997, however this event occurred long after the existence of LE PETIT CORDON BLEU in the Philippines before 1956 (Annex "B" of Exhibit "A") which situation is not tantamount to fraud.

Considering that as per evidence presented, LE PETIT CORDON BLEU of Opposer has existed before 1956 and have produced quite a number of graduates one of whom is Mrs. Victoria Alvarez (See Annex "B" of Exhibit "A") and in 1959 about fifty six (56) graduates (See Annexes "C" to "Q" of Exhibit "A") which is much earlier than the issuance in France of Registration No. 1,390,912 which was the basis for the application for registration of subject mark by herein Respondent-Applicant in this Office, it is safe to conclude that the Opposer has validly proven its prior use of the mark "LE CORDON BLEU" in the Philippines on its products or services.

Moreover, the claim of the Respondent-Applicant that its mark "LE CORDON BLEU" is an internationally well-known and protected under the mantle of the Convention of Paris is not tenable. To be entitled to the protection of Art. 6bis of the Paris Convention, the following requisites must be complied with:

"Article 6bis

(1) The countries of the Union undertake, ex-officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith."

In accordance with the above, Minister Roberto Ongpin of the Department of Trade and Industry has issued on 25 October 1983 a Memorandum that to be entitled to the benefits of the Convention, the following criteria or any combination thereof shall be established:

- (a) That the trademark being considered is already well-known in the Philippines;
- (b) That the trademark is used in commerce internationally;
- (c) That the trademark is duly registered in the industrial property office(s) of another country or countries;
- (d) That the trademark has long established and obtained goodwill and general international consumer recognition as belonging to one owner or source;

(e) That the trademark actually belongs to a party claiming ownership and has the right to registration under the provision of the aforesaid Paris Convention.

At the time the application for subject mark was filed by Respondent-Applicant, its mark cannot be considered internationally well-known since from the evidences on record, its mark LE CORDON BLEU has not been used in the Philippines. In fact, it was Opposer who popularized the mark in the Philippines since 1956, not the herein Respondent-Applicant, through publication either printed, television and radio (See Annexes "R" to "YY" of Exhibit "A"). In sum, no evidence of use nor registration of the Respondent-Applicant's LE CORDON BLEU in other countries have been presented to overcome the use of herein Opposer of the same mark way back in 1956.

Clearly, the Respondent-Applicant has failed to comply with any of the criteria established by then Minister of the Department of Trade and Industry to be considered as a well-known mark.

WHEREFORE, premises considered, the Notice of Opposition is hereby SUSTAINED. Consequently, application bearing Serial No. 72264 for the mark "LE CORDON BLEU & Device" filed on June 21, 1990 by RENAUD COINTREAU & CIE is hereby REJECTED.

Let the filewrapper of the trademark "LE CORDON BLEU & DEVICE" subject matter under consideration be forwarded to the Bureau of Trademarks (BOT) for appropriate action in accordance with this Decision.

SO ORDERED.

Makati City, 31 July 2006.

ESTRELLITA BELTRAN-ABELARDO Director, Bureau of Legal Affairs Intellectual Property Office