

MARK EDWARD P. ESCUETA, MICHAEL
MAXIMINO C. ELGAR, JOHN PAUL
R. SERGIO and JAYSON S. FERNANDEZ
Opposers,

- versus -

LIZZA NAKPIL,
Respondent-Applicant.
x-----x

IPC No. 14-2008-00254
Case Filed: 21 October 2008

Opposition to:
Appln. No. 4-2008-008018
Date Filed: 07 July 2008
Trademark: RIVERMAYA

Decision No. 2009-103

DECISION

For decision is the Opposition filed by Mark Edward P. Escueta, Michael Maximino C. Elgar, John Paul R. Sergio and Jayson Fernandez (the "Opposer") against Application Serial No. 4-2008-008018 filed by Lizza G. Nakpil (the "Respondent-Applicant") on 07 July 2008 for the registration of the mark RIVERMAYA covering services in Class 41, specifically for entertainment, upon the ground that the mark RIVERMAYA sought to be registered by Respondent-Applicant is the name of the music band RIVERMAYA apparently owned and publicly used by the Opposer.

Opposer, MARK EDWARD P. ESCUETA, MICHAEL MAXIMINO C. ELGAR, JOHN PAUL R. SERGIO and JAYSON S. FERNANDEZ (hereafter, the "Opposer") are Filipinos, of legal ages and may be served with notices and other processes through their Counsel, Yasay Regalado Atienza Mendoza & Bernabe Law Offices, at Suite 2302 Corporate Center, 139 Valero Street, Salcedo Village, Makati City. Respondent-Applicant, LIZZA G. NAKPIL, is Filipino, of legal age, with address at Unit 809 Madrigal Building, 6793 Ayala Avenue, Makati City.

On 21 October 2008, Opposer filed the instant Opposition against Respondent-Applicant's Application for registration of the trademark RIVERMAYA for entertainment under Class 41 with filing date on 07 July 2008.

On 03 November 2008, this Bureau issued a Notice to Answer, a copy of which together with the Opposition was received by Respondent-Applicant on 06 November 2008. The Notice to Answer required Respondent-Applicant to submit its Verified Answer within thirty (30) days from receipt thereof.

FACTS OF THE CASE

The facts upon which the opposition to the registration of the trademark RIVERMAYA were anchored are as follows:

1. "Sometime in 1993, a group of young musicians, namely, Francisco "Bamboo Manalac, Perfecto de Castro, Mark Edward P. Escueta, Nathan Azarcon, and Rico Blanco, decided to form a music band.¹ Like no other bands in the industry, the group of young musicians started as a nameless band.

¹ In 2001, finding themselves to be the only members left in "Rivermaya," Marck Edward P. Escueta ("Escueta") and Rico Blanco ("Blanco") decided to look for new members to fill in the vacancies. It was at this time that Plaintiffs-Opposers Michael Maximino C. Elgar ("Elgar") and John Paul R. Sergio ("Sergio") joined the band. On the other hand, it was sometime in April 2007 when opposer Jayson S. Fernandez ("Fernandez") joined Rivermaya, as he replaced then vocalist Blanco. At present, Rivermaya is composed of Plaintiffs-Opposers Escueta, Elgar, Sergio, and Fernandez.

2. "As their performances increased and the band started to gain public acceptance, Defendant-Applicant was chosen to perform the role of a manager-agent from among several choices.
3. "Sometime in 1994, the group was invited to perform as the opening act for the concert of a popular band called Eraserheads. Necessarily, the group had to adopt a band name. Thus, minutes before the band was about to perform, they huddled together at a nearby eating place and hurriedly went through the list of suggested names contributed by the members of the band. The name collectively chosen by the young musicians was "Rivermaya."
4. "Clearly, Defendant-Applicant is not the owner of the name and mark "RIVERMAYA."
5. "Since 1994, Plaintiffs-Opposers have continuously used and extensively promoted the mark "RIVERMAYA" for commercial use in the entertainment scene.
6. "As the current members of the band Rivermaya, Plaintiffs-Opposers are the owners of the mark "RIVERMAYA," which has gained enormous proprietary value and goodwill for Plaintiffs-Opposers.
 - 6.1 "Over the years, Rivermaya band, currently composed Plaintiffs-Opposers, has sold hundreds of thousands copies of their music albums, meriting multiple gold and platinum awards, all under the mark "RIVERMAYA."
 - 6.2 "The "RIVERMAYA" mark has been identified by the relevant public sector as synonymous to Plaintiffs-Opposers and their specific brand of music.²
 - 6.3 "The mark "RIVERMAYA" has gained significant public exposure in countless occasions where Plaintiffs-Opposers have been prominently featured in various promotional advertisements and media events here and abroad.³
7. "Sometime in 2007/ around the time that Rico Blanco left the band, Defendant-Applicant's managerial performance started to deteriorate rapidly. She started to exhibit extremely paranoid behavior and became highly irrational and irritable. Defendant-Applicant would often scream and curse in rage at the people around her, band members and outsiders alike. Several incidents exhibiting her extremely erratic behavior caused Plaintiffs-Opposers great embarrassment.
8. "To make matters worse, Plaintiffs-Opposers discovered that Defendant-Applicant, as their agent, had been getting the royalties but not delivering the agreed shares of Plaintiffs-Opposers to them.
 - 8.1 "On 2 April 2008/ Plaintiff-Opposer Escueta met with Defendant-Applicant to demand the delivery of their share in the royalties and air the band members' grievances. To his surprise, it was Defendant-Appellant who had the audacity to be offended by the confrontation, as she started screaming and cursing at Plaintiff-Opposer Escueta. Because of her belligerent attitude, the meeting on 2 April 2008 was Plaintiffs-Opposers' last personal contact with Defendant-Applicant, who refused to personally attend to her duties as manager-agent of Plaintiffs-Opposers.
 - 8.2 "In the meantime, Defendant-Applicant sent word that she would deliver Plaintiffs-Opposers' shares within three months from 5 April 2008/ which did not happen.

² Rivermaya's album covers consistently featuring the name and faces of the members of the band, including Plaintiffs-Opposers, are attached and made integral parts hereof as Annexes "A" to "A-2"

³ Copies of posters, flyers, magazine appearances, etc., featuring Rivermaya, are attached and made integral parts hereof as Annexes "B" to "B-12"

- 8.3 “Little did they know, that on 7 July 2008/ fully aware of the strained relations between her and Plaintiffs-Opposer’s, Defendant-Applicant surreptitiously and without the band’s consent, applied for the registration of the mark “RIVERMAYA.”
9. “The mark “RIVERMAYA” sought to be registered by Defendant-Applicant is completely the same in over-all appearance, sound, spelling and pronunciation as Plaintiffs-Opposers’ “RIVERMAYA” mark.
10. “The obvious intent of Defendant-Applicant in registering the mark “RIVERMAYA” in her name is to deprive Plaintiffs-Opposers of the use thereof, and thereby cause serious damage and irreparable injury to the name and reputation of the band Rivermaya. As such, Defendant-Applicant’s application for registration, if granted, will cause confusing similarity, loss of strength and distinctiveness, and dilution of Plaintiffs-Opposers’ “RIVERMAYA” mark and/or variation/s of the mark in case of product line and business expansion.

Grounds for Opposition

Opposer filed the instant Opposition based on the following grounds:

1. “The mark sought to be registered by Defendant-Applicant is identical with the mark “RIVERMAYA,” which has been owned and publicly used by the music band Rivermaya, currently composed of Mark Edward P. Escueta, Michael Maximino C. Elgar, John Paul R. Sergio, and Jayson S. Fernandez.

1.1 “Section 123.1. of the Intellectual Property Code provides:

“Section 123. Registrability. – 123.1 A mark cannot be registered if it:

x x x

e) Is identical with or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;”

1.2 “As explained above, the “RIVERMAYA” mark has earned enormous proprietary value and goodwill for Plaintiffs-Opposers.

- 1.2.1 “Over the years, Rivermaya band, currently composed of Plaintiffs-Opposers, has sold hundreds of thousands of copies of their music albums, meriting multiple gold and platinum awards, all under the mark “RIVERMAYA.”
- 1.2.2 “The “RIVERMAYA” mark has been identified by the relevant public sector as synonymous to Plaintiffs-Opposers and their specific brand of music.⁴
- 1.2.3 “The mark “RIVERMAYA” has gained significant public exposure in countless occasions where Plaintiffs-Opposers have been prominently featured in various promotional advertisements and media events here and abroad.⁵

⁴⁴ Rivermaya’s album covers consistently featuring the name and faces of the members of the band, including Plaintiffs-Opposers, are attached and made integral parts hereof. See Annexes “A” to “A-2.”

⁵ Copies of posters, flyers, magazine appearances, etc., featuring Rivermaya, are attached and made integral parts hereof. See Annexes “B” to “B-12.”

- 1.3 “Further, since trademarks serve as indications of the source or origin of the goods on which they are used, it logically follows that trademarks constitute a badge of ownership.⁶ In this case, Plaintiffs-Opposers are the source or origin of the goods on which the mark “RIVERMAYA” is being used, hence, they are the rightful owners of said mark.
- 1.4 “The old Trademark Law provided that “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...,”⁷ and that “the ownership or possession of a trademark, heretofore or hereafter provided, shall be recognized and protected in the same manner and to the same extent, as other property rights known to the law.”⁸
- 1.5 “In the same manner, the Intellectual Property Code provides that a mark is “any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise.”⁹
- 1.6 “Clearly, only the owner of a trademark has the right to register the same. It thus follows that Defendant-Applicant, being a mere agent of the Plaintiffs-Opposers, and not an owner of the said mark, has absolutely no right to register the mark under her name.
- 1.7 “Further, the Supreme Court had consistently ruled that only the owner of a trademark, trade name or service mark may apply for its registration and an importer, broker, indenter or distributor acquires no rights to the trademark of the goods he is dealing with in the absence of a valid transfer or assignment of the trademark.¹⁰ In this case, Defendant-Applicant may be likened to a broker.
- 1.8 “While the Intellectual Property Code does not contain explicit references to ownership of marks as basis for their registration, it does recognize by its definition of “mark,” that the right of registration belongs to the owner since the term “mark” includes any visible sign capable of distinguishing the goods or service of an enterprise.”¹¹
- 1.9 “Since the Intellectual Property Code seeks to implement, among others, the TRIPS Agreement, it is submitted that the notion of “registered owner” does not mean that ownership is established by mere registration but that such registration established merely a presumptive right of ownership, which cannot prejudice “any existing prior rights.”¹²
- 1.10 “As discussed above, Plaintiffs-Opposers certainly have an existing prior right in the mark “RIVERMAYA.” As such, Defendant-Applicant has no right to register the same in her own name.
2. “Defendant-Applicant is a mere agent of Plaintiffs-Opposers. As such, she is estopped from claiming ownership of the property right of her principals, and hence, has absolutely no right to register the mark “RIVERMAYA” in her name.

⁶ Vicente B. Amador, "Trademarks under the Intellectual Property Code," 1999 ed., p. 92

⁷ Ibid, citing Section 4, Trademark Law.

⁸ Ibid, citing Section 3, Trademark Law

⁹ Section 121.1, Intellectual Property Code.

¹⁰ Vicente B. Amador, "Trademarks under the Intellectual Property Code," 1999 ed., p. 94 citing Unno Commercial Enterprises, Inc. vs. General Milling Corporation and Tiburcio S. Valle, G.R. No. L-28554, 28 February 1983.

¹¹ Section 121, Intellectual Property Code

¹² Vicente B. Amador, "Trademarks under the Intellectual Property Code," 1999 ed., p. 93 citing Article 16(1), TRIPS Agreement. "The rights described above (of the registered owner) shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use."

2.1 “In any event, the registration of the trademark “RIVERMAYA” in favor of the Defendant-Applicant will violate the Civil Code provisions on the contract of agency, the definition of which is set forth in Article 1868 of the Civil Code, to wit:

“Article 1868. By the contract of agency a person binds himself to render some service or to do something in representation or on behalf of another, with the consent of authority of the latter.”

2.2 “The relation of Defendant-Applicant to Plaintiffs-Opposers is clearly one of agency, considering that she essentially acted merely as the band members’ agent in entering into contracts on their behalf for public performances and appearances.

2.3 “The relationship of an agent (Defendant-Applicant in this case) to his principal (Plaintiffs-Opposers in this case) is fiduciary in character since it is based on trust and confidence.¹³ It is the agreement to act on behalf of the principal which causes the agent to be a fiduciary, that is, a person having a duty, created by his undertaking, to act primarily for the benefit of another, the principal, in matters connected with his undertaking.¹⁴

2.4 “It is an established rule that with regard to property forming the subject matter of the agency, the agent is estopped from asserting or acquiring a title adverse to that of the principal. His position is analogous to that of trustee and he cannot, consistently with the principles of good faith, be allowed to create in himself an interest in opposition to that of his principal or cestui que trust.¹⁵

2.5 “Defendant-Applicant’s act of filing for the registration of the mark “RIVERMAYA” under her name, without the knowledge and consent of Plaintiffs-Opposers, clearly shows a stance which is not only contrary, but also detrimental, to the interest of her principals.

2.6 “Thus, by filing an application for registration of the mark at a time when her relationship with the principals, members of “Rivermaya”, was already extremely strained, Defendant-Applicant was clearly acting with deceit and malicious intent to deprive her principals of their proprietary right to the mark “RIVERMAYA.”

2.7 “The rule that an agent is estopped from asserting an interest adverse to his principal stands on the moral obligation to refrain from placing oneself in a position which ordinarily conflicts between self-interest and integrity. It seeks to remove the temptation that might arise out of such a relation to serve one’s self-interest at the expense of one’s integrity and duty to another, by making it impossible to profit by yielding to temptation.¹⁶

2.8 “In the case at bar, Defendant-Applicant not only succumbed to the temptation of yielding profit at the expense of her principals, but knowing that her relation with her principals has been strained and is in peril of being terminated, Defendant-Applicant now attempts to cause even more damage to Plaintiffs-Opposers.

2.9 Not content with misappropriating the payments for royalties rightfully due to Plaintiffs-Opposers, Defendant-Applicant now resorts to trifling with the processes of this Honorable Office to persist in carrying out her sinister plan of stealing the name and mark of Plaintiffs-Opposers as well.

¹³ Severino vs. Severino, 44 Phil. 343 (1923)

¹⁴ Restatement of the Law on Agency, p. 45.

¹⁵ Art. 1435 of the Civil Code: If a person in representation of another sells or alienates a thing, the former cannot subsequently set up his own title as against the buyer or grantee.

¹⁶ Thomas vs. Pineda, 89 Phil. 312 (1951); Palma vs. Cristobal, 77 Phil. 712 (1946).

3. “Defendant-Applicant’s act of registering her principals’ mark, which was done surreptitiously and in bad faith, is invalid and highly irregular and must necessarily be disapproved by the honorable office.

3.1 “It is evident that by her act of filing an unjust and unfair application for registration of the mark “RIVERMAYA” in her name, Defendant-Applicant hopes to acquire ownership by capitalizing on the “first-to-file” principle in the registration of trademarks. She is grievously mistaken.

3.2 “On 13 March 2008, the Honorable Director-General Adrian Cristobal, Jr., handed down a decision in Appeal No. 14-06-26 ruling that the so-called ‘first-to-file’ could not have been intended to justify the approval of a trademark application simply because it was the first application to be filed, regardless of another’s better or superior right to the mark applied for. The rule cannot be used to commit or perpetrate an unjust and unfair claim.¹⁷

3.3 “With the foregoing pronouncement, the Honorable Director General decided that RD Tuna Canners Limited is the rightful owner of the trademark DIANA despite the fact that its competitor, Frabelle Fishing Corporation, filed its application for registration of the mark DIANA way ahead of RD Tuna’s application.¹⁸ It was ruled that ---

“It is mere coincidence that the parties, business competitors at that, came up with the same trademark for use on the same goods is too good to be true, especially when the Appellant [RD Tuna] has used the mark way ahead of the other, and the Appellee [Frabelle], well aware of the prior conduct of business by the Appellant involving the trademark DIANA, has offered no plausible explanation or story to tell on how it was able to coin the same trademark. The fair inference that can be drawn, therefore, is that the Appellee merely copied the mark from the Appellant. That the Appellee beat the Appellant in filing of the trademark application in the Philippines is of no moment...”¹⁹

3.4 “The Honorable Director-General’s ruling finds support in the recent case of Shangri-La International vs. Developers Group,²⁰ wherein the Supreme Court ruled:

“One who has imitated the trademark of another cannot bring an action for infringement, particularly against the true owner of the mark, because he would be coming to court with unclean hands.²¹ Priority is of no avail to the bad faith plaintiff. Good faith is required in order to ensure that a second user may not merely take advantage of the goodwill established by the true owner.”²²

x x x

This point is further bolstered by the fact that under ...5ection 151 of R.A. No. 8293, or Article 6bis(3) of the Paris Convention, no time limit is fixed for the cancellation of marks registered or used in bad faith ...”²³

3.5 “The pronouncement of the Supreme Court in the Shangri-la case, taken together with the Director General’s recent resolution of Appeal No. 14-06-26, establishes the

¹⁷ F.M. Negre, IP Views, Recent Trend in Trademark Ownership: The Diana Story (April 23, 2008) as published in <http://www.iplaw.ph>.

¹⁸ Ibid.

¹⁹ Ibid, citing Appeal No. 14-06-26 dated 13 March 2008

²⁰ G.R. 159931, March 31, 2006 and January 22, 2007.

²¹ Ubeda v. Zialcita, 13 Phil. 11, 19 (1909).

²² Emphasis supplied.

²³ American Cyanamid Company v. Director of Patents, G.R. No. L-23954, April 29, 1977, 76 SCRA 568; La Estrella Distillery v. Director of Patents, 105 Phil. 1213 (1959).

judicial rule that bad faith appropriation of a mark does not ripen into ownership, despite the first-to-file rule.

3.6 “Defendant-Applicant, having surreptitiously filed for the application for registration of the mark “RIVERMAYA,” exhibited bad faith and malicious intent when she accomplished such application at a time when the principals had already effectively revoked the agency relationship they had with her.

3.7 “Based on the foregoing, the instant application for registration of the mark “RIVERMAYA” should be denied.

On 18 December 2008, Respondent-Applicant filed her Verified Answer to the instant Opposition after an urgent motion for extension of time to file the same was granted.

In her Answer, Respondent Nakpil interposed the following:

- I. Lizza Guerrero Nakpil is the sole creator and originator of the Rivermaya Mark
- II. Lizza Guerrero Nakpil is the publicly-acknowledged owner, founder, organizer, financier, promoter and manager of the Rivermaya band from its inception in 1994 up to the present
- III. Mark Escueta, Michael Elgar, John Paul Sergio and Jayson Fernandez are mere contract talents hired by Lizza Guerrero Nakpil to perform for her Rivermaya Band and consequently are not the collective owners of the Rivermaya mark
- IV. Mark Escueta’s, Michael Elgar’s, John Paul Sergio’s and Jayson Fernandez’ individual membership in the Rivermaya band is coterminous with their respective contracts with Lizza Guerrero Nakpil thru her Rana Entertainment, Inc. and Circe Communications, Inc. as had been in the case of the past members of the Rivermaya band
- V. As hired talents or performers, Mark Escueta, Michael Elgar, John Paul Sergio and Jayson Fernandez are guilty of unlawfully appropriating the Rivermaya mark for themselves and of misappropriating the revenues or income derived from their unauthorized concerts or shows to the great harm, damage and prejudice of Lizza Guerrero Nakpil

A narration of the factual antecedents followed with Respondent executing an Affidavit stating, thus:

2. “I am the legitimate and exclusive owner of the RIVERMAYA trademark and the RIVERMAYA Band itself continuously from 1994 up to the present.
3. “I am also the Managing Director of Rana Entertainment, Inc. and Circe Communications, Inc., a family-owned corporation.
4. “Plaintiffs-Opposers Mark Escueta, Michael Elgar, John Paul Sergio and Jayson Fernandez had been or were my own personal choices to presently compose my Rivermaya Band. They are not collective owners of the Rivermaya trademark but are merely my contract talents for my Rivermaya Band.
5. “Plaintiffs-Opposers Mark Escueta, Michael Elgar and John Paul Sergio are under contract with Rana Entertainment, Inc. while the remaining plaintiff-opposer Jayson Fernandez, with Circe Communications, Inc.
6. “In 1994, immediately upon my creation and organization of the Rivermaya Band, I assembled Mark Escueta, Nathan Azarcon, Kenneth Ilagan (immediately replaced by

Perfecto de Castro), Rico Blanco and Francisco "Bamboo" Manalac to compose its original membership.

7. "To protect the use, goodwill and integrity of my Rivermaya trademark, I caused the above-named original members to collectively execute an agreement with Rana Entertainment, Inc. giving me full power and control to chart the course or destiny of my Rivermaya Band and to determine, solely by myself, the continuity or discontinuity of their work and/or performance as my hired talents.
8. "On 21 May 1994, Mark Escueta, Nathan Azarcon, Rico Blanco, Kenneth Ilagan (immediately replaced by Perfecto de Castro) and Francisco "Bamboo" Manalac signed as-year contract with Rana Entertainment, Inc. to compose my newly-created Rivermaya Band. A copy of the said contract is hereto attached as Annex "1" made integral part of this Affidavit. Upon the resignation of Francisco "Bamboo" Manalac from the Rivermaya Band in 1998, I signed on Rico Blanco, Mark Escueta and Nathan Azarcon another contract on 30 November 1998; A copy of which is hereto attached as Annex "2" and made integral part of this Affidavit.
9. "Under both aforementioned contracts, I arrogated unto myself the exclusive right to renew or not to renew them at my option.
10. "As of date, all of the above original members are no longer under talent contract with Rana Entertainment, Inc. Kenneth Ilagan, Nathan Azarcon, Rico Blanco, Perfecto de Castro and Francisco "Bamboo" Manalac had since left my Rivermaya Band and have gone solo or have formed or joined another band. And in the case of Mark Escueta, his renewed contract expired on 30 November 2008 and I have decided not to renew it as per my letter to him dated 19 November 2008; a copy of which is hereto attached as Annex "3" and its registry receipt as Annex "3-A" and made integral parts of this Affidavit.
11. "My creation of the Rivermaya trademark began with my economic studies at the Ateneo de Manila University and my subsequent training as an industry specialist for the Ayala owned Investment and Development Corporation; as well as my experience in developing Filipino entertainment with the government-owned Entertainment Philippines, Inc. which then organized film festivals and film co-production deals with international parties.
12. "In 1993, based on my study and experience, I came to the conclusion that music could be a potential area for export and entrepreneurship in the Philippines.
13. "This idea progressed into action when I accidentally met my old friend, Mr. Jose "Chito" Rono, Jr., at a private party for the launch of a new dance/singing group at the Equinox Club in Pasay Road, Makati City. We both agreed that the time was right to go into Filipino music. It was on that occasion that we both decided to form a musical band.
14. "Mr. Rono suggested that we hold auditions and select talents to compose this new band.
15. "With Mr. Rono's encouragement and support, I approached several friends in the music industry to assist me in the auditions process.
16. "I met with Mr. Atom Henares, then as now, the owner of Progressive Broadcasting (NU 107) and asked his help in advertising the search. He agreed to run radio advertisements for this purpose.

17. "I then wrote the copy inspired by the Francis Coppola movie "Dracula" which began with: "DO YOU BELIEVE IN DESTINY?"...Group forming a rock band ...and giving my contact numbers. I also made handbills and posters and distributed them in recording studios, rehearsal halls and campuses.
18. "Another friend, Mr. Bobong Velez of Vintage Enterprises and owner of Faces Discotheque offered me the latter place every Saturday afternoon to conduct my auditions as there was band equipment readily available. I also arranged and financed other auditions at various locations including Concertech Studios in Makati and Perfect Studios in Sucat, Paranaque.
19. "During the first few auditions, I selected Nathan Azarcon (for bass), Kenneth Ilagan (for guitar), Rome Velayo (for drums), Jessie Gonzales (vocals) and Rico Blanco (key boards).
20. "Through the course of the rehearsals for the band which I organized and financed in various places in Paranaque, I replaced Jessie Gonzales with Francisco "Bamboo" Manalac and Rome Velayo with Mark Escueta.
21. "Mark Escueta applied with me as a "drummer" as per his original application form hereto attached as Annex "4" and made integral part of this Affidavit. He was then a minor in 1994 and his talent contract (Annex "1" of this Affidavit) was signed by his own mother, Mrs. Elvira Escueta for and in his behalf.
22. "Both Mark Escueta and Francisco "Bamboo" Manalac were also subjected to the audition process.
23. "Upon the incorporation of Rana Entertainment, Inc. in 1994, I immediately signed on the original members of the Rivermaya Band as adverted to in Paragraph 5 of this Affidavit; a culmination of my personal recruitment of each one of them on my own efforts and expense.
24. "The original name I had intended for the Band was "Xaga". However, I discovered that the name had already been appropriated by another band in Olongapo, Zambales. Hence, during a show in Las Pinas "triangle" (an empty lot), opposite the defunct Cecilia's restaurant, I decided, on my own and without suggestion from anyone, that the name should combine "RIVER" with "MAYA". Rico Blanco proposed "RIVERTAMARAW" but I immediately rejected it. No one, not even Mark Escueta, dared to contradict my choice of RIVERMAYA.
25. "In the same year of 1994, I had come to the conclusion that my Rivermaya Band would have to create original music to become more competitive. Thus, I went to another friend, Mr. Golden Ocampo, owner of Audio Captain studios where such stars as Gary Valenciano as well as other known Bands such as the Youth were recording. Mr. Ocampo gave me one of his top engineers, Mr. Arnold Jallores and assisted me in producing a demo tape for presentation to various recording companies. Again, I solely financed the rehearsals necessary to create the original compositions and all the recordings.
26. "I then presented the demo tape composed of ULAN, 214 and AWIT NG KABATAAN to 3 or 4 recording companies including Viva Records and BMG Records (who had been experiencing success with a new group called the Eraserheads).
27. "BMG Records subsequently offered me a recording deal for my Rivermaya Band.
28. "I accepted the offer and personally negotiated the contract with BMG Records and began to supervise all the compositions and recordings. I also personally handled all

launch promotions, album design and all other requirements. For all these efforts, I advanced all expenses involved in album recording, media appearances, shows and performances.

29. "I repeated this process over 14 discs, spanning 14 years and 2 more record labels with promotional shows and concerts too many to mention.
30. "Upon Francisco "Bamboo" Manalac's resignation in 1998 from my Rivermaya Band, I convinced Rico Blanco to step up to take his place as the Band's lead vocalist and convinced Nathan Azarcon and Mark Escueta to stay with the Band despite their fears, apprehensions and objections.
31. "Despite the lack of confidence in the viability of Rivermaya from our record label, I persisted in recording a 4th album, "IT'S NOT EASY BEING GREEN" and financed from my own pocket the various music videos to support it. At that time, BMG Records refused to pay for any music videos and it was always from my personal funds that I paid for the following music videos:
 - a) HIMALA (directed by Jose "Chito" Rono, Jr.)
 - b) KUNGAYAW MO WAG MO; and
 - c) KISAPMATA (funded thru Mr. Rono's film connections)
32. "I also financed "NERBYOSO" which was shot on the rooftop of my brother Luis Nakpil's newly-designed condominiums, Burgundy Tower in Katipunan, Quezon City; SHATTERED LIKE and RODEO which all built up Rico Blanco as the new front man for my Rivermaya Band.
33. "My relentless pursuit for excellence bore fruit when the Rivermaya Band became a quadruple platinum artist from 1994 to 1998; winning various awards for "FAVORITE SONG, for "HIMALA", "214" and the like.
34. "During these four (4) solid years of achievement and success from 1994 to 1998, inclusive, the present member Michael Elgar, John Paul Sergio and Jayson Fernandez, were not yet around to claim or share in the success, fame or popularity of my Rivermaya Band. Jayson Fernandez was a toddler of 5 when I created, founded, organized and financed my Rivermaya Band in 1994 and Michael Elgar and John Paul Sergio were in their early teens in 1994.
35. "When we were dropped by our record label, I decided to finance the production of the "FREE" album which won the NU 107 Album of the Year in 2000. Thus, I became its independent producer and distributed the album entirely without the financial support of a record label. None of the plaintiffs-opposers can claim any participation or credit in this endeavor except as talents.
36. "It was also in the year 2000 that I was able to negotiate a new record deal with Viva Entertainment Group thru its President Mr. Vic del Rosario who was eager to put up on all-rock roster of artists. I then made Rico Blanco, Nathan Azarcon and Mark Escueta sign a recording contract with Viva Records in my capacity as both the owner and manager of the Rivermaya Band.
37. "To re-launch my Rivermaya Band as the newest and biggest name on Viva Records rock roster, I conceived and organized a whole promotional platform for Mr. Vincent del Rosario, Managing Director of Viva Records, called "ROCK U". It was in the course of setting up this platform that I recruited Mr. Michael Tameta whom I specifically tasked to seek sponsorships for the said platform and for my Rivermaya Band, in particular.

38. "One of my first projects under the 'ROCK U' was to conceive a theme for the new Robin Padilla movie. I was able to convince Mr. Vincent del Rosario to give Rico Blanco a chance to compose it. Thus, Rico Blanco composed the song "ALAB NG PUSO".
39. "With enough persuasion from my end, Mr. Vincent del Rosario of Viva Records agreed to produce a music video for the "ALAB NG PUSO". Rico Blanco solely appeared on that video. Mark Escueta did not.
40. "By this time, I had removed Nathan Azarcon as a member of my Rivermaya Band due to his serious disciplinary infractions. I then recruited John Paul Sergio to replace him. I discovered him while he was playing at the now defunct Gotham Club in Malate, Manila with another band.
41. "Since I wanted Rico Blanco to concentrate on his vocal duties, I recruited 2 more guitarists, Kakoi Legaspi and Michael Elgar after my meetings with them at Bistro Remedios and Hobbit House.
42. "Thus, in 2001, Kakoi Legaspi, Michael Elgar and John Paul Sergio were inserted as "addendums" to my Viva Records contract.
43. "In the same year 2001, I signed on Kakoi Legaspi, Michael Elgar and John Paul Sergio as talents under Rana Entertainment, Inc.; a copy of their collective contract is hereto attached as Annex "5" and made integral part of this Affidavit. Thus, on this year, my Rivermaya became a 5-member Band again.
44. "Eventually, I allowed Kakoi Legaspi to resign from my Rivermaya Band. On the other hand, I extended or renewed Michael Elgar's and John Paul Sergio's talent agreement until 2011; and likewise renewed Rico Blanco's contract.
45. "With Francisco "Bamboo" Manalac, Nathan Azarcon, and Kakoi Legaspi gone, I thus began the long and difficult process of promoting a whole new version of my Rivermaya Band thru infusion of bigger investments in training, music videos, radio appearances and the like.
46. "I secured strategic sponsors and personally recruited agents to seek additional endorsements for my Rivermaya Band. I did all these in order to maintain the good standing of the Band and to sustain its popularity and goodwill both on national and international scale.
47. "I personally financed travel to MTV Asia from 2002 to 2004 in order to gain contacts and target invitations for my Rivermaya Band to appear in ASEAN shows.
48. "I also personally financed and organized street teams to capture awards for my Rivermaya Band, namely, the MTV Philippines awards for 2003, 2004, 2005 and 2006 and MTV Asia Awards for 2005 and 2006.
49. "I even went as far as to hire a Thai-based orchestra to accompany my Rivermaya Band during the MTV Awards 2006 in Bangkok, Thailand; a milestone for any Filipino performer. MTV was so impressed with my dedication and professionalism that they awarded me a special trophy at par with what they gave to artists and/or performers.
50. "As a result of my efforts, the name Rivermaya as a Filipino rock band came to the attention of the ASEAN community. This huge achievement prodded me to once again invest in building relationships throughout the ASEAN region.

51. "Thus, I advanced and financed my Rivermaya Band's participation in various festivals, i.e., the Singapore Mosaic Festival and the Pattaya Music Festivals in 2005 and 2006. These were the direct result of my efforts in building contact overseas.
52. "I also negotiated a regional contract for my Rivermaya Band with Warner Asia Pacific; financed the production, album design and promotion of the album over and above the given budget of Warner Music in 3 countries - Thailand, Singapore and Indonesia.
53. "In the early part of 2007, Rico Blanco suddenly resigned from my Rivermaya Band. I was left without a lead vocalist.
54. "With Rico Blanco's departure, Mark Escueta, Michael Elgar and John Paul Sergio felt very uncertain about their future with my Rivermaya Band and thus also wanted to resign.
55. "After several meetings with them, I was able to persuade and prevail on them to remain with my Rivermaya Band. In fact, at that time, John Paul Sergio was already set to join his brother in "PUPIL", another rock band. Mark Escueta and John Paul Sergio went so far as to suggest to me that I should change Rivermaya with another name. I did not agree since I had already invested so much in its creation, ownership, use and goodwill.
56. "With my family corporation, Circe Communications, Inc., I launched a national television contest called "RIVERMAYABAGONG LIWANAG" to search for a replacement of Rico Blanco. I also made it as a vehicle to maintain the visibility and prestige of the Band despite the resignation of Rico Blanco.
57. "Neither Mark Escueta nor Michael Elgar nor John Paul Sergio nor Jayson Fernandez materially contributed to the production and success of the "RIVERMAYA-BAGONG LIWANAG" television contest. They were duly paid for their recordings and participation in the Rivermaya-Bagong Liwanag mini-album.
58. "This televised contest ran into a series of shows, 7 episodes in all, covering a period from August 2007 to October 2007, broadcast on ABS-CBN's Studio 23. I co-wrote the script, supervised the production inclusive of editing and was present at every stage of the creation and implementation with Mr. Jose "Chito" Rono, Jr. as close adviser.
59. "My quad-media (print, TV, radio and internet) invitation for musical talents to join this television contest attracted 572 applicants. After I did the final screening, thru the rigorous process of audition, the number of participants for the said contest was narrowed down to 24.
60. "Of the 24, only 13 made it to the finals at the end of the 7 episodes. Among them was Jayson Fernandez whom I finally chose to replace Rico Blanco.
61. "Throughout these 7 episodes, Mark Escueta, Michael Elgar and John Paul Sergio recounted to the media how they were personally chosen by me to join my Rivermaya Band through auditions.
62. "I then signed on Jayson Fernandez as a talent under Circe Communications, Inc. A copy of the contract is hereto attached as Annex "6" and made integral part of this Affidavit. He remains Circe's contract talent until 2017, Jayson Fernandez would hardly have come to the public's notice and attention without my intervention and discovery.

63. "Despite their media pronouncements last October 2007, I have not received, until now, their notice of cancellation of their respective talent contracts with Rana Entertainment, Inc. and Circe Communications, Inc. They understand that to cancel or repudiate or disavow from these contracts is equivalent to resigning from my Rivermaya Band whose value and importance they have since recognized.
64. "The press releases and interviews that were attached or annexed to their Notice of Opposition were the direct result of my own efforts and came from my personal funding, and not theirs. In fact, one of the attached publications, the Syntax, is my own PR outfit.
65. "Their false and malicious charge of misappropriation against me is cheaply intended to show that I am only the manager of the Rivermaya Band and not its owner. I am also, in fact, the owner and distributor of the independently-produced Rivermaya sound recordings and its record label. The same is true of their baseless and belated accusation against me for my alleged unprofessional conduct in the management of my own Rivermaya Band, a sudden charge considering the fourteen (14) years of consistent achievements without complaint or comment.
66. "Further, I have consistently asserted and exercised my right as exclusive owner of the Rivermaya trademark with my initial application for its registration with the Intellectual Property Office (IPO in short) in 1996 after my creation of the name; and several others, the latest of which was last 07 July 2008; which application is now the basis of the present Notice of Opposition. A copy of the certification of my earlier applications issued by the IPO is hereto attached as Annexes "7", "7-A" and "7-B" and made integral parts of this Affidavit.
67. "On the other hand, only plaintiff-opposer Mark Escueta filed an application for registration of the Rivermaya mark in his own name and excluding the three (3) plaintiffs-opposer, i.e., Michael Elgar, John Paul Sergio and Jayson Fernandez. Escueta's application was filed on 10 October 2008 or four days after the expiration of their original deadline on 06 October 2008 to file their Notice of Opposition. An IPO certification of the said application is hereto attached as Annex "8" and made integral part of this Affidavit.
68. "Mark Escueta's much belated application for registration of Rivermaya trademark in his own name only supports and proves the following facts:
- a) not one of the plaintiffs-opposers owns the Rivermaya trademark prior to my individual recruitment of them as hired talents for my RivermayaBand under the Rana Entertainment, Inc. and Circe Communications, Inc. They became members of my Rivermaya Band not because they chose me but because I chose them; and
 - b) my personal, firm and judicious management of my own Rivermaya Band has been prompted by my desire to protect my ownership of both the Rivermaya trademark and the Rivermaya Band.

Filed as evidence for the Opposer, based on the records, are the following:

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| 1. Rivermaya's album covers | - | <i>Annexes "A" to "A-2"</i> |
| 2. Copies of posters, flyers, magazine Appearances, etc. featuring Rivermaya | - | <i>Annexes "B" to "B-12"</i> |

Filed likewise for Respondent-Applicant were the following: Affidavit of Lizza Guerrero Nakpil (*Annex "1"*); Affidavit of Jose "Chito" Rono (*Annex "2"*); Affidavit of Michael Tameta (*Annex "3"*); Affidavit of Mary Jane Gabreles (*Annex "4"*); Affidavit of Ma. Margarita Dacanay (*Annex "5"*)

From receipt of the Answer, a preliminary conference of the instant suit was held on 27 March 2009 and on said date, the parties agreed to terminate the conference and submitted the case for decision.

Considering that the case was mandatorily covered by the Summary Rules under Office Order No. 79, this Bureau required the parties through their counsels to submit their respective position paper/s. Opposers filed their Position Paper on 25 May 2009 while Respondent-Applicant filed theirs on 21 May 2009.

Issues

The issues to be resolved in the instant Opposition case are:

- (a) Whether or not Respondent-Applicant's servicemark application for RIVERMAYA should be granted registration.
- (b) Whether or not the non-inclusion of a certificate against forum shopping amounts to outright dismissal of the instant suit.

Before delving into the issue of whether or not the servicemark application for RIVERMAYA is registrable or not, this Bureau deems it essential to first resolve the second issue.

After the Notice of Opposition and the Answer were filed by Opposers and Respondent-Applicant respectively, and during the preliminary conference, Opposers filed a Pre-Trial Brief and Manifestation, attaching thereto as Exhibit "A" the Verification and Certification of Non-Forum Shopping. The Notice of Preliminary Conference (See. 14.1, Office Order No. 79, Series of 2005) informed the parties that the said conference shall be conducted for the following purposes:

- a) Submission of the case for mediation under applicable laws, rules and regulations on mediation'*
- b) possibility of an amicable settlement/ and*
- c) clarification of issues*

Hence, the preliminary conference is not a stage in the opposition proceedings that Opposers will be given opportunity to file and/or comply with the formal or technical requirements should they fail to submit them at the time of the filing of the instant Opposition. The filing of the Verification unaccompanied by the Certification against forum shopping is reason enough to dismiss outright the instant opposition. This Bureau may even give due course to an opposition with the required verification and certification albeit defective on its face. In this case, such certification was not defective but in fact not submitted. Thus, it is just right for Applicant to file his Counter-Manifestation essentially emphasizing on this pivotal point as the submission of Certificate of non-forum shopping is mandatory. Under Section 5, Rule 7 of the Revised Rules of Court which reads:

“SECTION5. Certification against forum shopping. – The plaintiff or principal party shall certify under oath in the complaint or other initiatory pleading asserting a claim for relief; or in a sworn certification annexed thereto and simultaneously filed therewith: (a) that he has not theretofore commenced any action or filed any claim involving the same issues in any court tribunal or quasi-judicial agency and, to the best of his knowledge, no such other action or claim is pending therein; (b) if there is such other pending action or claim, a complete statement of the present status thereof;”and (c) if he should thereafter learn that the same or similar action or claim has been filed or is pending, he shall report that fact within five (5) days there from to the court wherein his aforesaid complaint or initiatory pleading has been filed.

Failure to comply with the foregoing requirements shall not be curable by mere amendment of the complaint or other initiatory pleading but shall be cause for the dismissal of the case without prejudice, unless otherwise provided, upon motion and after hearing xx” (Emphasis supplied)

Respondent-Applicant anchored her Counter-Manifestation with Motion to Expunge Prohibited Pleadings on the belated filing by Opposers of the required certification of non-forum shopping during the preliminary conference.

Section 10 of Office Order No. 79, Series of 2005, the Order underscores what are prohibited pleadings, by stating, thus:

“SECTION 10. Prohibited pleadings. - No motion to dismiss shall be entertained. Instead all grounds for dismissal shall be pleaded as affirmative defenses, the resolution of which shall be made in the decision on the merits. Neither shall a motion for bill of particulars, motion for reconsideration of interlocutory orders, and all other pleadings subsequent to the filing of a rejoinder, shall be allowed.

Therefore, the non-inclusion of the certification at the time of the filing renders the instant opposition fatally defective as Opposers have no legal standing before this Bureau to file the subject opposition. The belated filing by the Opposers of a Manifestation attaching the said certificate against forum shopping will not be considered as substantial compliance as the filing or submission thereto was made subsequent to the filing of the Answer and/or last pleading, in fact, during the scheduled preliminary conference.

On the main issue of determining whether or not Respondent-Applicant’s servicemark RIVERMAYA is registrable or not, this Bureau believes there is no necessity to pass upon this particular issue as the non-inclusion of certificate against forum shopping renders the Opposition as not having been filed. There being no opposition to the servicemark RIVERMAYA, the application for registration of the same is given due course.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby DISMISSED without prejudice. Consequently, application bearing Serial No. 4-2008-008018 filed by Lizza G. Nakpil on 07 July 2008 for the registration of the mark “RIVERMAYA” for use on entertainment under Class 41 is, as it is hereby GIVEN DUE COURSE.

Let the filewrapper of RIVERMAYA, subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

Makati City, 18 August 2009.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs