F.LLI CLAUDIO & CARLALBERTO CORNELLANI, S.P.A.

Petitioner,

-versus-

TONY ONG KING, Respondent-Registrant. x------x INTER PARTES CASE NO. 3968

Pet. For Cancellation:

Regn. No. : 40660 Date Issued : 26 August 1988 Trademark : "CORNELIANI"

DECISION NO. 98-19

DECISION

On November 24, 1993, F. LLI Claudio & Corneliani S.p.A., a company organized and existing under the laws of Italy, with Office at VIA Panizza 5,46100 Mantova, Italy, filed its Verified Petition for Cancellation of Registration No. 40660 for the trademark "CORNELIANI" used on dresses, socks, briefs, jackets, and shorts falling under class 25 of the International Classification of Goods, which registration was issued on August 26, 1988 to Tony Ong King with address at 966 L. Soler Street, Tondo, Manila.

Petitioner stated as the grounds for cancellation of the registration are as follows:

"1. Petitioner is the true and lawful owner of the mark CORNELIANI in the Philippines and the world and the registration of the said mark in the name of the Respondent was obtained contrary to the provisions of Section four of Republic Act No. 166, as amended.

"2. The Respondent has abandoned the Registration No. 40660 by virtue of his failure to use the mark "Corneliani" in commerce in the Philippines for five years next preceding the date of filing of this Petition.

"3. The use of Respondent of Petitioner's mark CORNELIANI on goods that are similar or identical to goods that are produced by, originate from, or are under the sponsorship of the Petitioner and the use of said mark on such similar and/or identical goods will likely misled the buying public into believing that the goods of the Respondent which bear Petitioner's mark CORNELIANI are produced by, originate from, or are under the sponsorship of the Petitioner.

"4. Petitioner has used and continues to use in the Philippines its mark CORNELIANI on goods similar and/or identical to goods manufactured and distributed by Respondent upon which Respondent unlawfully uses Petitioner's mark CORNELIANI.

"5. Petitioner's mark CORNELIANI is a world famous mark, which is entitled to broad protection under the International Convention for the Protection of Industrial Property (otherwise known as the Paris Convention), of which the Philippines and Italy are members.

"6. Petitioner has not abandoned its mark CORNELIANI.

"7. The cancellation is authorized by other provisions of the Republic Act No. 166, as amended.

In support of the Petition for Cancellation, Petitioner will prove and rely upon the following facts, among others:

"1. Respondent has not substantially used his mark in commerce continuously for five (5) years next preceding the filing of this petition for cancellation. The Respondent's abandonment of the mark CORNELIANI is, among other proof, also evident from his failure to file the required fifth anniversary affidavit of use or excusable non-use in connection with Supplemental Registration No. SR-4897 issued in his name for the same mark, CORNELIANI.

"2. Petitioner has registered his CORNELIANI trademark in the industrial property offices of numerous countries worldwide. It is a well-known trademark entitled to broad protection under Article 6bis of the Paris Convention to which the Philippines and Italy are both adhere. The trademark CORNELIANI has been continuously used on goods similar and/or related to goods covered by respondent's registrations and has been known throughout the world in relation to and in association with the name of Petitioner.

"3. The mark registered in the name of the Respondent under Certificate of Registration No. 40660 consists of the word CORNELIANI, which is clearly and evidently identical in sound, meaning and appearance to the trademark of Petitioner and when applied on goods manufactured by or originate from Respondent, will definitely cause confusion or mistake and mislead the purchasing public into believing that the goods originate from, are manufactured, or are under the sponsorship of the Petitioner."

On December 01, 1993, a Notice to Answer was sent to Respondent-Registrant. However, said Respondent has moved to another place, hence the Notice to Answer the verified Petition for Cancellation has not been effectively served upon the Respondent TONY ONG KING as he cannot be found at his address on record.

On February 23, 1994, Petitioner filed an Ex-Parte Motion to be granted leave to serve Petition for Cancellation through publication which this Office granted under Order No. 97-184 dated February 28, 1994.

Petitioner caused the publication of the Petition for Cancellation through a newspaper of general circulation, yet Respondent-Registrant still failed to file the required Answer, hence, the Motion file by Petitioner through Counsel praying that registrant to declared as in default was granted by this Office (Order No. 94-334) dated June 20, 1994. Accordingly Petitioner was allowed to present its evidence ex- parte. Thereafter, Petitioner submitted its evidence ex-parte consisting of Exhibits "A" to "B-1" inclusive of their submarkings.

The issues to be resolved are the following:

- 1. WHETHER OR NOT the trademark of Respondent-Registrant CORNELIANI used on shirts, t-shirts, pants, jeans, blouses, dresses, socks, briefs, jackets and shorts is confusingly similar to that of the Petitioner's mark CORNELIANI used on dresses, socks, briefs, jackets and shorts.
- 2. WHETHER OR NOT the Petitioner has acquired priority of registration and goodwill over the mark "CORNELIANI" to the exclusion of use/registration of the same by all others.

Based on the evidence submitted, Respondent-Registrant's CORNELIANI is confusingly similar to Petitioner's mark CORNELIANI as both are identical in spelling, sound and composition.

Further, the goods of both parties were both trademarks are being used belong to the same Class 25, i.e. dresses, socks, briefs, jackets, and shorts.

The Supreme Court in the case of Philippine Nut Inc. vs. Standard Brands Incorporated, et al. 65 SCRA 575, 579, has stated:

"In case involving infringement of trademark when the use of the marks involved would be likely to cause confusion or mistake or deception in the mind of the public or to deceive purchasers as to the origin or source of commodity; whether or not a trademark causes confusion and is likely to deceive the public is a question of fact which is to be resolved by applying the "test of dominancy", meaning if the competing marks contains the main or essential or dominant features of another by reason of which confusion and deception and are likely to result, then infringement takes place; that duplication or imitation is not necessary. A similarity in the dominant feature of the trademark would sufficient." (Co Tiong Sa vs. Director of Patents, 1954, 94 Phil. 1; citing viz Clarke vs. Manila Candy Co., 36 Phil. 100; Alhambra Cigar & Cigarette Co. vs. Japo Oge, 47 Phil. 75; Etepha A.G. vs. Director of Patents and Westmont Pharmaceuticals Inc., No. L-20635, March 31, 1966, 16 SCRA 495)"

Likewise, it was also held by the Supreme Court that:

"Those who desire to distinguish their goods from those of another have a broad field from which to select a trademark for their wares and there is no such poverty in the English language or paucity of signs, symbols, numerals etc. as to justify one who really wishes to distinguish his products from those of all others entering the twilight zone of a field already appropriated by another." (Weco Products Co. vs. Milton Ray Co., 143 F. 2d, 985, 32 C.C.P.A. Patents 1214).

"Why of the million of terms and combinations of letters and design available the appellee had to choose a mark so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark." (American Wire & Cable Co. vs. Director of Patents, 31 SCRA 544)"

On August 08, 1980, the mark "CORNELIANI" was registered in Italy bearing Registration Serial No. 542892 (see paragraph 5, Exh. "A"). Furthermore, subject trademark "CORNELIANI" have been registered in many other countries of the world and likewise filed for its registration (see paragraph 6, Exh. "A") as follows:

Country	Registration No.	Date Registered
Australia Saudi Arabia Canada California Denmark Denmark United Kingdom United Kingdom United Kingdom Greece Hongkong Israel India Ireland Italy Italy	343774 89/99 259157 74627 3717/1980 2353/1985 1130015 1198960 66142 295/81 49669 431588 95863 319303 319311	August 30, 1983 February 23, 1982 May 22, 1981 October 1, 1984 September 26, 1980 August 2, 1985 July 15, 1985 March 13, 1985 January 18, 1982 February 20, 1981 December 20, 1982 May 15, 1992 August 11, 1982 November 27, 1989
Italy	323162	August 8, 1980
Italy	336092	September 19, 1983
Italy	336093	September 19, 1983
Italy Italy	480729 587436	May 26, 1987 February 15, 1993

Italy Italy	527097 595357	May 3, 1990 April 15, 1993
International Registration	452892	June 18, 1980
(extended to Algeria, Germany,	432032	oune 10, 1900
Austria, Benelux, Egypt, Spain,		
France, Hungary, Liechtenstein,		
Maroc, Monaco, Portugal,		
Rumenia, Switzerland, (ex)		
Czechoslovakia, Tunisia, (ex)		
Soviet Union, (ex) Yugoslavia		
International Registration		June 18, 1980
(extended to Tunisia, Egypt)		

As was likewise established by the evidence on record, Petitioner's trademark CORNELIANI have been registered in most countries of the world long before the filing of Respondent's application for trademark CORNELIANI which matured to Registration No. 40660, subject of the present cancellation proceedings, two of which were issued as early as November 27, 1979. (see paragraph 5, Exh. "A").

It is thus clear that Respondent merely adopted his trademark "CORNELIANI" from Petitioner. Hence, the inescapable conclusion is that he is merely riding on the reputation of the Petitioner's mark when he adopted, used and registered said mark in his favor for in the unlimited field of choice, what would have been Respondent's purpose in selecting "CORNELIANI" if not for its fame?

The foregoing conclusion is more strengthened when Respondent allowed himself to be declared IN DEFAULT under Order No. 94-334 dated 20 June 1994 for it was recently held by the Supreme Court in Delbros Hotel Corporation vs. Intermediate Appellate Court, 159 SCRA 533, 543 (1988) that:

"Fundamentally, default orders are taken on the legal presumption that in failing to file an Answer, the Defendant does not oppose allegations and relief demanded in the complaint."

WHEREFORE, The Petition is GRANTED. Consequently, Certificate of Registration No. 40660 for the trademark CORNELIANI issued to Respondent-Registrant, TONY ONG KING is, as it is hereby, CANCELLED.

Let the filewrapper of trademark CORNELIANI subject matter in this case be remanded to the Patent, Trademarks Registry and EDP Division for appropriate action in accordance with this Decision with a copy to be furnished the Bureau of Trademarks for information and update of its records.

SO ORDERED.

Makati City, December 28, 1998.

ESTRELLITA BELTRAN-ABELARDO Caretaker/Officer-In-Charge