

FILA SPORT S.P.A.,
Opposer,

INTER PARTES CASE NO. 3270

OPPOSITION TO:

Application Serial No.: 44850
Filed: May 12, 1981
Applicant: P. Floro Corporation
Trademark: F
Used On: Jeans, T-shirts and

- versus -

P. FLORO CORPORATION,
Respondent-Applicant.
x-----x

DECISION NO. 90-12 (TM)
February 22, 1990

DECISION

On October 28, 1988, Fila Sport S.P.A. filed an unverified Notice of Opposition against the registration of the trademark "F" used on jeans, T-shirts and textile fabrics in Classes 25 and 24 applied for by P. Floro Corporation on May 12, 1981 under Application Serial No. 44850 published on Page 91, Volume I, No. 7 of the BPTTT Official Gazette dated September 27, 1988 and released for circulation on September 30, 1988.

Opposer is a foreign corporation organized and existing under the laws of Italy, with business address at Via Cesare Battisti 26 Biella, Italy, while Respondent-Applicant is a domestic corporation with business address at Barrio Caniogan, Pasig, Metro Manila, Philippines.

The grounds alleged in the Verified Notice of Opposition filed on January 12, 1989 are:

"1. The Opposer is the owner of the trademark 'FILA' and trademark 'F', having been the first to adopt and used on games, toys, sporting goods, clothing in Classes 25 and 28, which has been in actual use in trade and in commerce in the Philippines.

2. The trademark 'F' (stylized) was first registered under Italian Application No. 20434 (C/78 filed 18th September 1978).

3. The trademark 'FILA' was first registered under Italian Application No. 19620 C/78 dated 13th June 1978.

4. The foregoing Certificate of Home Application was made the basis for Opposer's trademark application in this jurisdiction under Application Serial No. 36895 filed 23rd November 1978 and Application Serial No. 36894 filed 23rd November 1978.

5. The trademark 'F' (stylized) which the Opposer created and adopted is well-known in the Philippines and throughout the world for the good quality and high reputation of its products."

In its Answer, Respondent-Applicant denied the material allegations made in the Notice of Opposition and alleged the following special and affirmative defenses;

"3. Respondent-applicant has long enjoyed the reputation of manufacturing superior quality products. By its own efforts and through extensive advertising and promotions, it continues to enjoy a great amount of business goodwill, not only for itself but for its products and trademarks as well. x x x

xxx

4. There is no confusing similarity between the respective marks of respondent-applicant and the opposer. The test which has been invariably applied is to consider the entirety of the two marks with all their attributes.

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5. Even a close scrutiny of the two trademarks, when viewed and compared in juxtaposition would reveal the distinguishable features that would make the possibility of confusion extremely remote.

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6. Moreover, respondent-applicant's subject trademark distinctly indicates the origin and ownership of the articles to which it is affixed. Respondent-applicant's mark is contained on, or affixed with, a label which conspicuously contains the phrase, 'MADE IN R.P. by CRISPA'. This further distinguishes the goods of respondent-applicant from those of the opposer. The prospective buyer will not, therefore, mistake one for the other."

Issues joined, the pre-trial conference was set to March 6, 1989 where the parties submitted their respective pre-trial Briefs. Since the parties have indicated in their pre-trial briefs that both are open to an amicable settlement, counsels were encouraged by the Hearing Officer to explore ways whereby they could agree on terms and conditions mutually acceptable to them.

Meantime, on April 25, 1989, Opposer started presenting its evidence. On May 25, 1989, Respondent-Applicant's counsel submitted a written proposal for the settlement of the herein controversy.

At the hearing of July 14, 1989, counsel for Opposer presented their counter-proposal which was acceptable to Respondent's counsel subject to the final approval of their clients. More details were thrashed out at the hearings of August 16, September 19, October 20 and finalized on November 22, 1989. Finally, on November 29, 1989, the parties submitted a joint Motion for Judgment based on Compromise Agreement which provides:

"1. Opposer hereby withdraws its opposition to respondent-applicant's application under Serial No. 44850 and interposes no objection to respondent-applicant's use of the trademark 'F' under the following conditions:

- a) Respondent-Applicant shall always use its trademark 'F' in one single color, except that it cannot use the same in the colors red, white or blue, singly or in combination. Respondent-Applicant shall, likewise affix conspicuously on its labels bearing the trademark 'F' the following phrase: 'Made in RP by Crispa'.
- b) Respondent-Applicant shall permanently cease and desist from manufacturing, selling or using in trade and commerce the trademark 'F' in the color red and undertakes that it will not register or attempt to register in the future the trademark 'F' in the colors red, white or blue, singly or in combination.

2. Respondent-Applicant has six (6) months from receipt of the Decision of this Honorable Office approving the instant motion within which to dispose of its current stock of labels containing the trademark 'F' in the red color. Opposer shall have the right to inspect respondent-applicant's factory and marketing outlets at reasonable business hours within said period of six (6) months for the purpose of monitoring the disposition.

3. Nothing in this Agreement shall be construed as an admission or acknowledgment of liability on the part of either respondent-applicant or opposer with respect to each other, it being understood and agreed upon that this Agreement was entered into only to buy peace and to maintain goodwill.

4. This Agreement constitutes a full and final settlement of the issues raised in the pleadings of both parties and those necessarily connected therewith and the parties hereby waive and quitclaim any and all further rights against one another except the enforcement of this Compromise Agreement.”

The above terms and conditions agreed upon by the parties being fair, equitable and not contrary to office and public policy are hereby approved as basis for the settlement of this case.

WHEREFORE this Notice of Opposition is DISMISSED for having been withdrawn. Subject to the provisions of the above-quoted Compromise Agreement, Application Serial No. 44850 for the mark “F” shall be given due course.

Let the records of this case be transmitted to the Application, Issuance and Publication Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director