

FIN. ING. S.R.L.,	}	Inter Partes Case No. 14-2008-00001
<i>Opposer,</i>	}	Case Filed: 02 January 2008
	}	
	}	Opposition to:
	}	
	}	Appl'n. Serial No.: 4-2007-000673
-versus-	}	Date Filed : 23 January 2007
	}	Trademark: "REPORTER and DESIGN"
ROMEO CHUATECO,	}	
<i>Respondent-Applicant.</i>	}	Decision No. 2009-122
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DECISION

Before us is a VERIFIED NOTICE OF OPPOSITION to Application Serial No. 4-2007-000673 for registration of the mark "REPORTER and DESIGN" for goods under Class 25 namely, "dresses, suspender, swimming trunk, caps, socks, blouses, panties, belt, t-shirts, polo, polo shirt, jeans, pants, jackets, skirts, slacks, sweat shirt, jogging pants, jogging suit, boots, shoes, slippers, sandals, stockings, bra, suit, brief, short pants, step-in, swimming suit, pedal, coat, tie, barong" filed on January 23, 2007 and published in the Intellectual Property Philippines Electronic Gazette that was officially released for circulation on August 31, 2007.

Opposer is company organized and existing under the laws of Italy with business address at Corso Di Porta Romana 3-20122 Milano, Italy. Respondent-applicant is a natural person with business address at 1449 San Marcelino St. Malate, Manila.

Opposer preliminarily made the following allegations:

"2. Opposer is not doing business in the Philippines, but has the capacity to sue under Section 160 in connection with Section 3 of Republic Act No. 8293, known as the Intellectual Property Code of the Philippines. Opposer's home country, Italy, where it is domiciled, grants by treaty, convention or law to persons of the Philippines the privilege to bring a petition for opposition, cancellation or compulsory licensing, etc., without need of a license to do business in that country;

"3. Opposer has its real and effective commercial establishment in Italy which country and the Philippines are members-signatory to the WTO (Uruguay Round) – TRIPS Agreement. Under Article 2.1 in relation to Article 16 and Article 42 of said Agreement, [M]embers shall make available to right holders civil judicial procedures concerning the enforcement of intellectual property rights. Said Agreement further provides that [e]ach Member shall accord to the nationals of other Members treatment no less favorable that it accords to its own nationals with regard to the protection of intellectual property subject to the exceptions already provided in, respectively, the Paris Convention (1967);

"4. The aforesaid provisions of the TRIPS Agreement have been carried into effect by Section 3 of Republic Act 8293, when it provides:

*"Section 3. International conventions and Reciprocity. – Any person who is a national or who is domiciled or has a real and effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled to this Act."*

"6. On January 23, 2007, Respondent-Applicant filed its trademark Application No. 4-2007-000673 for the mark "REPORTER and DESIGN" for goods under Class 25, covering the goods *dresses, suspender, swimming trunk, caps, socks, blouses, panties, belt, t-shirts, polo, polo shirt, jeans, pants, jackets, skirts, slacks, sweat shirt, jogging pants, jogging suit, boots, shoes, slippers, sandals, stockings, bra, suit, brief, short pants, step-in, swimming suit, pedal, coat, tie, barong*. The Respondent-Applicant's mark consists of the underlined word "REPORTER" which is confusingly similar to the "REPORTER" trademark, owned by the Opposer, for which Opposer and its goods are internationally well-known;

"7. Trademark Application No. 4-2007-000673 for the mark "REPORTER and DESIGN" covering goods in class 25, is not the first time that Respondent-Applicant applied for the trademark "REPORTER" covering the same class of goods. On August 28, 2003, Respondent-Applicant filed for the trademark "REPORTER" under application no. 4-2003-007907 also covering goods in Class 25, namely, caps, socks, blouses, panties, belts, t-shirts, polo, polo shirts, jeans, pants, jackets, slippers, sandals, stockings, dresses, suspender, swimming trunk, swimming suit, pedal, coat, tie, barong, wallet . . . Said application however, was finally rejected by the IP Phil; and

"8. The registration of the mark "REPORTER and DESIGN" for goods under Class 25 in the name of Respondent-Applicant will cause grave and irreparable injury and damage to the Opposer for which reason it opposes said application based on the grounds set forth hereunder.

The grounds for opposition are as follows:

A. OPPOSER IS THE PRIOR ADOPTER, USER AND OWNER OF THE TRADEMARK "REPORTER", IN THE PHILIPPINES AND ELSEWHERE AROUND THE WORLD

“9. Opposer is the owner of the internationally well-known trademark “REPORTER”. The trademark application was filed on July 12, 1995 and was granted Philippine registration on December 13, 1999 for goods under Class 25 – clothing, namely, suits, coats, panties, raincoats, dresses, skirts, jackets, blouses, shirts, t-shirts, pullovers, sweaters, cardigans, trousers, pants, ties, scarves, underwear, bathing suits, cabans, blousons, belts for clothing articles, gloves, footwear, namely, shoes, boots, slippers and sandals, headgear, namely, hats, caps. Subsequently, Opposer applied for registration of the same trademark “REPORTER” for goods under Class 18, with the IPPhil, as follows:

Mark	Application / Registration Number	Date Applied / Issued
Reporter (Class 18)	Appl. No. 4-1998-002765	17 April 1998
Reporter (Class 25)	Reg. No. 4-1995-103546	13 December 1999

“10. Respondent-Applicant’s first filing for the confusingly similar trademark “REPORTER” was dated August 28, 2003, long after Opposer’s application for the mark “REPORTER” were filed in the Philippines, the earliest of which was July 12, 1995;

As such registered mark, it is entitled to protection in the Philippines against unauthorized use or expropriation of said mark by third parties for the period validly covered by the said registration;

“11. Due to factors beyond the control of the Opposer, such as its inability to find a suitable licenses or distributor in the Philippines, coupled with its practical assessment that the Philippine market may not yet be ripe for its products, Opposer was not able to launch its REPORTER branded products in the Philippines within the period required for the use of said mark. However, its products, including those bearing the mark “REPORTER” could be ordered via the internet. Opposer, however, failed to receive advise that this mode of use of its trademark may be acceptable to the IPPhil, at least, worthy a try, since the world has become wire and borderless. Furthermore, Opposer failed to receive advise from its Philippine agent, that it can file a Declaration of Non-Use based on reasons beyond the control of the Opposer, since what is not expressly acceptable is failure o use the mark due to lack of funds, which situation is not present in the case of the Opposer. Certainly, if discussions with a potential licensee had bogged down, this could have qualified for consideration by the IPPhil to accept the Declaration of Non-Use. Due to the failure to file the 5<sup>th</sup> year Declaration of Actual Use / Non-Use, Opposer’s registration is deemed canceled. Opposer, however, has not received a copy of the notice of cancellation from its trademark agent. It appears that the actual cancellation was effected only by the IPPhil in 2007, under Cancellation Order No. 2007-1 as indicated in Exhibit “B”, issued by the IPPhil on Dec. 17, 2007;

“12. The above cancellation of Opposer’s trademark registration for “REPORTER” is not tantamount to abandonment of the mark by the Opposer. The applicable provision of the law is Section 12 of Republic Act 166 since the application was filed during the effectivity of the old law, to wit:

*“Section 12. Duration. Each certificate of registration shall remain in force for twenty (20) years: Provided, That registration under the provisions of this Act shall be cancelled by the Director, unless within one year following the fifth, tenth, and fifteenth anniversaries of the date of issue of the certificate of registration, the registrant shall file in the Patent Office an affidavit showing that the mark or trade name is still in use or showing that its non-use is due to special circumstances which excuse such non-use and is not due to any intention to abandon the same, and pay the required fee.”*

“13. As held in the case decided by this Honorable Office entitled “Westpoint Peperell, Inc. versus Universal Towel Mfg. Co. Inc., IPC No. 3414” involving the trademark “MARTEX” the above quoted provision requires for the mandatory filing of the affidavit of use within one year following the fifth, tenth and fifteenth anniversaries of the date of issue of the certificate of registration. Failure to do so shall cause the cancellation of the registration motu proprio by the Director. Such failure to comply with this mandatory requirement of the law, however, is not an act of abandonment of the use of the mark (underscoring ours);

“14. Abandonment, which is in nature of a forfeiture of a right, must be shown by clear and convincing evidence. To work abandonment, the disuse must be permanent and not ephemeral; it should be intentional and voluntary, and not involuntary or even compulsory. In the case of the Opposer, it did not receive any notification or advice from its resident agent in the Philippines of the requirement of filing an affidavit of use or non-use within the time prescribed by the law. Orders for the purchase of its REPORTER branded products could be placed thru the internet. It could not find a suitable Philippine licensee or distributor. These circumstances could have been considered carefully by its Philippine agent, so Opposer could have decided whether to file a Declaration of Actual Use or Non-Use. Furthermore, it is worth nothing that Opposer continues to use in commerce the said “REPORTER” trademark all over the world which simply shows that it has no intention to permanently abandon the mark;

**B. RESPONDENT-APPLICANT HAS ACTED FRAUDULENTLY WHEN IT APPROPRIATED THE TRADEMARK “REPORTER” WHEN HE HAD KNOWLEDGE THAT IT IS OWNED BY ANOTHER ENTITY**

“15. Respondent-Applicant filed two trademark applications for the mark “REPORTER”, to wit:

- a. On August 28, 2003, Respondent-Applicant filed a trademark application for “REPORTER” under application no. 4-2003-007907 for goods covering Class 25, which was finally rejected by the IPPhil. In 2003, Opposer had a valid registration for the identical mark “REPORTER” also covering goods in class 25, filed on July 12, 1995 and registered on December 13, 1999 for a period of 20 years. There is no doubt that Respondent-Applicant’s application no. 4-2003-007907 was rejected because it was identical to Opposer’s registered mark. Hence, prior to 2007 which is the year that Respondent-Applicant filed its second “REPORTER” application, he already knew that Opposer owned the trademark “REPORTER” for good in Class 25.
- b. With full knowledge that he did not own the mark, Respondent-Applicant on January 23, 2007 filed the subject application “REPORTER and DESIGN” which still shows the term “REPORTER” as the dominant element since the design simply consisted of the underlining of said word. Since on January 23, 2007, the IPPhil online data base still reflected the status of Opposer’s trademark registration for “REPORTER”, as registered, the only conclusion that can be arrived at is that Respondent-Applicant had the mark “REPORTER” searched and finding out that no Declaration of Actual Use or Non-Use was filed, it proceeded to take the opportunity to appropriate the same as his own. Said opportunistic act of the Respondent-Applicant is not ethical and is certainly immoral. He cannot claim that he has no knowledge that Opposer continues to sell REPORTER banded products worldwide, because said information is available by the simple click on the internet.

C. RESPONDENT-APPLICANT’S “REPORTER and DESIGN” is confusingly similar with Opposer’s “REPORTER” trademark

“16. The Respondent-Applicant’s mark consists of the word “REPORTER” and a design consisting of an underline below the word “REPORTER”. A representation of the competing marks is herein replicated for easy reference;

OPPOSER’S MARK	RESPONDENT-APPLICANT’S MARK

“17. Even if Opposer’s mark is in its stylized version, it cannot be denied that the word is the same - “REPORTER”. The sound is the same. The meaning is the same. The underlining is a poor attempt by the Respondent-Applicant to make his mark different, but it cannot be argued that the word “REPORTER” is the dominant element of his mark;

“18. The confusing similarity between Respondent-Applicant’s “REPORTER and DESIGN” mark and Opposer’s internationally well-known trademark “REPORTER” is highly likely to deceive the purchasers of goods on which the mark is being used as to the origin or source of the said goods as to the nature, quality and characteristics of the goods, to which these are affixed. Furthermore, the unauthorized use by others of a trademark similar to Opposer’s trademark, covering similar or related goods and services, will certainly dilute the distinctiveness of the latter and adversely affect the function of said trademark as an indicator of origin, and/or the quality of the product for which “REPORTER” is well-known worldwide.

“19. Indeed, because of such appropriation by Respondent-Applicant of the Opposer’s internationally well-known “REPORTER”, the purchasing public is likely to conclude that the products of Respondent-Applicant are affiliated with the Opposer, or are sponsored, if not manufactured, by the Opposer, and as such, are also likely to conclude that the products of Respondent-Applicant have the same superior quality as Opposer’s products, thereby allowing Respondent-Applicant to have a free ride on the goodwill established by Opposer resulting in much disadvantage to the Opposer and the consumers in general;

“20. The registration of Respondent-Applicant’s “REPORTER and DESIGN” mark is in violation of Section 123 (e) and (g) of the IP Code which states that a mark is not registrable if it:

*(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 the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;*

*(g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services; xxx.”*

“21. The registration of the Respondent-Applicant’s “REPORTER and DESIGN” mark should be proscribed on the ground that it dilutes the distinctiveness and good reputation of Opposer’s “REPORTER”. The use of the “REPORTER and DESIGN” by Respondent-Applicant on goods under Class 25 will bring disrepute to Opposer’s internationally well-known trademark “REPORTER” used on high-end designer clothing, while Respondent-Applicant

is using the mark on cheap clothing. As held in the case of *Levi Strauss & Co., & Levi Strauss (Phils.), Inc. vs. Clinton Apparelle, Inc.* G.R. No. 138900, September 20, 2005:

*“Trademark dilution is the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of: (1) competition between the owner of the famous mark and other parties; (2) likelihood of confusion, mistake or deception. Subject to the principles of equity, the owner of a famous mark is entitled to an injunction “against another person’s commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark.” This is intended to protect famous marks from subsequent uses that blur distinctiveness of the mark or tarnish or disparage it.”*

It was also held in the case of *McDonald’s Corporation and McGeorge Food Industries, Inc. vs. L.C. Big Mak Burger, Inc. et al*, G.R. No. 143993, August 18, 2004:

*“As a consequence to the acts committed by the defendant, which unduly prejudice and infringe upon the property rights of plaintiffs McDonald’s and McGeorge as the real owner and rightful proprietor, and the licensee / franchisee, respectively, of the McDonald’s marks, and which are likely to have caused confusion or deceived the public as to the true source, sponsorship or affiliation of defendants’ food products and restaurant business, plaintiffs have suffered and continue to suffer actual damages in the form of injury to their business reputation and goodwill, and of the dilution of the distinctive quality of the McDonald’s marks, in particular, the mark “B[ig] M[ac].”*

“22. The registration of the mark “REPORTER and DESIGN” in the name of the Respondent-Applicant will violate the exclusive proprietary rights of the Opposer over its own mark “REPORTER”, and irreparable injury or damage the interest, business reputation and goodwill of said mark. The registration of Respondent-Applicant’s mark will surely dilute the distinctiveness of Opposer’s mark, thereby reducing its economic value.

“23. It is also apparent that the registration of the mark “REPORTER and DESIGN” in the name of Respondent-Applicant, which mark is confusingly similar to Opposer’s well-known trademark “REPORTER” will not only prejudice the Opposer but will also allow the Respondent-Applicant to unfairly benefit from and get a free ride on the goodwill of Opposer’s well-known mark. It is held in the case of *Ang vs. Teodoro*, G.R. No. 48226, December 14, 1942:

*“The Courts have come to realize that there can be unfair trading that can cause damage or injury to the first user of a given trademark first, by prevention of the natural expansion of his business and second, by having his business reputation confused with and out at the mercy of the second user. When the non-competing 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 the first user inevitably results.*

*Experience has demonstrated that when a well-known trademark is adopted by another even for a totally different class of goods, it is done to get the benefit of the reputation and advertisement 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 same or similar mark.”*

“24. Moreover, the registration of the mark “REPORTER and DESIGN” will bar the rightful owner from entering the Philippines to sell its products, which is frowned upon by the international business community, and may likely put the Philippines back in the watch list of countries committing infringement and piracy.

#### D. OPPOSER’S “REPORTER” TRADEMARK IS INTERNATIONALLY WELL-KNOWN

“25. Opposer has obtained and continues to obtain registrations for the trademark “REPORTER” from the intellectual property office of various countries around the world;

“26. Opposer’s “REPORTER” mark has acquired immense and valuable goodwill as a result of enormous sums of money spent in advertising and promotions worldwide, including the Philippines;

“27. On account of its aggressive marketing strategy, the return of investment has been substantial as well. The total worldwide sales of Opposer for the products bearing the trademark “REPORTER” for the last five (5) years are shown below:

2006 – Euro 22, 000.00  
2005 – Euro 21, 000.00  
2004 – Euro 21, 000.00  
2003 – Euro 19, 000.00  
2002 – Euro 20, 000.00

“28. Opposer has significant presence in the internet;



"29. Opposer's internationally well-known mark "REPORTER" has long become distinctive of the business and/or goods of the Opposer, through Opposer's long and exclusive use thereof in international commerce;

"30. Opposer's trademark "REPORTER" is a well-known mark such that Courts around the world recognize that the application for registration of a similar mark is proscribed on the basis of likelihood of confusion especially if it covers the same class of goods which in this case is Class 25;

"31. As an internationally well-known mark, "REPORTER" is protected under Article 6bis of the Paris convention, which provides:

*Article 6bis*  
*Marks: Well-Known Marks*

*"(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."*

"32. The confusing similarity between Respondent-Applicant's "REPORTER and DESIGN" mark and Opposer's internationally well-known trademark "REPORTER" is very likely to deceive the purchasers of goods on which the mark is being used as to the origin or source of said goods and as to the nature, character, quality and characteristics of the goods, to which it is affixed.

"33. Opposer will be damaged by the granting of registration of the mark "REPORTER and DESIGN" in the name of Respondent-Applicant, considering the fact that Opposer mark "REPORTER" has long been established and has obtained goodwill and consumer recognition in the Philippines and worldwide.

"34. Respondent-Applicant's application to register the "REPORTER and DESIGN" mark is an infringement of Opposer's well-known mark "REPORTER", as the use of the mark on the goods described in its application clearly violates the exclusive right of the Opposer to said marks; and

“35. There is no doubt that the intentions of the Respondent-Applicant are: to ride on the goodwill of Opposer’s well-known mark “REPORTER”, palm off its products as originating or affiliated with the Opposer, to deceive and cause confusion in the mind of the buying public.

Opposer prays, thus, that the subject application be denied.

On January 30, 2008, opposer filed a MOTION, moving that the certified copy of the status of Application Serial No. 4-2003-007907 in the name of respondent-applicant attached to said MOTION be included as part of the records of the case. Opposer alleges that the purpose of the MOTION is to prove that respondent-applicant had knowledge that opposer owns the mark “REPORTER”. Opposer further moved that this Bureau issue an Order to the Bureau of Trademarks (BOT) to allow opposer’s counsel to view the filewrapper of said application and to issue to said counsel a certified copy of the file wrapper’s contents so that it shall be included as part of opposer’s evidence.

On March 27, 2008, opposer filed a MANIFESTATION essentially stating that it caused the purchase from the Landmark Supermarket in Makati in March 2008 a polo shirt and a pair of pants bearing the label “REPORTER” which it attached to said MANIFESTATION, and that said labels are completely different from the mark and design being applied for by respondent-applicant but are identical to opposer’s mark.

On April 04, 2008, opposer filed a MOTION TO DECLARE RESPONDENT-APPLICANT IN DEFAULT.

On April 28, 2008, this Bureau issued Order No. 2008-62 citing Section 5, Rule 2 of the Rules On *Inter Partes* Cases in relation to Section 11 of Office Order No. 79 Series of 2005 which states, to wit:

“Section 11. *Effect of failure to file Answer* – In case the respondent fails to file an answer, or if the answer is filed out of time, the case shall be decided on the basis of the petition or opposition, the affidavits of the witnesses and the documentary evidence submitted by the petitioner or opposer.

It was ruled, thus, that the affidavits of witnesses and evidences attached and presented by opposer in its verified opposition shall be the bases in deciding the instant case.

It was ruled, moreover, that there was no merit in opposer’s MOTION filed on January 30, 2008 as well as the motion in its MANIFESTATION filed on March 27, 2008 as additional evidences for opposer may only be filed at the latest with the filing of a reply, but which filing of a reply was not possible because respondent-applicant did not file an answer with his evidences thereto.

On May 14, 2008, opposer filed a MANIFESTATION AND TENDER OF EXCLUDED EVIDENCE.

It is important to state here at the outset that opposer's and respondent-applicant's respective marks are confusingly similar: Both consist of the word mark "REPORTER", the only, albeit minute, difference being that respondent-applicant's mark is underlined. Both marks are in uppercase with almost identical Arial-like or Tahoma-like fonts. The spelling and pronunciation of both marks are the same. They create, thus, the same visual and aural connotations considering especially that both cover the same class and nature of goods: Class 25 for clothing apparel. (McDonald's Corporation v. MacJoy Fastfood Corporation, G.R. No. 166115. February 2, 2007; McDonalds Corporation v. L.C. Big Mak, Inc., G.R. No. 143993, August 18, 2004).

With the foregoing finding of the competing marks being practically the same, the task now is to determine who between opposer and respondent-applicant is the owner of the mark "REPORTER" and, thus, has the better right thereto. This is the issue that must be resolved.

Records show that opposer filed an application for registration of the mark "REPORTER" on July 25, 1995 per Application Serial No. 4-1995-103546 essentially for clothing apparel under Class 25. Registration thereto was issued on December 13, 1999 per Registration No. 4-1995-1033546. Such registration, though, was canceled on December 17, 2007 for opposer's failure to file an ANU within one (1) year from the fifth anniversary of the date of issue of the certificate of registration, that is, within 1 year from December 13, 2004.

Considering, the, that opposer filed its application for the mark "REPORTER" to which respondent-applicant's mark "REPORTER AND DESIGN" is confusingly similar way back on July 25, 1995 and was canceled only on December 13, 2007, and the records of this Office reflected the mark "REPORTER" as a registered mark in opposer's name for clothing apparel under Class 25 from December 13, 1999 until its cancellation, there is substantial ground to believe that respondent-applicant came to know of this mark as opposer's mark as early as August 28, 2003 when it applied for registration of the same mark for the same goods under the same class. Registration of respondent-applicant's mark, however, was refused. The reasonable conclusion to this is that there was a subsisting registration of the same mark for the same class of goods in opposer's name. Obviously, likelihood of confusion would arise if respondent-applicant's mark were allowed registration.

Opposer's mark is an arbitrary mark when applied to clothing apparel, there being no relation at all between clothing and the concept of "reporter" and/or "reporting". As an arbitrary mark vis-à-vis clothing apparel, its conception by the owner thereof would have an explanation that is uniquely its own: In this case, opposer has shown that the inspiration for its mark "REPORTER" was taken from the cult movie "Profession Reporter" to represent an international man (Exhibit "D" and "D-2"). Respondent-applicant failed, on the other hand, to explain how he was able to come up with the mark "REPORTER" also for clothing apparel under Class 25 for the subject application. There is no other conclusion to this but that respondent-applicant copied opposer's mark considering especially that respondent-applicant has already filed an application for registration of the same "REPORTER" mark for clothing apparel under Class 25 on August 28, 2003 which was refused registration. The Supreme Court had this to say in *Lim Hoa v. Director of Patents*, G.R. No. L-8072, October 31, 1956:

“...why with all the birds in the air, and all the fishes in the sea, and all the animals on the face of the earth to chose from, the defendant company selected two roosters as its trade-mark, although its directors, and managers must have been well aware of the long-continued use of a rooster by the plaintiff in connection with the sale and advertisement of his goods?

In the same vein, this Bureau is inclined, thus, to utter a statement now similar to the above statement: Of all the millions of English words, albeit arbitrary ones, it could have chosen and used for his clothing apparel under Class 25, why did respondent-applicant select the word “REPORTER” which is visually and aurally identical to opposer’s mark “REPORTER” notwithstanding the underlined version of respondent-applicant’s mark? Again, this Bureau holds that there is substantial ground to believe that respondent-applicant copied opposer’s mark for the same kind and class of goods.

The following question now arises: Did opposer abandon its mark “REPORTER” when it failed to file an ANU within 1 year from December 13, 2004 pursuant to Section 12 of R.A. No. 166 such that said mark could be applied for registration by others including respondent-applicant from the time of its abandonment by the owner-registrant thereof?

This Bureau finds that opposer did not abandon its mark notwithstanding its failure to timely file an ANU and the eventual cancellation of its registration on December 17, 2007.

When opposer applied for registration of its mark “REPORTER”, applicable law then was R.A. No. 166. Section 37 thereof provides:

“SECTION 37. Rights of foreign registrants. – Persons who are nationals of, domiciled in, or have a bona fide or effective business or commercial establishment in any foreign country, which is a party to any international convention or treaty relating to marks or trade-names, or the repression of unfair competition to which the Philippines may be a party, shall be entitled to the benefits and subject to the provisions of this Act to the extent and under the conditions essential to give effect to any such convention and treaties so long as the Philippines shall continue to be a party thereto, except as provided in the following paragraphs of this section.

No registration of a mark or trade-name in the Philippines by a person described in the preceding paragraph of this section shall be granted until such mark or trade-name has been registered in the country of origin of the applicant, unless the applicant alleges use in commerce. (Underscoring supplied.)

It alleges from the records of this case that the basis of the registration of opposer’s mark was Section 37, Paragraph 2 of R.A. No. 166 as underscored above considering that opposer’s effective business establishment is in Italy and opposer has secured a registration from said jurisdiction (Exhibits “E-3” to “E-5” and “E-54”). The basis, thus, of registration opposer’s mark in the Philippines is its registration thereof in Italy per se pursuant to said

provision of law, not use in commerce in the Philippines. In other words, opposer's mark was registered on the strength of its registration in Italy, not on actual use in commerce in the Philippines. Thus, use in commerce in the Philippines, albeit two (2) months prior to opposer's filing of the application for registration, was not a prerequisite for said registration.

Thus, it cannot be said that opposer abandoned the use in commerce of its mark because there having been no use of said mark by opposer at any time, there is no abandonment to speak of in the sense of said mark having been actually used in commerce and thereafter such use having been ceased.

Nonetheless, all the while that opposer failed to timely file an ANU and thereafter, records show that opposer continued to be the owner of the subject mark: Opposer's registration in Italy by virtue of which opposer's Philippine registration was granted subsists and such registration is *prima facie* an evidence of ownership. Opposer's applications for registration of the subject mark in other different jurisdictions filed invariably from 1980s to the 1990s were granted and renewals thereof were likewise granted even after December 13, 2004 (Exhibits "E-3" and "E-34"). Applications for the subject mark in certain jurisdictions remain pending also even after December 13, 2004 (Exhibits "E-20", "e-22", "E-25", and "E-28 – 29"). These are a recognition that opposer is presumed *prima facie* the owner of the subject mark, which presumption has not been overturned. Also, opposer successfully prosecuted in Netherlands as owner an opposition case for said mark until January 07, 2004 (Exhibit "F").

From the foregoing discussion, then, opposer is the owner of the mark "REPORTER" and has a better right thereto.

WHEREFORE, the VERIFIED NOTICE OF OPPOSITION is, as it is, hereby SUSTAINED. Consequently, Application Serial No. 4-2007-000673 for registration of the mark "REPORTER and DESIGN" for goods under Class 25 namely, "dresses, suspender, swimming trunk, caps, socks, blouses, panties, belt, t-shirts, polo, polo shirt, jeans, pants, jackets, skirts, slacks, sweat shirt, jogging pants, jogging suit, boots, shoes, slippers, sandals, stockings, bra, suit, brief, short pants, step-in, swimming suit, pedal, coat, tie, barong" is, as it is hereby, REJECTED.

Let the filewrapper of "REPORTER and DESIGN" be forwarded to the Bureau of Trademarks (BOT) for appropriate action in accordance with this decision.

SO ORDERED.

Makati City, September 28, 2009.

ESTRELLITA BELTRAN-ABELARDO  
Director, Bureau of Legal Affairs