

GIBSON GREETINGS, INC.,	}	Inter Partes Case No. 4150
Opposer,	}	Opposition to:
	}	Application Serial. No. 88309
	}	
-versus-	}	Filed: September 23, 1993
	}	Trademark: "GIBSON"
WILFREDO C. SY,	}	Goods: Plastic Ribbon (Class 26)
Respondent-Applicant.	}	
	}	Decision 2004 – 18
x-----x		

D E C I S I O N

This pertains to an opposition filed by GIBSON GREETINGS, INC. a corporation organized and existing under the laws of Delaware, USA, with business address at 2100 Section Road, Cincinnati, Ohio 45237, USA, to the above-captioned trademark application filed by WILFREDO C. SY, Filipino, of legal age, and with address at 1176 EDSA, La Campana Compound, Balintawak, Quezon City.

The Verified Notice of Opposition was filed on 31 March 1995, based on the following grounds:

"1. The registration of the captioned trademark is contrary to the provisions of Section 4(d), Chapter II of Republic Act No. 166, as amended, which prohibits the registration of:

" --- a mark or tradename which so resembles a mark or tradename registered in the Philippines or a mark or tradename previously use in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers."

"2. Opposer is the owner of the trademark GIBSON duly covered by Application Serial No. 80895 filed with the Bureau of Patents, Trademarks and Technology Transfer on 26 May 1992 for among others, paper, cardboard and goods made from these materials, not included in other classes, plastic materials for packaging, plastic sheets, etc.

"3. The registration of the trademark GIBSON in favor of Respondent-Applicant is contrary to the provisions of Section 37, Chapter 11 of Republic Act No. 166, as amended, which grants person who are nationals of a foreign country, which is a party to any international convention or treaty relating to marks or the repression of unfair completion (sic) to which the Philippines is a party, the benefits of the treaty or convention.

"4. Both the Philippines and the United States where the Opposer is domiciled are number of the Paris Convention for the Protection of Industrial Property. The Paris Convention provides that:

Article 6bis

(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation or a

translation, considered by a competent authority of the country of registration or use to be well known in that country as being the mark of a person entitled to the benefits of this Convention and used for identical or similar goods xxx.

Article 10bis

(1) The countries of the Union are bound to assure nationals of such countries effective protection against unfair competition.

“5. Opposer’s GIBSON trademark is well-known or world-famous mark and the registration of respondent-applicant’s GIBSON mark will constitute a violation of Article 6bis of the Paris Convention in conjunction with the memorandum of the then Minister of Trade dated November 28, 1980 and October 25, 1983.

“6. The registration of the captioned mark will inevitably cause confusion or mistake or will deceive purchasers in view of the fact that it is identical to the Opposer’s GIBSON trademark.

“7. GIBSON is the dominant part of the corporate name of Opposer and entitled to protection under Section 37 of Republic Act No. 166, as amended and Article 8 of the Paris Convention without the obligation of filing an application or registration whether or not they form parts of mark.”

To support the instant Opposition, Opposer relied on the following alleged facts and circumstances:

“a. Long before the alleged date of first use of the mark GIBSON by Respondent-Applicant on February 3, 1980, herein Opposer has adopted, used and registered the trademark and name GIBSON in the United States as early as January 1, 1847. The Gibson mark was thereafter used/registered in several countries of the world including the Philippines.

“b. The Gibson trademark of Opposer was thereafter used, registered or has been applied for registration in several countries of the world including the Philippines.

“c. The trademark GIBSON has been used in the Philippines since April 1970 up to the present through Opposer’s licensee, Henry (sic) U. Limitong Corporation with business address at 2360 Jose Abad Santos Drive, Baclaran, Parañaque, Metro Manila 3120 Philippines.

“d. Through expanded sale, strict production standards, quality control, advertisements, registrations and/or applications in several countries, Opposer’s GIBSON trademark or corporate name has gained international fame and has been commercially accepted by consumers not only in the United States but also in numerous other parts of the world including the Philippines.

“e. By virtue of use by Opposer of its aforesaid mark in international commerce and the sale of its products depicting its mark GIBSON on an international scale, Opposer’s products identified by its mark have acquired immense popularity and goodwill and placed the said mark in the rank of internationally famous marks.

“f. The registration of Respondent-Applicant’s trademark GIBSON which is obviously a colorable imitation of Opposer’s well-known GIBSON mark

will be violative of the memoranda of the Minister of Trade dated November 20, 1980 and October 25, 1983, which prohibits the registration of world famous marks by applicants other than their true owners.

“g. Moreover, the goodwill and business reputation established and acquired by Opposer through the years of continuous exclusive use of the mark GIBSON is likely to be seriously jeopardized and impaired. Consequently, Opposer will continuously suffer damages due to the dilution of the value of its mark and loss of prestige.

“h. Further, Respondent-Applicant’s adoption and use of the trademark GIBSON for plastic ribbon is not a mere coincidence but is a result of a deliberate and well calculated scheme to take advantage of the popularity and goodwill of Opposer’s trademark and/or name GIBSON. In fact, Respondent-Applicant alleges that he first used the trademark on February 3, 1980 or long after Opposer used the trademark in the Philippines in April 1970.

“i. Finally, the trademark GIBSON of Respondent-Applicant is visually and phonetically similar to the GIBSON trademark of the Opposer such that it will likely influence purchasers to believe that the goods of the Respondent-Applicant emanates from or are those of Opposer or licensed by Opposer thereby defrauding and damaging the public in general and the Opposer thereby defrauding and damaging the public in general and the Opposer in particular.”

In its Answer filed on April 1995, Respondent-Applicant specifically denied the allegations in the Opposition and claiming the following affirmative defenses:

“9. x x x Respondent adopted and used the mark GIBSON in good faith as early as February 3, 1980, and obtained the required Certificates of Registration for the same from the Bureau of Patents, Trademarks and Technology Transfer on May 2, 1982 for the Supplemental Register, and on September 24, 1986 for the Principal Register; that the application for the GIBSON mark was published in the Official Gazette for opposition purposes, but Opposer failed to oppose the same.

x x x

“11. The subject application of Respondent-Applicant is a re-registration of its previous registration, Reg. No. 35962 issued on September 24, 1986 and has been approved by the Examiner of this Honorable Bureau with the concurrence of the Director of Patents after having been found to have complied with the requirements of the Trademark Law, Republic Act No. 166, as amended.

11.1 If Opposer’s claim that Respondent-Applicant’s mark GIBSON for use on plastic ribbon is confusingly similar with Opposer’s GIBSON mark is correct, the previous application and the present application of Respondent would have been refused outright but it was not so, in fact, the previous application has matured into a registration.

“12. Opposer is guilty of laches assuming but not necessarily admitting that it would be damaged by Respondent-Applicant’s application for the trademark GIBSON.

Respondent-Applicant has openly used the mark GIBSON plastic ribbon since the early eighties, and the mark coexisted in the market with the GIBSON mark of Opposer without any incident of confusion among the public.

Opposer never opposed respondent's previous application Ser. No. 46165 despite all the opportunities given to it.

It was only now when the GIBSON mark on plastic ribbon has been popularized by Respondent-Applicant that it is claiming its right."

The pre-trial proceedings failed to result in an amicable settlement. Subsequently, trial on the merits was concluded and the parties were directed to present their respective evidence.

Admitted as evidence for the Opposer are Exhibits "A" to "JJJ-2" inclusive of sub-markings consisting of the following: Authenticated Affidavit of Mr. Harold L. Caldwell, Secretary of the Opposer corporation; Certificates of Amendment to the restated Certificate of Incorporation of the Opposer, dated 03 May 1988, 21 April 1987 and 29 April 1986; Schedule of export countries where Opposer's products are sold, list of registrations and/or applications for the registration of the trademark GIBSON in the name of the Opposer in different countries covering the period 1992; excerpts from the financial records of the Opposer showing its advertising expenditures from 1985 to 1995; Affidavit of Mr. Harry U. Limtong dated 07 July 1995; Charge Invoices Nos. 37999, 37901 and 37900 issued by Harry U. Limtong Corporation dated 14 May 1993, 04 May 1993 and 05 May 1993 respectively; Gibson Greetings Cards, Series of 1989, printed in the Philippines; and Gibson Greetings Cards for the Christmas and New Year Seasons.

Admitted as evidence for the Respondent-Applicant are Exhibits "1" to "24" and "35" to "37" inclusive of sub-markings consisting of the following: Affidavit Direct-Testimony of Alfredo Sy; Certificate of Registration No. 35962 dated 24 September 1986 for the trademark GIBSON covering plastic ribbon (Class 26) in the name of the Respondent-Applicant; Box of GIBSON ribbons with the GIBSON label on one side; Spools of actual ribbons of various colors and sizes with GIBSON labels; Promotional wall calendar with the words "GIBSON reversible ribbons" ; Samples of promotional T-shirts (green and yellow), bearing the trademark GIBSON; pertinent page of the souvenir program of the Rotary Club of Hilagang Marikina where the advertisement of GIBSON is featured; list of distributors and dealers selling Respondent's GIBSON ribbons; Copy of Certificate of Registration No. 5902 (Supplemental Register) dated 20 May 1982 for the mark GIBSON for plastic ribbon (Class 26); Certificates of Registration of Business Name of Dasco Manufacturing Enterprises dated 01 September 1986, 01 September 1991, 18 April 1996 and 25 April 2001; Box of GIBSON bow pins; Copy of representative sales invoices dated 02 June 1999 and 24 June 1999; Copy of the Declaration of Actual Use dated 03 December 2001 filed by Wilfredo Sy; Affidavit of Dickson Velez; and Certificate of Registration of Business Name of DCY Enterprises.

The issues to be resolved in this particular case are: (a) whether or not there exists a confusing similarity between the Opposer's trademark GIBSON and Respondent-Applicant's trademark GIBSON; and (b) who between the Opposer and the Respondent-Applicant is the prior user entitled to protection under the Trademark Law.

The applicable provisions of the Trademark Law, Section 4(d) provides:

"Sec.4. Registration of trademarks, trade-names and service-marks on the principle register – xxx The owner of a trademark, trade-name, service-mark used to distinguish his goods, business or services from the goods, business or services of others shall have a right to register the same on the Principal Register, unless it:

"(d) Consists of or comprises a mark or trade-name which so resembles a mark or trade-name registered in the Philippines or a mark or trade-name previously used in the Philippines by

another and not abandoned, as to likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers.”

In cases of this nature, there can be no better evidence as to whether there is a confusing similarity in the contesting trademarks than the labels themselves, in relation to the goods to which they are attached. In this case of *Mead Johnson & Co. vs. N.V.J. Van Dorp, Ltd.* (7 SCRA 768), THE Supreme Court held:

“In determining whether two (2) trademarks are confusingly similar, the two marks in their entirety as they appear in the respective labels must be considered in relation to the goods to which they are attached; the discerning eye of the observer must focus not only on the predominant words but also on the other features appearing on both labels.”

In the case *Emerald Garment Manufacturing Corporation vs. Court of Appeals* (251 SCRA 600), The Supreme Court expounded thus:

In determining whether the trademarks are confusingly similar, a comparison of the words is not the only determinative factor. The trademarks in their entirety as they appear in their respective labels or hang tags must also be considered in relation to the goods to which they are attached. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels in order that he may draw his conclusion whether one is confusingly similar to the other (*Fruit of the Loom vs. Court of Appeals*, 133 SCRA 405, citing *Bristol Myers Co. vs. Director of Patents*, 17 SCRA 131).”

Considering the trademarks involved as a whole, it appears that both Opposer and Respondent-Applicant use the same word-mark GIBSON. However, Opposer’s GIBSON trademark has a representation of a Fleur de Lis on top of the letter “O” while Respondent-Applicant’s trademark has a representation of a flower in lieu of the dot in the small letter “i”.

The goods on which Opposer and Respondent-Applicant use their respective GIBSON trademarks are also entirely different. Opposer’s Certificate of Registration No. 60371 for the trademark GIBSON covers the following goods: “Paper, cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; stationery; adhesives for stationery and household purposes; artists’ materials; paint brushes’ typewriters and office requisites (Except furniture);; instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers’ type; printing blocks; paper knives; duplicators; plastic sheets, sacks and bags for wrapping and packaging, all in Class 16. On the other hand, Respondent-Applicant’s Certificate of Registration No. 35962 and Certificate of Registration No. 5902 (Supplemental Register) cover plastic ribbon under Class 26. Respondent-Applicant’s Application Serial No. 88309 also covers plastic ribbon under Class 26. While Opposer claims that plastic ribbons fall under “plastic materials for packaging”, Opposer’s goods are limited to plastic ribbons can be considered as packaging materials, they belong to an entirely different class, Class 26.

In the case of *Phil. Refining Co., vs. Ng Sam* (115 SCRA 471), the Supreme Court stated:

“The right to a trademark is a limited one, in the sense that others may use the same mark on unrelated goods. The mere fact that one person has adopted and used a trademark on

his goods does not prevent the adoption and use of the same trademark by others on articles of a different description.”

In the case of *Faberge, Inc. vs. IAC (215 SCRA 316)*, the Supreme Court reiterated:

“One who has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others for products which are of a different description. xxx The certificate of registration issued by the Director of Patents can confer upon the Petitioner the exclusive right to use its own symbol only on those goods specified in the certificate, subject to any condition and limitation stated therein.”

In the case of *Canon Kabushiki Kaisha vs. CA, (G.R.No. 120900, 20 July 2000)*, the Supreme Court again ruled that the certificate of registration confers upon the trademark owner the exclusive right to use its own symbol only to those goods specified in the certificate.

The only issue that remains to be resolved is: who between the two parties is the prior user of the trademark and therefore entitled to protection?

As per evidence presented, Respondent-Applicant has been using the trademark GIBSON for plastic ribbons in the Philippines since 1980. On 20 May 1982, Respondent-Applicant obtained Certificate of Registration No. 5902 (Supplemental Register) for the said trademark for plastic ribbons under Class 26. On 24 September 1996, Respondent-Applicant also obtained Certificate of Registration No. 35962 (Principal Register) for the trademark GIBSON, likewise, for plastic ribbons under Class 26. On the other hand, Opposer applied for registration of the trademark GIBSON only on 26 May 1992, ten (10) years after Respondent-Applicant obtained registration for its GIBSON trademark. It was only on 05 April 1995 that Opposer has obtained Certificate of Registration No. 60371 for goods under Class 16. And while Opposer, through the affidavit-Testimony of Mr. Harry Limtong, claims first use of the trademark GIBSON in the Philippines as early as 1976 by virtue of a licensing agreement between the Opposer and Phoenix Press, Inc., the subject License Agreement dated only as far back as 01 October 1983. And as between the Opposer and Harry U. Limtong Corporation, the License Agreement dates only as far back as 19 December 1995.

As proof of prior use, Opposer also submitted as evidence its U.S. Patent Office Registration No. 783, 866 dated 26 January 1965 for the trademark GIBSON covering goods under Classes 7, 37, 38 and 50. Prior use and registration in the United States, however, is not prior use in the Philippines, which entitles Opposer to protection. In *Sterling Products International, Inc. vs. Farbenfabriken Bayer Aktiengesellschaft (27 SCRA 1214)*, the Supreme Court ruled:

“The United States is not the Philippines. Registration in the United States is not registration in the Philippines. What is secured from the unfair competition in a given territory is the trade which one has in that particular territory. There is where the goodwill symbolized by the trademark has immediate value; where the infringer may profit from infringement.”

Form the foregoing, it is clear that between the Opposer and the Respondent-Applicant, the latter is the first user of the trademark GIBSON in the Philippines. And the rights of the Respondent-Applicant to the trademark GIBSON, as prior user thereof, is not lost by mere failure to file affidavit of use, especially since Respondent-Applicant continues to use said trademark for its goods. In fact, Respondent-Applicant has applied for the re-registration of the trademark GIBSON on 23 September 1993, which application is now the subject of this Opposition proceedings.

To bolster the instant Opposition, Opposer also claims that the trademark GIBSON is a well-known mark, which Opposer has registered and/or applied for registration in various countries around the world. It is noted, however, that the various registrations were applied for and/or secured only in 1992 and succeeding years, long after Respondent-Applicant has used the trademark GIBSON in the Philippines in 1980 and long after Respondent-Applicant secured the original registrations therefore in 1982 (Supplemental Register) and 1986 (Principal Register). Thus, it cannot be said that Respondent-Applicant was cashing in on the popularity and reputation of Opposer's trademark GIBSON when he adopted and used the trademark GIBSON for his goods. It was only ten years after Respondent-Applicant adopted, used and registered the trademark GIBSON in the Philippines when Opposer applied for the registration of its mark GIBSON in the Philippines and in various other countries in the world.

If Opposer believed that he would be damaged by the registrations of the trademark GIBSON in the name of the Respondent-Applicant, Opposer should have opposed the application or petitioned for the cancellation of the said registration. As it is, Opposer never opposed nor sought the cancellation of Certificate of Registration No. 35962 dated 24 September 1986 and Certificate of Registration No. 5902 (Supplemental Register) dated 20 May 1982. In the case of *Pag-asa Industrial Corp. vs. CA (118 SCRA 526)*, the Supreme Court stated:

“Failure of a prior registrant to seek cancellation of a trademark patent issued to another identical to the former's patent puts said prior registrant in laches. It appears that it was only after more than seven years when respondent sought the cancellation of the trademark.”

Application Serial No. 88309 is a mere application for re-registration of the trademark GIBSON in the name of Respondent-Applicant, for goods under Class 16. As Opposer never opposed or sought the cancellation of Respondent-Applicant's original registrations obtained more than ten years prior to the instant Opposition, Opposer is now in laches, for failure to assert its alleged right for an unreasonable length of time.

Opposer also claims protection under Article 8bis of the Paris Convention. Protection under Article 8bis of the Paris Convention, however, is not automatic. The Supreme Court, in the case of *Kabushiki Kaisha Isetan vs. IAC (G.R. No. 75420, 15 November 1991)*, ruled:

“The Paris Convention for the Protection of Industrial Property does not automatically exclude all countries of the world that have signed it from using a trade name which happens to be used in one country. As stated by the Director of Patents: Indeed, the Philippines is a signatory to this Treaty, and hence, we must honor our obligation thereunder on matters concerning internationally known or well known. However, this Treaty provision clearly indicated the conditioned which must exist before any trademark owner can claim and be afforded rights such as the Petitioner herein seeks and those conditions are that: a) the mark must be internationally known or well-known; b) the subject of the right must be a trademark, not a patent or copyright or anything else; c) the mark must be for use in the same or similar kind of goods; and the person claiming must be the owner of the mark.”

In the case of *Canon Kabushiki Kaisha vs. CA, (G.R. No. 120900, 20 July 2000)*, the Supreme Court reiterated the foregoing ruling by quoting the Bureau of Patents Trademarks and Technology Transfer, thus:

“We agree with public respondents that the controlling doctrine with respect to the applicability of Article 8 of the Paris

Convention is that established in *Kabushiki Kaisha Isetan vs. Intermediate Appellate Court*. As pointed out by the BPTTT:

“Regarding the applicability of Article 8 of the Paris Convention, this Office believes that there is no automatic protection afforded an entity whose tradename is alleged to have been infringed through the use of that name as a trademark by a local entity.

In *Kabushiki Kaisha Isetan vs. Intermediate Appellate Court, et.al.*, G.R. No. 75420, 15 November 1991, the Honorable Supreme Court held that:

“The Paris Convention for the Protection of Industrial Property does not automatically exclude all countries of the world which have signed it from using a tradename which happens to be used in one country. To illustrate --- if a taxicab or a bus company in a town in the United Kingdom or India happens to use the tradename Rapid, it does not necessarily follow that ‘Rapid’ can no longer be registered in Uganda, Fiji or the Philippines.”

This Office is not unmindful that in the Treaty of Paris for the Protection of Intellectual Property regarding well-known marks and possible application thereof in this case. Petitioner, as this office sees it, is trying to seek refuge under its protective mantle, claiming that the subject mark is well known in this country at the time the then application of NSR Rubber was filed.

However, the then Minister of Trade and Industry, the Hon. Roberto V. Ongpin, issued a memorandum dated 25 October 1983 to the Director of Patents, a set guidelines in the implementation of Article 6bis (sic) of the Treaty of Paris. These conditions are:

- a) the mark must be internationally known;
- b) the subject of the right must be a trademark, not a patent or copyright or anything else;
- c) the mark must be for use in the same or similar kinds of goods; and
- d) the person claiming must be the owner of the mark (The Parties Convention Commentary on the Paris Convention. Article by Dr. Bogsch, Director General of the World Intellectual Property Organization, Geneva, Switzerland, 1985).

From the set of facts found in the records, it is ruled that the Petitioner failed to comply with the third requirement of the said Memorandum that is the mark must be for use in the same or similar kinds of goods. The Petitioner is using the mark ‘CANON’ for products belonging to Class 2 (paints, chemical products) while the Respondent is using the same mark for sandals (Class 25). Hence, Petitioner’s contention that its mark is well-known at

the time the Respondent filed its application for the same mark should fail.”

Respondent-Applicant registered its GIBSON trademark as early as 1982 in the Supplemental Register and 1986 in the Principal Register. It has continuously used said trademark for plastic ribbon under Class 26. It has established a reputation. Purchasers of GIBSON ribbons buy these goods because of Respondent-Applicant's efforts. There is no showing that Opposer's use of the mark for its own goods, nor its registrations in the United States and other countries of the world has any influence whatsoever on the Filipino buying public.

IN VIEW OF THE FOREGOING, the Notice of Opposition is, as it is hereby DENIED. Application Serial No. 88309 for registration of the trademark GISBON for plastic ribbons under Class 26, in the name of Respondent-Applicant is hereby GIVEN DUE COURSE.

Let the file wrapper of GIBSON subject matter of this case be forwarded to the Administrative, Financial Human Resource Development Service Bureau for appropriate action in accordance with this Decision and a copy hereof be furnished to the Bureau of Trademarks for information and update of its record.

SO ORDERED.

Makati City, November 11, 2004.

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