GOODYEAR PHILIPPINES INC.,

Petitioner,

Inter Partes Case No. : 3232

Petition for Cancellation of: Regn. No. : 38844

Date Issued : April 29, 1988 Used on : Tires for Vehicles Trademark : Thread Design on

New 500 Tire

Inter Partes Case No. : 3233

Petition for Cancellation of: Regn. No. : 38767

Date Issued : April 29, 1988
Used on : Tires for Vehicles
Trademark : Thread Design on
Sport 200 Tire

Inter Partes Case No. : 3234

Petition for Cancellation of: Regn. No. : 38756

Date Issued : April 29, 1988
Used on : Tires for Vehicles
Trademark : Thread Design on

Town & Country

Inter Partes Case No. : 3235

Petition for Cancellation of: Regn. No. : 38842

Date Issued : April 29, 1988
Used on : Tires for Vehicles
Trademark : Thread Design on
Transport 500

Inter Partes Case No. : 3236

Petition for Cancellation: Regn. No. : 38802

Date Issued : April 29, 1988
Used on : Tires for Vehicles
Trademark : Thread Design on

Super Rock Grip

Inter Partes Case No. : 3237

Petition for Cancellation of: Regn. No. : 38843

Date Issued : April 29, 1988 Used on : Tires for Vehicles Trademark : Thread Design on

Transport 400

Inter Partes Case No. : 3238

Petition for Cancellation of: Regn. No. : 38809

Date Issues : April 29, 1988 Used on : Tires for Vehicles Trademark : Thread Design on

All Traction Field And Road Tire

-versus-

Inter Partes Case No. : 3239

Petition for Cancellation of: Regn. No. : 38755

Date Issued : April 29, 1988 Used on : Tires for Vehicles Trademark : Thread Design on

Firebrand Tire

Inter Partes Case No. : 3244

Petition for Cancellation of: Regn. No. : 38865

Date Issued : April 29, 1988 Used on : Tires & Tubes for

Vehicles

Thread Design on

Cavallino HS-1 Tire

FIRESTONE TIRE & RUBBER

CO.,

Respondent-Registrant,

DECISION NO. 2001-15

Trademark

DECISION

These pertain to the consolidated Petitions for Cancellation of the trademark registrations filed by the herein Petitioner, Goodyear Philippines, Inc., a corporation duly organized under the laws of the Philippines with office address at Bo. Almanza Las Piñas, Metro Manila.

The Certificates of Registration subject of these consolidated Petitions for Cancellation are the following:

- 1. Reg. No. 38756 = issued on April 29, 1988.
- 2. Reg. No. 38802 = issued on April 29, 1988.
- 3. Reg. No. 38843 = issued on April 29, 1988.
- 4. Reg. No. 38842 = issued on April 29, 1988.
- 5. Reg. NO. 38844 = issued on April 29, 1988.
- 6. Reg. NO. 38767 = issued on April 29, 1988.
- 7. Reg. NO. 38809 = issued on April 29, 1988.
- 8. Reg. No. 38755 = issued on April 29, 1988.
- 9. Reg. No. 38865 = issued on April 29, 1988.

The Respondent-Registrant in these consolidated cases is FIRESTONE TIRE and RUBBER CO., a foreign corporation organized under the laws of the State of OHIO, U .S.A. with address at 1200 Firestone Parkway, Akron, OHIO 44317, U.S.A.

On September 7, 1988 Petitioner filed separate Petitions for Cancellation based on the following common grounds:

"1. The petitioner, Goodyear Philippines, Inc., is the manufacturer of several types of tires and tubes of all kinds of vehicles, being marketed in the Philippines.

"2. The mark registered by the herein respondent-registrant under Certificate of Registration No. 38844(38767, 38756, 38842, 38843, 38809, 38755, 38865) which is but a pictorial representation of a portion of a tire and patently descriptive of the goods covered and, therefore its registration as a mark proscribed by the Trademark Act.

Moreover, the registered marks being a mere pictorial representation of a tire is likely to cause confusion among the consuming public as it does not distinguish the respondent-registrant's goods from the goods of other tire manufacturers and dealers.

- "3. The registration of respondent-registrant's trademark clearly causes damage to petitioner since it will exclude petitioner and all other manufacturers and dealers of tires from using a pictorial representation of their goods (tires) in the promotion of their business.
- "4. In the course of the proceedings, petitioner will prove facts in support of the preceding allegations, with the reservation to present evidence to prove other facts as may be necessary, depending upon the evidence that may be introduced by respondent-registrant.

On January 18, 1989, Respondent-Registrant filed separate Answers to the Petitions for Cancellation denying all the material allegations in the Petitions and invoked the following as it is special and affirmative defenses:

"3. Continuously, since on or about December 30, 1975, Thread Design on New 500 Tire (Thread Design on Sport 200 Tire, Thread Design on Town & Country, Thread Design.

The issues having been joined, the cases were scheduled for Pre-Trial Conference. The same has been terminated on September 8, 1989 and the initial trial on the merits scheduled on October 6, 1989. Several postponements took place until on July 2, 1990, the Petitioner filed the amended consolidated petitions for cancellation which was granted by this Office by virtue of Resolution No. 92-04 dated February 14, 1992. Said amended Petitions for Cancellation invoked the following grounds to wit:

- "1. The Petitioner is the manufacturer of several types of tires and tubes for all kinds of vehicles being marketed in the Philippines.
- "2. It is presently marketing several tires with tread designs which may be confusingly similar with and/or identical to the respondent-registrant's registered tread designs.
- "3. Respondent's tread design are proper subjects of a design patent and not of trademarks, they being more industrial designs than devices.
- "4. Respondent's tread designs have not acquired a secondary meaning, they being not well known or distinctive enough to associate them with respondent, as to allow them the status of trademarks.
- "5. If respondent's tread designs continue to be registered as trademarks, the possibility of confusing similarity, which is the standard of infringement, to Petitioner's own thread designs being used in its fires is not at all remote. Such possibility makes it very difficult for the Petitioner since it has to conduct trademark searches every time it comes out with a new product.

- "6. Further, respondent's registered trademarks are but mere pictorial representations of tires and therefore, descriptive and proscribe by Sec. 4 (e) of R.A. 166. The continued registration of respondent's trademarks clearly causes damages to petitioner since it will exclude petitioner and all other manufacturers and dealers of tires from using a pictorial representation of their tires in the promotion of their business."
- "7. In the course of the proceedings, petitioner will prove facts in support of the of the preceding allegations, with the reservation to present evidence to prove other facts as may be necessary depending upon the evidence that may be introduce by the respondent-registrant."

Acting on the manifestation of Respondent filed on 9 July 1992, Order No. 92-533 was issued making it on record adopting the Answers filed by the Respondent to the original petition for cancellation.

Having failed to reach a settlement, the parties went into trial and presented their respective documentary and testimonial evidences.

The issues to be resolved are as follows:

- 1. Whether or not Firestone Thread Designs are proper subject of trademark.
- 2. Whether or not the trademark of Firestone are merely descriptive of the goods.
- 3. Whether or not Petitioner is damaged by the trademark registrations of Firestone.

With respect to the special and affirmative defense of the Respondent-Registrant alleging therein that the above identified Petition for Cancellation was filed purely for purposes of harassment and in addition thereto Petitioner is guilty of laches for failing to promptly obtain a judicial determination of its alleged rights, the same should be ruled in the negative pursuant to Section 17 of R.A. No. 166 which provides:

GROUNDS FOR CANCELLATION - Any person, who believes that he is or will be damaged by the registration of a mark or tradename, may, upon payment of the prescribed fee, apply to cancel said registration and the Petition for Cancellation may be filed at any time during the lifetime of the certificate of registration (Rule 191 of the Revised Rules of Practice in Trademark Cases.)

As to the issue of whether or not Firestone's Thread Designs are proper subject of a trademark.

Section 38 of R.A. No. 166 as amended, defines the term "TRADE-MARK" <u>as "any word, name, symbol, emblem, sign or device or any combination thereof adopted and used by manufacturer or merchant, to identify his goods and distinguish them from those manufactured, sold or dealt in by others."</u>

In the case of ARCE & SONS vs. SELECTA BISCUITS CO, 1 SCRA 253, the Supreme Court ruled that:

"A trademark is generally described as a <u>sign</u>, <u>device</u>, or mark by which the articles produced or dealt in by a particular person or organization are <u>distinguishable from those produced or dealt in by others</u> x x x"

In the instant cases, the subject are the designs of the thread engraved or embossed in the tires of Respondent-Registrant and not the pictorial representation of the tire itself. There were several and different kinds/types of the DESIGNS/DEVICES as shown in the Certificates of

Registration issued bearing 38755, 38756, 38767, 38802, 38809, 38842, 38843 and 38844. (Exhibits "2", "3", "4", 85", "6", "7", & "8".).

The objects of a trademark are "to point out distinctly the origin or ownership of the articles to which it is affixed, to secure to him who has been instrumental in bringing into the market a superior article or merchandise the fruits of his industry and skill, and to prevent fraud and imposition." (52 Am. Jur. p. 50), citing cases "(Etepha vs. Director of Patents, et. al. 16 SCRA 495) necessarily therefore, a trademark can only be used in connection with the sale of the identical articles that has been sold under that trademark or tradename to the extent necessary to establish them as such (Note I.L.R.A. [N.S.] 704; A.I.M. Percolating Corp. vs. Ferrodine Chemical Corp. et. al, 124 S.E. 446).

As indicated in the Certificates of Registration subject of the instant petitions for cancellation and as testified to by Respondent's witness, the "THREAD DESIGNS" of the herein Respondent-Registrant has been in actual use in the early sixties or in 1965 and in the U .S.A. in the year 1900 (paragraph 6 of the affidavit of D.A. THOMAS Exhibit "10".

A tire is composed of many elements such as the materials used into its manufactures, its many sides and views and the THREAD DESIGN contained therein may refer to only one of its styles.

The Petitioner's witness, MR. APOLLO REGALA admitted that no two (2) thread designs are alike, as is evident in his answer while undergoing cross-examination, to wit:

- "Q." Of course the company Goodyear or any company for that matter SIME DARBY or even FIRESTONE TIRE make their design as beautiful as possible and as unique as possible and as distinctive as possible?
- "A." Yes.
- "O." So you can easily say MR. WITNESS that each tire has its own distinctive thread design, is it not?
- "A." Yes.
- "Q ." That no two (2) tires have the same thread design?
- "A." Yes.
- "Q". That each tire will carry its own particular thread design?
- "A." Yes. (T.S.N., October 5, 1989 pp. 26-27)

Considering that the subject Thread Designs engraved or embossed in the tire itself have been in actual use as early as 1965 by herein Respondent-Registrant and is capable of pointing distinctively to the origin or ownership of Respondent of the articles, i.e., tires as against other tires manufactured, sold and dealt in by others, it is therefore, a trademark.

As to the issue of whether subject designs are proper subjects of an industrial design patent and not of trademark, the term design is defined under Sec. 55 of Republic Act 165 as amended, to wit:

- "(a) any new, original and ornamental design for an article of manufacture"
- "(b) xxx"

Likewise, as shown in Webster's New International Dictionary p. 611; 6a & 7a the meaning of the term "DESIGN" is:

- "a. A visual arrangement or disposition of lines, parts, figures.
- "b. The arrangement of elements that make up a work of art, a machine or other manmade object."

Moreover, under Sec. 112 of the new Intellectual Property Code, R .A. 8293 industrial design is defined as follows:

"Sec. 112 Definition of Industrial Design – An industrial design is any composition of lines or colors or any three-dimensional form, whether or not associated with lines or colors; Provided, That such composition or form gives a special appearance to and can serve as pattern for an industrial product or handicraft. (Sec. 55, R.A. 165a)"

On the basis of the above definitions of industrial design and the meaning and purpose of a trademark as hereinbefore discussed, Respondent-Registrant's THREAD DESIGN may be registered both as a trademark and as an industrial design patent as indeed there are instances where designs are registered both as trademark and as industrial design patent or even as utility model, as can be seen from the records of this Office, to wit:

- 1. SEATCOVER DESIGN CONSISTING OF A RECTANGULARLY SHAPED BUILDING MEMBERS SPACELY DISPOSED ON THE FRONT WALL.
 - a) TRADEMARK Reg. No. 059511 Nice Class 20
 - b) Title: CAR BACK REST COVER Patent No. UM- 6018
- 2. a) TRADEMARK, Reg. No. 059510
 TITLE: Seat cover Design consisting of a plurality corrugations disposed on the MID-PORTION.
 - b) PATENT:

TITLE: CAR BACK REST SEAT COVER Patent No. D-6018

Anent the issue that the trademark THREAD DESIGNS of FIRESTONE are merely descriptive of the goods, this Office rules in the negative.

The word "DESCRIPTIVE" as defined in the Webster's Third New International Dictionary means:

- "1. Serving to describe.
- "2. Referring to, constituting, or concerned with empirical things or events or with their parts, characteristics, or functions.
- "3. "Modifying word."
 - A. expressing the QUALITY, KIND, or CONDITION of what is denoted by the modified term."

Under the Trademark Law, a mark is <u>merely descriptive</u> if it immediately describes the <u>quality, ingredient, characteristic, purpose, function, use, size, class of user, or desirable characteristics of the goods or services identified by the mark.</u>

A careful perusal of the Designs covered by the different Certificates of Registration reveal that they do not describe the <u>QUALITY</u>, <u>KIND or QUANTITY</u> of the materials used in the manufacture of the products which are <u>TIRES</u> where the designs are being used nor do they describe the characteristics of the goods to which they are affixed. Rather, it distinguishes the tire from the other tires being manufactured, sold or dealt in by other manufacturers which is the primary function of a trademark.

Ordinary or common words which anyone may employ to promote his business may sometimes be adopted or coined by another in connection with his business as an emblem, sign, mark or device to distinguish his products or a badge of authenticity that in time they begin to acquire a secondary meaning exclusively associated with the latter's products or business. Words that have acquired a secondary meaning are subject to the exclusive appropriation of the owner of-the product associated with them as a hedge against confusion in trade and damages that may caused thereby. This is the well-known "doctrine of secondary meaning" which, as described in ANG vs. TEODORO (74 Phil. 50) is to the effect that a word or phrase originally incapable of exclusive appropriation with reference to an article on the market because geographically, or otherwise descriptive might nevertheless have been used so long and so exclusively by one producer with reference to his article that, in that trade and to that branch of the purchasing public, the word or phrase has come to mean that the article was his product."

In the case at bar, it is observed that Respondent-Registrant has been using its <u>THREAD DESIGN</u> since 1965 and in the United States in 1900, therefore, even assuming that the designs are not capable of exclusive appropriation as a trademark for allegedly being descriptive, the application of the doctrine of secondary meaning could nevertheless be fully sustained considering the long period of time that herein Respondent-Registrant has been using the mark on its products, TIRES. It is very evident that the THREAD DESIGNS registered under the name of Respondent-Registrant have been used continuously for more than five (5) years from the time the applications were filed up to the time they were registered and even up to the present and therefore, as previously discussed, the designs have already acquired "secondary meaning".

After a careful study and evaluation of the record and the evidences presented in these cases, this Office is fully convinced that Respondent-Registrant is rightfully entitled to register the mark "THREAD DESIGNS" on its various tires, as user and owner thereof.

IN VIEW OF THE FOREGOING CONSIDERATIONS, and after a careful and detailed perusal of the parties respective claims and defenses, the Petitions for Cancellation filed by GOODYEAR PHILS., INC., are hereby DENIED. Accordingly the above-mentioned Certificates of Registration No. 38756, 38802, 38843, 38842, 38844, 38767, 38809, 38755, 38865 remain valid and subsisting until cancelled by operation of law.

Let the file wrappers subject matter of these cases be forwarded to the Administrative Financial and Human Resource Development Service Bureau (AFHRDSB) 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, 31 October 2001.

ESTRELLITA BELTRA-ABELARDO Director, Bureau of Legal Affairs