

HILTON INTERNATIONAL CO.,	}	IPC No. 14-2002-00059
Opposer,	}	For: Trademark "HILTON"
	}	Application. Serial No. 119874
-versus-	}	
	}	
	}	
MURLI D. SADHWANI	}	Decision No. 2005 - 23
Respondent-Applicant	}	
x-----x	}	

DECISION

This instant Opposition is filed by Hilton International Co., (Opposer), a foreign corporation organized and existing under the laws of the State of Delaware, United States of America with principal place of business at 10th Floor, One Wall Street Court, New York, New York, 10005 U.S.A. against Application Serial No. 119874 filed on April 19, 1997 for the registration of the trademark "HILTON" on the following goods blankets, handkerchiefs, bed & table covers, pillow cases and bed sheets under Class 24, in the name of Murli D. Sadhwani (Respondent-Applicant) with address at 98-102 E. Rodriguez Jr. Ave., Bo. Ugong, Pasig City.

Opposer filed a verified Notice of Opposition on 19 September 2002, on the following grounds:

- "1. The trademark "HILTON" sought to be registered by the Respondent-Applicant is identical or an exact copy of Opposer's internationally well known "HILTON" trademark covering *"Hotel, bar, restaurant, banqueting and hotel reservation services"* owned and used and unabandoned by Opposer, hence, the registration of the mark "HILTON" in favor of herein Respondent-Applicant would cause confusion, mistake and would deceive the consuming public as to the origin or sponsorship of said goods, and also to the nature, quality, characteristics, of said goods to which the mark is affixed.
- "2. Opposer's "HILTON" mark is an internationally well-known mark and is entitled to protection against identical and/or confusingly similar mark for both similar and unrelated goods and services, as provided by Republic Act No. 8293 or the Intellectual Property Code and the Paris Convention.
- "3. Opposer is the prior adopter, user and owner of the "HILTON" trademark, having used the same in international commerce since 1964, or for at least forty two (42) years.
- "4. Opposer's internationally well-known mark "HILTON" mark has long become distinctive of the business and/or goods or services of the Opposer through the latter's long and exclusive use thereof in international commerce.
- "5. Opposer has obtained and continuous to obtain registration for the trademark "HILTON" from the industrial or intellectual property offices of various countries around the world.

- “6. Opposer’s internationally well-known “HILTON” trademark is covered by Philippine Trademark Certificate of Registration No. 058258, issued on June 2, 1994.
- “7. In the international market, and also in the Philippines, opposer’s “HILTON” has long established goodwill and general local and international recognition as belonging exclusively to Opposer.
- “8. Opposer’s mark has acquired immense valuable goodwill as a result of the enormous sums of money spent in advertising and promoting its trade and service marks.
- “9. Opposer’s “HILTON” trademark has likewise acquired immense and valuable goodwill as a result of the enormous sums of money spent in advertising and promoting its trade and/or service marks.

For failure of the Respondent-Applicant to answer despite of the Notice to Answer as shown by registry return receipt no. C-5696, respondent was declared in default in Order No. 2003-13 dated 14 January 2003 and the case proceeded for the *ex-parte* reception of evidence of the opposer.

Admitted as evidence for the Opposer are Exhibits “A” to “LL” inclusive of submarkings, to wit:

EXHIBIT	DESCRIPTION
A	Notarized and Authenticated Special Power of Attorney / Secretary’s Certificate executed on September 3, 2002, by J. Geoffrey Chester, Corporate Secretary of Opposer company, HILTON INTERNATIONAL CO.
B	Philippine Trademark Certificate of Registration No. 058258, issued on June 2, 1994.
C	Philippine Trademark Certificate of Registration No. 065072, issued on July 30, 1997.
D	Original notarized and authenticated Affidavit-Direct Testimony executed by J. Geoffrey Chester on September 3, 2002 as Solicitor General Counsel and Secretary of Hilton International Co.
E	Schedule of all the active worldwide registrations and pending applications of the “HILTON” trademark in the name of Hilton International Co., referred to as ANNEX “A” in paragraph of J. Geoffrey Chester’s affidavit-direct testimony.
F	Argentina Certificate of Trademark Registration No. 16122526 for the mark “HILTON [WORD]” in the name of the Opposer.
G	Australia Certificate of Trademark Registration No. A521059 for the mark “HILTON [LOGO]” in the name of the Opposer.
H	Brazil Certificate of Trademark Registration No. 6375499 for the mark “HILTON [WORD]” in the name of the Opposer.
I	Canada Certificate of Trademark Registration No. TMA138763 for the mark “HILTON” in the name of the Opposer.

- J China Certificate of Trademark Registration No. 772923 for the mark “HILTON [LOGO]” in the name of the Opposer.
- K European Union Certificate of Trademark Registration No. 121343 for the mark “HILTON [WORD]” in the name of the Opposer.
- L France Certificate of Trademark Registration No. 1660510 for the mark “HILTON [WORD]” in the name of the Opposer.
- M Germany Certificate of Trademark Registration No. 1173116 for the mark “HILTON [WORD]” in the name of the Opposer.
- N Hong Kong Certificate of Trademark Registration No. 7144/1995 for the mark “HILTON [WORD]” in the name of the Opposer.
- O Italy Certificate of Trademark Registration No. 173248 for the mark “HILTON [WORD]” in the name of the Opposer.
- P Japan Certificate of Trademark Registration No. 4237289 for the mark “HILTON [WORD]” in the name of the Opposer.
- Q Mexico Certificate of Trademark Registration No. 470740 for the mark “HILTON [WORD]” in the name of the Opposer.
- R Peru Certificate of Trademark Registration No. 470740 for the mark “HILTON [WORD]” in the name of the Opposer.
- S South Africa Certificate of Trademark Registration No. 96/01549 for the mark “HILTON [WORD]” in the name of the Opposer.
- T Spain Certificate of Trademark Registration No. 1268874 for the mark “HILTON [WORD]” in the name of the Opposer.
- U Turkey Certificate of Registration No. 172701 for the mark “HILTON [WORD]” in the name of the Opposer.
- V United Kingdom Certificate of Trademark Registration No. 2165744 for the mark “HILTON [WORD]” in the name of the Opposer.
- W The Hilton Group PLC 2001 Annual Report, referred to as ANNEX “C” in paragraph 8 of J. Geoffrey Chester’s affidavit direct testimony.
- X Schedule of Worldwide Advertising and Promotional Spending of Hilton International Co. for its HILTON trademarks, referred to as ANNEX “D” in paragraph 9 of J. Geoffrey Chester’s affidavit direct testimony.
- Y Printout taken from the website:
http://www.hiltongroup.com/Hilton/con_atg_gstruct/con_atg_hio.shtml .
- Z Printout taken from the website:
http://www.hiltongroup.com/Hilton/con_atg_gstruct/con_atg_over.html .
- AA Printout taken from the website:
<http://www.hiltongroup.com/en/hi/brand/about.jhtml> .

- BB Printout taken from the website:
http://www.hiltonworldwide.com/en/ww/company_info/corporate_history.jhtml .
- CC Printout taken from the website:
http://www.hiltonworldwide.com/en/ww/press_media/corporate_facts.jhtml
- DD Printout taken from the website: http://www.cebuponline.com/realty/cebu_Hilton/.
- EE Printout taken from the website:
<http://www.skyscrapers.com/english/worldmap/building/0.9/106156/index.html> .
- FF Printout taken from the website:
<http://phhost.hypermart.net/hiltoncebu/corporate.html> .
- GG Printout taken from the website:
<http://phhost.hypermart.net/hiltoncebu/international.html> .
- HH Printout taken from the website:
<http://www.esprint.com.ph/pointcebu/business/realstate/Hilton.html> .
- II The certification of the Translator Virginia Rivas de Alberto of the Bilingual Translation, Interpretation, and Hosting Services, that she translated from Spanish to English, the Resolution No. 24266, issued by the Superintendence of Industry and Commerce of the Republic of Columbia and the receipt of Php3, 500.00 from the Law Offices of V.E. Del Rosario & Partners for the translation thereof.
- JJ English translation of the Resolution No. 24266, issued by the Superintendence of Industry and Commerce of the Republic of Columbia, upholding the opposition of Hilton International CO. against the registration of the mark “HILTON SUITE” in the name of the third party.
- KK Certificate of Authentication issued by the Honorary Consul Consuelo Acosta Cleves of the Philippines Consulate in the Republic of Columbia, Bogota.
- LL Resolution No. 24266, issued by the Superintendence of Industry and Commerce of the Republic of Columbia in its original (untranslated) form.

The issues to be resolved in the instant case are: 1) Whether or not the opposer has prior Philippine registration and use over the “HILTON” trademark 2) Whether or not opposer’s “HILTON” trademark is internationally known.

The challenged application having been filed under the provisions of the old Trademark law or Republic Act 166, the instant case shall be decided based on the provisions thereof so as not to prejudice vested rights of the parties. The applicable provisions of Republic Act 166 provide:

“Sec. 4. Registration of trademarks, tradenames and service marks in the principal register. – xxx The owner of a trademark, tradename or service mark, to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless it: xxx

(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 be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or deceive purchasers.”

Evidence show that the service mark “HILTON” has been registered in the Philippines under Certificate of Registration No. 58258 dated 2 June 1994 for “Hotel, bar, restaurant, banqueting and hotel reservation service” under Class 42 (Exhibit “C”). Exhibits “DD” to “GG” appear to be printouts taken from various websites promoting and advertising the construction of the Cebu Hilton Resort and Towers in the Philippines. While the Opposer’s use of the mark “HILTON” is “Hotel, bar, restaurant, banqueting and hotel reservation service”, the application for registration by respondent-applicant of the trade mark “HILTON” is for blankets, handkerchiefs, bed & table covers, pillow cases and bed sheets under Class 24.

The Supreme Court elaborated on the restricted right over a trademark. In *Philippines Refining Co., Inc. vs. Ng Sam and the Director of Patents* (No. L-26676 July 30, 1982):

“A rudimentary precept in trademark protection is that “the right to a trademark is a limited one, in the sense that others may use the same mark on unrelated goods. Thus, as pronounced by the United States Supreme Court in the case of *American Foundries vs. Robertson*, “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 of an articles of a different description.

Such restricted right over a trademark is likewise reflected in our Trademark Law. Under Section 4(d) of the law, registration of a trademark which so resembles another already registered or in use should be denied, where to allow such registration could likely result in confusion, mistake, deception to the consumers. Conversely, where no confusion is likely to arise, as in this case, registration of a similar or even identical mark may be allowed. (Emphasis supplied)

Opposer also argues that it is a well-known mark and offered testimony to that effect (Exhibit “D”, “E”). It cites its registrations abroad (Exhibit “F” to “V”) and documents to prove expenditures for advertising and print-out from websites dedicated to the operation of goods and services bearing the “HILTON” mark (Exhibits “W”, “X”, “AA” to “CC”).

Opposer quotes Article 6bis of the Paris Convention for the Protection of Industrial Property. The applicability of Articles 6 bis has been discussed in the *Canon Kabushiki Kaisha vs. Court of Appeals and NSR Rubber Corporation* (G.R. No. 120900, 20 July 2000).

“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 of guidelines in the implementation of Article 6bis 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 the mark is well known at the time the Respondent filed its application for the mark should fail."

Following the ruling in the Canon case, "When a trademark is used by a party for a product in which the other does not deal, the use of the same trademark on the latter's product cannot be validly objected to."

This Office believes that confusion is unlikely to result from the use of the mark "HILTON" on totally different categories of goods and service. This principle is highlighted in the case of Esso Standard Eastern, Inc. vs. Court of Appeals and United Cigarette Corporation (G.R. No. L-29971. August 31, 1982), where the Supreme Court ruled that there was no infringement of the trademark "ESSO" owned and used by petitioner on the sale of its petroleum products by respondent use of the "ESSO" mark on its cigarette goods.

"the law defines infringement as the use without the consent of the trademark owner of any "reproduction, counterfeit, copy or colorable imitation of any registered mark or tradename in connection with the sale, offering for sale, or advertising of any goods, business or services on or in connection with which the use is likely to cause confusion, mistake or to deceive purchasers or others as to the source or origin of such good". Implicit in this definition is the concept that the goods must be so related that there is likelihood either of confusion of goods or business." (Emphasis supplied)

However, considering that opposer filed a Supplemental Memorandum attaching therewith Annexes "A" to "P" which consisted of pictures of articles, namely pillow cases, bed sheet and towels, with the label mark "Hilton" attached to the articles, which are allegedly used by the opposer in its hotel business and are currently being sold at its Logo shop of the Hilton Cebu Resort and Spa although no registration of the mark "Hilton" was secured by the opposer for its products towels, bedsheets and pillowcase, and further considering respondent-applicants lack of interest in participating in this case, this Office will lend credence to opposer's allegation of use of the mark "Hilton" for its products, namely towels, pillow cases and bedsheets. Thus, between respondent-applicant and opposer, this Office will take the view that opposer has shown better entitlement to the mark "Hilton" with regard to the goods namely: bed sheets, pillow cases and towel because of its use of the mark "Hilton" in relation to the aforementioned goods.

WHEREFORE, premises considered the instant Notice of Opposition is hereby SUSTAINED. Consequently, Application Serial No. 119874 for the registration of the trademark "HILTON" for goods "blankets, handkerchiefs, bed and table covers, pillow cases and bed sheets and table covers" under Class 24, in the name of Murli D. Sadhwani is hereby REJECTED.

Let the filewrapper HILTON, subject matter of this case be forwarded to the Administrative, Financial and Human Resources Development Services Bureau (AFHRDSB) for appropriate action in accordance with this Order with a copy to be furnished the Bureau of Trademarks for the purpose of updating their records.

SO ORDERED.

Makati City, 15 December 2005.

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