

International Olympic Committee and  
Philippine Olympic Committee,  
Opposer,  
- versus -

IPC 14-2005-00082

General Fabrikoid Manufacturing, Inc.,  
Respondent-Applicant.

Opposition to:  
TM Application No. 4-2003-005515  
(Filing Date: 23 June 2003)

TM: "Towels"

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Decision No. 2006 – 140

## DECISION

This Notice of Opposition was filed on July 19, 2005 by the International Olympic Committee, an international non-governmental, non-profit organization organized and existing under the laws of France, with principal office at Chateau de Vidy, 1007 Lausanne, Vaud, Switzerland and Philippine Olympic Committee, a non-governmental, non-profit organization, with address at Third Floor, Secretariat Building, Philippine International Convention Center, Pasay City, opposers against the Application No.4-2003-005515 for the trademark "Olympic" used on goods under Class 24 of the Nice Classification: namely "Towels" which was filed by General Fabrikoid Manufacturing, Inc., a corporation with address at 122 Susano Street, Bo. San Agustin, Novaliches, Quezon City.

The opposition is based on the following grounds:

4. Opposer IOC, which is currently composed of 202 National Olympic Committees, representing various countries the world over, including Co-Opposer POC, is the creator and the umbrella organization of the Olympic Movement. It owns all rights to the Olympic symbols, including but not limited to the trademark "OLYMPIC", sought to be registered by the Respondent, its motto, anthem and the staging of the quadrennial Olympic Games.

5. Opposer IOC is the owner of the trademark "OLYMPIC" (in respect of identical goods, inter alia, covered by the Application being opposed) having registered the said mark in at least seventy-nine (79) countries worldwide including, among others: Albania, Algeria, Antigua and Barbuda, Armenia, Australia, Austria, Belarus, Benelux, Bhutan, Bosnia-Herzegovina, Bulgaria, China, Chinese Taipei, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Egypt, Estonia, European Union, Finland, France, Georgia, Germany, Greece, Hong Kong, Hungary, Ireland, Israel, Italy, Japan, Kazakhstan, Korea North, Korea South, Kyrgyzstan, Kenya, Latvia, Lesotho, Liberia, Liechtenstein, Lithuania, Luxemburg, Macedonia, Malaysia, Malta, Moldova, Monaco, Mongolia, Morocco, Mozambique, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russian Federation, San Marino, Serbia and Montenegro, Sierra Leone, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sudan, Swaziland, Sweden, Switzerland, Tajikistan, Turkey, Turkmenistan, Ukraine, United Kingdom, Uzbekistan and Vietnam.

A copy of the World Intellectual Property Organization Certification, documenting the registration of the trademark "OLYMPIC" in the International Register of Marks is hereto attached as Annex "A" and made an integral part hereof. In addition, representative copies of trademark registrations in Malaysia, Hong Kong and Singapore are likewise attached as Annexes "B", "C" and "D", respectively, and made integral parts hereof. Opposers reserve the right to present, during trial, additional trademark registrations evidencing Opposers IOC'S ownership of the trademark "OLYMPIC", worldwide.

6. The trademark "OLYMPIC" is a well-known trademark within the meaning of Article 6bis of the Paris Convention (1967) and Article 16 (2) of the Agreement of

Trade-Related Aspects of Intellectual Property Rights (hereinafter “TRIPS Agreement” as implemented by Section 123.1 (e) of the Intellectual Property Code. Opposers respectfully invite the Honorable Office to take judicial notice of the fact that the Philippines is a signatory to the Paris Convention and the TRIPS Agreement.

7. Well-known internationally and in the Philippines as belonging to Opposer IOC, the trademark “OLYMPIC”, which Respondent attempts to register in its name, is identical with or confusingly similar to the trademark “OLYMPIC” and the Olympic rings, owned by and registered worldwide in the name of Opposer IOC.
8. Correspondingly, Section 123.1 (e) of the Intellectual Property code bars the trademark application if the mark is identical with or confusingly similar to or constitutes a translation of a mark, which is considered by competent authority to be well-known internationally and in the Philippines, whether or not it is registered in this country, as being already the mark of a person other than the applicant for registration and used for identical or similar goods or services.
9. Should the trademark “OLYMPIC” be registered in the name of Respondent, a likelihood of confusion on the part of the consuming public is bound to occur – a confusion as to the source. Affiliation or connection of the goods it represents. Compounding the likelihood of confusion and deception is the fact that the goods encompassed by the same and/or related to the goods encompassed by the Opposer IOC’s international registration of the identical trademark “OLYMPIC”.
10. Through over a century of continuous use, promotion and/or advertising of the trademark “OLYMPIC” in the course of Opposer IOC’s staging of the quadrennial Summer and Winter Olympics worldwide since the organization of the IOC on 23 June 1894 and the opening of the modern Olympic Games in Athens, Greece on the first week of April 1896, the relevant sector of the public, internationally and in the entire Philippines, has come to know and identify the trademark “OLYMPIC” with Opposer IOC and the Olympics Movement. Moreover, the use, promotion, or advertising of the trademark “OLYMPIC” by Opposer IOC extends to the actual use of the said trademark in the co-opted member-nations, including the Philippines, under the aegis of the national Olympic Committees such as Co-Opposer POC, which adopted the name “Philippine Olympic Committee” in 1976.
11. Opposers will be damaged by the registration of the trademark “OLYMPIC” in the name of Respondent in that the continuous use and commercial appropriation of the said mark by the latter will prejudice the rights of Opposer IOC relating to the organization, marketing, broadcasting and reproduction of the Olympic Games, and irreparably impair or destroy the century-old goodwill generated by Opposer IOC as the supreme authority of the Olympic Movement through the use of the subject mark in the course of its promotion and advertising of the quadrennial Summer and Winter Olympic Games.

Opposers submitted the following documents to constitute its evidence:

Exhibit “A” – Copy of the World Intellectual Property Organization Certification documenting the registration of the trademark “OLYMPIC” and Olympic Rings in the International Register of Marks.

Exhibit “B” – Copy of the World Intellectual Property Organization Certification documenting the registration of the Olympic Rings in the international Register of Marks.

Exhibit “C” – Authenticated Affidavit of Mr. Francisco J. Elizalde, member of the Philippine Olympic Committee.

Exhibit "D" – Copy of Affidavit of Mr. Urs Lacotte, Director General of the International Olympic Committee which was replaced with the authenticated and legalized affidavit of Howard M. Stupp

Exhibit "E" – Trademark Registration of the word OLYMPIC to the IOC Hongkong

Exhibit "F" – Trademark Registration of the word OLYMPIC to the IOC in Hong Kong

Exhibit "G" – Trademark Registration of the word Olympic to the IOC in Singapore

In its answer, respondent raises the following affirmative defenses:

- "1. The Opposition was filed out time and should be dismissed outright.
- "2. This Opposition is barred by estoppel and laches.
- "3. The respondent generated its own goodwill and reputation for its OLYMPIC trademark through almost fifty (50) years of continued use, promotion and advertisement of the said mark. Thus, it has a vested right to its OLYMPIC mark.
4. The respondent has registered and has been using its OLYMPIC mark before the well-known marks under the Paris Convention came into force in the Philippines.
5. The opposers' mark is not registered in the Philippines. Hence, assuming that it is an internationally well-known mark, it cannot apply to the respondent's unrelated goods.
6. The goods covered by the respondent's application are different from those of the opposers'.
7. There are various registrations of OLYMPIC for different goods and services worldwide. OLYMPIC has long been diluted by widespread use everywhere in the world, and lacks distinctiveness and exclusivity.
8. The opposers' OLYMPIC mark was only used in trade in 1984 with the commercialization of the broadcast of the OLYMPIC Games.
9. OLYMPIC is geographically descriptive and lacks distinctiveness to be entitled to exclusive trademark rights. At best, it merely acquired secondary meaning, and as such, has only inferior and restricted rights and may NOT be registered by anyone.
10. The opposers' OLYMPIC mark has become a generic term, which means competition, commonly and widely used by competition organizers. As a generic mark, exclusive use can not be claimed over it.

To support its contention, respondent-applicant submitted the following documentary evidence:

Exhibit "1" – Certificate of Registration No. 7428 and Statement and Declaration for the OLYMPIC mark.

Exhibit "2" – The "Fifth Affidavit of Use" dated September 16, 1964 filed by the respondent for its OLYMPIC trademark.

Exhibit "3) – Trademark application No. 4-1997-123639

Exhibit "4" – Paper mailed on May 28, 2004, the IPO informed the respondent that Trademark Application No. 4-1997-123639 has been approved for publication and directed the respondent to pay the publication fee.

Exhibit "5" – Notice of Issuance and Publication Fee for Trademark Application no.4-1997-123639

Exhibit "6" – Trademark Certificate of Registration No. 4-1997-123639 issued by the IPO on August 11, 2005 for the OLYMPIC trademark in favor of the respondent. The said registration is valid for twenty (20) years from October 30, 2004, or until October 2024.

Exhibit "7" – Trademark Application No.4-2003-0005515 and the Declaration of Actual Use dated June 25, 2003.

Exhibit "8" – print-out from the United States Patent and Trademark Office – Trademark Office – Trademark Electronic Search System to attest to the forgoing.

At the outset, we note that Opposer's in filing their Notice of Opposition has failed to comply with the mandatory legal requirements for a valid verification and certification against non-forum shopping.

It has been a long settled rule that the power of a corporation to sue in any court is lodged in the board of directors that exercised its corporate powers. (Republic of the Philippines vs. Philippine Resources Development Corporation, 102 Phil. 960). In turn, physical acts of the corporation, like, signing of documents, can be performed only by natural persons duly authorized for the purpose by corporate by-laws or a specific act of the board of directors, (Monfort Hermanos Agricultural Development Corp. vs. Monsfort. Et al., G.R. Nos. 15254 & 155472, July 8, 2004). By analogy, the act of filing an opposition to a trademark application can be done only by natural persons duly authorized by the corporate by-laws or by specific act of the board of directors in behalf of the corporation.

In the instant proceedings, it shows that the Verification/Certification was executed by Atty. Rico V. Domingo, who admittedly, is the Attorney-in-Fact of the Opposers. However, upon examination of the records, it appears that no Special Power of Attorney nor copy of the Board of Resolution was presented to prove that Atty. Rico V. Domingo was duly authorized by the Opposers to execute the Verification/Certification.

Relative, thereto, Rule 7 Section 5 of the Rules of Court which finds supplementary application in this proceeding, has explicitly lodged to the plaintiff or principal party the duty to accomplish the certification against forum shopping for the primary consideration that is was the petitioner who has actual knowledge of whether or not it has initiated similar actions or proceedings in different courts or agencies to which even his counsel may be unaware of. (Digital Microwave Corporation vs. Court of Appeals, 328 SCRA 286).

The aforementioned rule provides, thus:

"Sec. 5. Certification against forum shopping. – The plaintiff or principal party shall certify under oath in the complaint or other initiatory pleading asserting a claim for relief, or in a sworn certification annexed thereto and simultaneously filed therewith: (a) that he has not theretofore commenced any action or filed any claim involving the same issues in any court, tribunal or quasi-judicial agency and, to the best of his knowledge, no such action or claim is pending therein; (b) if there is such other pending action or claim, a complete statement of the present status thereof; (c) if he should thereafter learn that the same or similar action or claim has been filed or is pending, he shall report that fact within (5) days therefrom to the court wherein his aforesaid complaint or initiatory pleading has been filed. x x x"

Evidently, Atty. Rico V. Domingo, as Attorney-in-Fact of Opposers, has no authority to execute the verification/certification in the Notice of Opposition taking into account the fact that he was not duly equipped with a Special Power of Attorney or a Board of Resolution for that purpose.

The above cited provision of the Rules of Court went on further by providing the sanction for failure of a party to comply with the requirements as to the filing of the certification against forum shopping such that the defect shall not be curable by mere amendment of the complaint or other initiatory pleading but shall be cause for the dismissal of the case without prejudice, unless otherwise provided, upon motion and after hearing.

Thus, the rules and jurisprudence dictate that the certification against forum shopping must be executed by the petitioner and not by counsel and that a certification against forum shopping by counsel is a defective certification. It is clearly equivalent to non-compliance with the requirements under Section 2, rule 42 in relation to Section 4, Rule 45 of the Rules of Court and constitutes a valid cause for dismissal of the petition. (Far Eastern Shipping Co. vs. Court of Appeals, G.R. No. No. 1300

Be what as it may, and in the interest of substantial justice, to fully thresh out the issue of whether the opposer's mark is an internationally well-known mark and who between the two parties have a right to the mark "Olympic", this Bureau shall decide the instant case on its merits.

Evidence shows that as early as 1957, the respondent has utilized the mark "OLYMPIC" in commerce in the Philippines to identify its goods, namely "towels" under Nice Class 24. It submitted in evidence trademark Certificate of Registration No. 7428 with a Statement and Declaration of Actual Use for the OLYMPIC mark. (Exhibit "1"). In addition, it submitted The "Fifth Affidavit of Use" dated September 16, 1964 filed by the respondent for its OLYMPIC trademark. (Exhibit "2"). Records further show that it has been granted registration for the same mark "Olympic" used for the same goods under Trademark Certificate of Registration No. 4-1997-123639 (Exhibit "6") issued by the IPO on October 30, 2004 which was based on an trademark application no. 4-1997-123639 filed in August 14, 1997 (Exhibit "3"). Moreover, a perusal of the filewrapper shows actual labels used by respondent of its "Olympic" mark.

It cannot be denied that respondent is the owner and originator of the mark "Olympic" in the Philippines, Respondent's use of "Olympic" mark ante-date opposer's use as evidenced by opposer's own admission of its alleged use only in 1976. (Exhibit "C"- Affidavit of Francisco Elizalde). On the other hand, not only did the respondent use the mark the provisions of the old trademark law. Jurisprudence supports the supposition trademark rights are acquired by lawful, actual and continuous commercial use in the Philippines.

Republic Act 166 explicitly provides:

"Sec. 2. What are registrable. – Trademarks, tradenames, and service marks owned by persons, corporations, partnerships or associations domiciled in the Philippines. Provided, That said trademarks, tradenames, and service marks are actually in use in commerce and services not less than two months in the Philippines before the time the applications for registrations are filed: x x x

Sec. 2 – A. Ownership of Trademarks, tradenames and services marks, how acquired. – Anyone who lawfully produces or deals in merchandise of any kind or who engages in any lawful business, or who renders any lawful service in commerce, by actual use thereof in manufacturer or trade, in business, and in the service rendered, may appropriate to his exclusive use a trademark, tradename or service-mark not so appropriated to distinguish his merchandise, business or service from the merchandise, business or service of others. The ownership of a trademark, tradename or service-mark, heretofore or hereafter appropriated as in the section provided, shall be recognized and

protected in the same manner and to the same extent as are other property rights known to the laws.

Use in the Philippines as basis for ownership cannot be overemphasized. In the more recent case, the High Court in the case of Philip Morris, Inc. Benson & Hedges (Canada), Inc., and Fabriques de Tabac Reunies, S.A. v. Fortune Tobacco Corporation, GR No. 15859, 27 June 2006 (pages 9,10, 12) held:

“(t) The fact that their respective home countries, namely, the United States, Switzerland and Canada, are together with the Philippines, members of the Paris Union does not automatically entitle petitioners to the protection of their trademarks in this country absent actual use of the mark in the local commerce and trade.

True, the Philippines’ adherence to the Paris Convention effectively obligates the country to honor and enforce its provisions as regards the protection of industrial property of foreign nationals in this country. However, any protection accorded has to be made subject to limitations of Philippine laws. Hence, despite Article 2 of the Paris Convention which substantially provides that (1) national of member-countries shall have in this country rights specially provided by the Convention as are consistent with Philippine laws, and enjoy the privileges that Philippine laws now grant or may hereafter grant to its nationals, and (2) while no domicile requirement in the country where protection is claimed shall be required of persons entitled to the benefits of the Union for the enjoyment of industrial property rights, foreign nationals must still observe and comply with the conditions imposed by Philippine laws on its nationals.

Considering that R.A. No. 166, an amended, specifically Sections 2 and 2-A thereof, mandates actual use of the marks and/or emblems in local commerce and trade before they may be registered and ownership thereof acquired, the petitioners cannot, therefore, dispense with the element of actual use. Their being nationals of member-countries of the Paris Union does not alter the legal situation”.

Likewise, in Sterling Products International, Inc. vs. Farbenfabrieken Bayer AG, 21 SCRA 1214, the Supreme Court proclaims:

“A rule widely accepted and firmly entrenched because it has come down through the years is that actual use in commerce or business is a prerequisite to the acquisition of the right of ownership over a trademark. x x x

It would seem quite clear that adoption alone of a trademark would not give rise to its exclusive right thereto. Such right “grows out of their actual use”. Adoption is not use. One may make advertisements, issue circulars, give out price lists on certain goods; but these alone would not give exclusive right of use. For trademark is a creation of use. The underlying reason for all these is that purchasers have come to understand the mark as indicating the origin of the wares. Flowing from this is the trader’s right to protection in the trade he has built up and goodwill he has accumulated from use of the trademark.

Clearly, respondent sufficiently shown precedence in point of use as well as registration under the old trademark law which entitles it to acquisition of trademark right over the mark “Olympic”. It bears emphasis that opposers never secured registration for its mark in the Philippines. Under the new law, respondent was likewise able to secure new registration for its mark (Exhibit “7”) and was the first to file another application ahead of the opposers.

In the case at bar, contrary to opposers allegation that “Olympic” is used on identical goods, evidence reveal that respondent-applicant’s application is for use on goods under class 24, towels, while opposer’s registrations abroad of the mark “Olympic” covers goods under Nice Classification are for the following: Class 9: Magnetic recording media, particularly video

cassettes, equipment for processing data and computers, particularly educational and games software on the topic sports; Class 14: Precious metals and their alloys and products in these materials or plated, clock and watch making and chronometric instruments; Class 16: Printing products, photographs; Class 36: Financing services, relating to the organization and running of sporting competitions; Class 38: Telecommunications, broadcastings television programs, 41: Education; training, sporting and cultural activities, organization and running of sporting competitions, film production, publication of books and texts. (Exhibit "A", "E", "F" and "G") Hence, the contemporaneous use of the mark will not lead to confusion.

The use of identical marks on different goods is allowable. In the landmark case of Philippine Refining Co. v. Ng Sam 118 SCRA 472, the Supreme Court held:

"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 2, " the mere fact that one person has adopted and used a trademark on his goods not prevent the adoption and use of the same trademark by others on articles of a different description. xxx

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 or 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.xxx

In fine, we hold that the business of the parties are non-competitive and their products so unrelated that the use of identical trademarks is not likely to give rise to confusion, much less cause damage to petitioner. xxx"

Opposers further argue that it deserves protection because it is an internationally well-known mark. Opposers presented certificates of registrations for its mark in three countries (Exhibits "E", "F" and "G") and WIPO certification (Exhibits "A", "B") which we note documents registrations in several territories as well as refusal of protection is disagree with opposers contention. The applicability of Article 6bis has been discussed by the Supreme Court in the case of Kabushi Kaisha Isetan vs. Intermediate Appellate Court (203 SCRA 593):

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

Moreover, this Bureau finds that the use of the work "Olympic" has not been attended by exclusivity of use and registration around the world. Rule 102, Implementing Rules and Regulations of the Bureau of Trademarks provide:

Rule 102. Criteria for Determining Whether a Mark is Well Known.

xxx

- c) The degree of the inherent or acquired distinction of the mark; xxx
- f) The exclusivity of registration of the attained by the mark in the world; xxx
- h) The exclusivity of use attained by the mark in the world; xxx

Interestingly, it has been shown through internet print-outs that various registrations of the mark "Olympic" has been obtained for variety of goods in different countries of the world. (Exhibits "8" and sub-markings [8-"A" to 8-"EE"]). In the United States, for example, the word "Olympic" has been registered as early as 1907 for goods under Class 30, or wheat flour, pan cake flour, cake and pastry flour. The same mark has been registered and used to identify goods such as tobacco, mattresses and springs for bedsteads, rivets, bleaching preparations, meat products, fishing tackle and many other goods only goes to show that the mark has not acquired inherent distinctiveness.

Assuming for the sake of argument that the mark is declared well-known in the Philippines, such circumstance may not prevent the respondent from registering the same mark for the reason that opposers have not registered their mark in the Philippines.

In this regard, Republic Act 8293 provides:

SEC. 123. Registrability

123.1. A mark cannot be registered if it: xxx

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

"(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods and services and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use;

Therefore, the owner of a well-known mark may only prevent the use of an identical or confusingly similar mark with respect to goods which are not similar only if the well-known mark is registered in the Philippines. In other words, assuming that "Olympic" is a well-known mark, the opposers should have at least secured registration for said mark in the Philippines in order to prevent respondents from adopting the same mark on dissimilar goods.

WHEREFORE, premises considered, the OPPOSITION filed by International Olympic Committee and Philippine Olympic Committee is, as it is hereby DENIED. Accordingly, Application Serial No. 4-2003-005515 filed by Respondent-Applicant, General Fabrikoid Mfg., Inc. on 23 June 2003 for the mark "OLYMPIC" used on "towels" under class 24, is as it is hereby, GIVEN DUE COURSE.

Let the filewrapper of "OLYMPIC", subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 20 December 2006.

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