

CRISTINA JAVELLANA,	}	
Petitioner,	}	
	}	
-versus-	}	INTER PARTES CASE NO. 3855
	}	Petitioner for Cancellation:
	}	TM Registration No.: 53583
	}	Issued : 28 September 1992
	}	Trademark : "NASA"
	}	For: T-shirts, undershirts, jackets,
	}	blouses, jeans, briefs, socks
CITIZEN MANUFACTURING	}	
CORPORATION,	}	
Respondent-Registrant.	}	
x-----x	}	Decision No. 2003 – 13

D E C I S I O N

This pertains to the Petition for Cancellation filed by CRISTINA JAVELLANA, Filipino, of legal age and with address at No. 916 Luna Mencias Street, Shaw Boulevard, Mandaluyong, Metro Manila, against the registration of the trademark "NASA" for goods under Class 25, bearing TM Registration No. 53583, issued on 28 August 1992 in the name of CITIZEN MANUFACTURING CORPORATION, a corporation organized and existing under the laws of the Republic of the Philippines with address at No. 31 Bernardo Street, San Rafael Village, Navotas, Metro Manila.

Petitioner filed the instant Petition for Cancellation with the Bureau of Patents, Trademarks and Technology Transfer (BPTTT) on 16 December 1992, based on the following grounds:

"1. That the registration was obtained fraudulently and/or contrary to the provisions of Section Four, Chapter II of R.A. 166;

"2. That the mark NASA has been registered and is being used by the registrant so as to misrepresent the source of the goods and the business in connection with which the mark or trade-name is used;

"3. That cancellation is authorized by other provisions of R.A. 166, as no Interference nor Opposition proceedings were declared and conducted as prescribed in Sec. 10-A Chapter II of R.A. 166."

To support the Petition for Cancellation, Petitioner relied upon the following facts, among others:

"1. That the mark NASA had and have been previously used by the undersigned long before Citizen Manufacturing Corporation applied for its registration;

"2. The numerous evidence and documents in the form of Purchase Orders, Certifications from various department stores, all tending to prove that NASA International Corporation (formerly NASA Enterprises) has been using the mark NASA on all its goods since the early part of 1989;

"3. That the registrant Citizen Manufacturing Corporation has not and had not used the mark NASA ever since;

“4. On the contrary, it is NASA International Corporation, formerly NASA Enterprises, who first used and publicly sold the goods, carrying the name or mark NASA;

“5. That on August 20, 1990, an application was filed with this Office to have the mark NASA registered in connection with our goods and business;

“6. That after the submission of all relevant requirements and payment of the prescribed fees, our application was given due course and docketed as Serial No. 72971;

“7. That without any formal hearing nor Interference proceedings being conducted, our own application (SN 72971) was rejected on November 18, 1992, the dispositive of said letter rejection reads, to wit:

‘Considering that the mark NASA was already registered under the Registration No. 53583 still in force and effect of the law and the same is not abandoned, we are constrained to finally reject the instant application.’

“8. That Registration No. 53583 purporting to be that of the registrant Citizen Manufacturing Corporation was issued and/or approved only on September 28, 1992 and that the same was issued while our own application remained pending with the assigned trademark examiner.

“9. That obviously, the registration of the mark NASA in favor of Citizen Manufacturing Corporation was done improvidently and inequitably, and contrary to the rules and Procedures under Republic Act No. 166, as amended.”

The Notice to Answer, dated 23 December 1992, was sent to the Respondent-Registrant’s counsel on 29 December 1992. On 15 January 1993, Respondent-Registrant filed its Answer, specifically denying all the averments in the Petition for Cancellation. In his Answer, Respondent-Registrant raised the following special and affirmative defenses:

“1. x x x;

“2. Respondent-Registrant has, for many years, been engaged in the manufacture and sale of clothing and related items, such as, among others, t-shirts, undershirts, jackets, blouses, jeans, briefs, socks, which have been commercially marketed in the Philippines up to the present;

“3. Respondent-Registrant’s products have gained the acceptance and recognition of the consuming public for their high quality and competitive pricing;

“4. Since at least January 2, 1988, these clothing and related items under the trademark NASA have gained the acceptance of the buying public as the distinctive identifying symbol of the product which Respondent-Registrant has been, and is continuously manufacturing, selling and/or dealing with up to the present;

“5. Being a property right of substantial value to Respondent-Registrant which symbolizes its immense goodwill and reputation of high quality products, the trademark NASA has been registered for the exclusive use of Respondent-Registrant under the provisions of the Trademark Law (Republic Act No. 166, as amended).

x x x

“12. If it is true that petitioner is the first user of the mark NASA, her application would have been declared in an interference proceedings with the then application of the respondent. It was not so since the elements of an interference are not present in the instant case;

“12.1 At the very least, if petitioner has any right or interest to the trademark NASA, she would have opposed the registration thereof within the reglementary period. She did not; hence, she is barred from questioning the validity of the certificate of registration;

“13. Petitioner claims under oath that the registration of the trademark NASA in favor of respondent-registrant was done improvidently and inequitably and contrary to the rules and procedures under Republic Act No. 166, as amended.

Is the Petitioner in effect saying that the Director of the Patent Office is a party to a fraud or violation of Republic Act No. 166, as amended? This accusation is grossly unfair, pure and simple.

“14. The records of Certificate of Registration No. 5583 clearly shows the following recommendation for allowance and discussion of the registrability of the mark NASA in favor of respondent-registrant, duly approved by the Director of Patents, to wit:

“Allowance of the above-identified application is hereby recommended, it having been found to have complied with all the requirements of the Trademark Law.

x x x

“Requirements of law and rules were complied; hence, it is recommended for publication for purpose of opposition.”

“15. On the contrary, it is the petitioner who is acting contrary to law for using a duly registered mark without the consent or authority of respondent-registrant.

Moreover, it is petitioner who is guilty of misrepresentation and misleading the public as to the true and legal owner of the mark NASA.

Under the provisions of Republic Act No. 166, as amended, a certificate of registration in the principal register is evidence of validity of registration, the registrant's ownership of the mark and the registrant's exclusive right to use the same. Respondent-Registrant's rights should therefore be protected and upheld in accordance with the law.”

The issues having been joined, the case was set for Pre-Trial on 24 February 1993. For failure of the parties to reach an amicable settlement, the case proceeded to trial on the merits where the parties presented their respective oral and documentary evidence.

Admitted as evidence for the Petitioner are Exhibits “A” to “Q” inclusive of sub-markings, consisting of the sworn statements of Flocerfina S. Ang, Jaime Z. Macariola, Cristina Javellana and Philip Angara; certifications from Shoemart Department Store, Jackman Emporium, Inc., Felcris Supermarket, Inc., Gaisano Iloilo, Gazini Plaza, and Gaisano South; the Application filed

by Flocerfina Ang on 20 August 1990 for the registration of the trademark NASA and the acknowledgment of receipt thereof by the BPTTT; and illustration of the NASA trademark/logo; the letter-notice from the BPTTT dated 20 March 1991 and the corresponding reply of Flocerfina Ang dated 24 April 1991; Assignment of Application for Registration of Trademark in favor of NASA International Corporation filed by Flocerfina S. Ang on 12 November 1991; the revised Application for the registration of the trademark NASA filed by Cristina Javellana on 03 March 1992 with cover-letter and attached Article of Incorporation of NASA.

Admitted as evidence for the Respondent-Registrant are Exhibits "1" to "35" inclusive of sub-markings, consisting of the Application filed by the Respondent-Registrant on 17 May 1988 for the registration of the trademark VSVN and the cloth label (brown and green) attached to said application; white-colored label (NASA) submitted by Respondent-Registrant on 20 October 1988; the Examiner's recommendation for the allowance of the application with signature of the Head Examiner; Certificate of Registration No. 53583 issued on 28 September 1992 in the name of the Respondent-Registrant for the trademark NASA; the evidence submitted by the Petitioner and adopted by Respondent-Registrant; Affidavit of James Gemzon Tan; sample shirt and briefs bearing the trademark NASA; certifications of Shirt Land Commercial, Mabuhay Trading Company, City Plaza Shopping Mall, Jerry's Shopper World (Manila, Pagadian and Cagayan Branches), Fadstrade and Encan General Merchandise; certification dated 28 March 1994 issued by United Asia Weaving and Twining Mfg. Corp.; certification dated 10 February 1994 issued by E.M. Packaging; sales invoices of Citizen International Fashion for the years 1992-1994; advertisement in the 04 June 1994 issue of "Tonight" newspaper; and Notice to the Public in the 05 June 1994 issue of Manila Bulletin.

On 21 July 1995, Respondent-Registrant filed its Memorandum, expressly raising the issue concerning the legal standing of the Petitioner to file the instant case. It is imperative to rule upon this matter before going into the merits of the case.

The Application for the registration of the trademark NASA dated 20 August 1990 shows the applicant to be one Flocerfina S. Ang. On 12 November 1992, Flocerfina Ang filed with the BPTTT an Assignment of the aforesaid Application in favor of NASA International Corporation. The Assignment also included the appointment of Cristina Javellana as the agent and/or representative of the Assignee to prosecute the subject Application. The appointment was worded, thus:

"4. That the ASSIGNEE(S) by virtue hereof does/do hereby appoint CRISTINA JAVELLANA as his/her/its/their attorney and/or agent and representative in the Philippines to facilitate the recording of this Assignment, to prosecute the herein subject application for registration, to receive the certificate of registration, to transact all business with the Bureau of Patents, Trademarks and Technology Transfer in connection therewith, and upon whom may be served the corresponding notices or processes thereof." (Underscoring supplied).

Respondent-Registrant allege that Petitioner has no personality to file the instant case as she "has no pending application with this Honorable Office, much less owns a trademark and, therefore, will not be injured and/or damaged by the registration of the mark NASA in favor the respondent registrant."

A reading of the above provision on the appointment of Cristina Javellana as agent for NASA International Corporation, however, shows that Cristina Javellana was authorized by the said Assignee to transact all business with the BPTTT in connection with the prosecution of the subject application for registration. This authorization properly includes the filing of the instant case for cancellation since the registration of the trademark NASA in favor of the Respondent-Registrant precludes the registration thereof in favor of the Assignee, that is, the successful prosecution of the application for registration by the Petitioner on behalf of the Assignee. Petitioner has personality to file the instant case, not for herself, but on behalf of NASA International Corporation.

The primary issues to be resolved in this particular case are: (a) who between the parties is the prior user of the trademark NASA; and (b) whether or not the registration of the trademark NASA in favor of the Respondent-Registrant was improvidently issued.

Considering that Certificate of Registration No. 53583 subject of the instant petition for cancellation was issued under the old Trademark Law (R.A. 166, as amended), this Office shall resolve the case under said law so as not to adversely affect rights already prior to the effectivity of the new Intellectual Property Code (R.A. 8293).

From the allegations and evidence presented, it is clear that as between the two parties in the instant case, the Respondent-Registrant is the prior user of the trademark NASA. As per the certifications issued by various department stores, Respondent-Registrant has been selling T-shirts bearing the trademark NASA as early as 1987. The certification issued by United Asia Weaving and Trimming Mfg. Corp. showed that Respondent-Registrant has been ordering from said company the woven labels NASA since 1986. The certification issued by E.M. Packaging, likewise, showed that said company has been supplying Respondent-Registrant with boxes for T-shirts bearing the trademark NASA since early October of 1987.

On the other hand, Flocerfina Ang claims in her Application 10 September 1989 as the date of first use of the trademark NASA. The Certifications issued by various department stores also showed that NASA International Corporation has been supplying them with T-shirts bearing the trademark NASA since 1989. Thus, as between the parties in the instant case, it is the Respondent-Registrant, who is the prior user of said mark as it has been using the trademark NASA since 1987.

A close examination of the records of the case, however, shows that the Certificate of Registration No. 53583 was improperly issued. This conclusion is clear from the following facts gleaned from the documentary evidence identified hereunder:

(a) On 17 May 1988, Respondent-Registrant filed an Application for the registration of the trademark "VSVN" for goods under Class 24 and 25, alleging date of first use on 02 January 1988. The application was docketed as Application Serial No. 64865. The mark applied for, as shown in the caption of the Application, was VSVN with the letters individually contained in interlinking circles.

(b) On 27 July 1988 the trademark examiner sent a communication to Respondent-Registrant with the following comments to the trademark application, among others: (a) The mark appearing in the caption of the application does not tally with what appears in the submitted drawings and facsimiles [paragraph 2]; and (c) Submitted labels do not meet the requirements of Commerce Order No. 2. New one must be submitted [paragraph 23]. (*Paper No. 3*)

(c) On 20 October 1988, Respondent-Registrant, in response to Examiner's communication, submitted to the BPTTT label samples of the mark applied for. However, the labels submitted showed the trademark "NASA" and not "VSVN". The letters were also not contained in interlinking circles. (*Paper No. 4*)

(d) On 21 December 1988, the trademark examiner sent another communication to Respondent-Registrant, acknowledging receipt of Respondent-Registrant's response and stating that "submitted additional labels does not tally with the one previously submitted and refer to different mark." (*Paper No. 5*)

(e) On 31 January 1989, Respondent-Registrant replied to the examiner's communication explaining the discrepancy between the labels submitted, to wit:

"We respectfully advise that applicant is using two (2) sets of labels in its products, e.g. a hand tag and a cloth label. These labels are being used hand in

hand in connection with the products and as such the drawings and facsimiles previously submitted are exact representation of the hand tags while the cloth labels show the name and address of the applicant in compliance with Commerce Administrative Order No. 2." (*Paper No. 6*)

(f) On 17 May 1989, the trademark examiner sent a communication to Respondent-Registrant, acknowledging receipt of Paper No. 6 but reiterating the requirements in Paper No. 5. (*Paper No. 7*)

(g) On 26 June 1989 Respondent-Registrant, in response to Examiner's Communication, advised BPTTT that the facsimiles previously submitted are the inverted view of the mark (VSVN)."

(h) On 23 November 1989, allowance of the subject trademark application was recommended by the trademark examiner and head trademark examiner and signed by the BPTTT Director.

(i) On 29 June 1990, the application for the registration of the trademark "NASA" for goods under Class 25 was published in the Official Gazette Vol. III No. 3 (May-June 1990) for Opposition.

(j) On 28 September 1992, Certificate of Registration No. 53583 was issued to Respondent-Registrant for the trademark "NASA" for goods under Class 25.

In the instant case, the amendment of the mark "VSVN" to "NASA" is not warranted as shown by the labels originally filed. The labels clearly showed the mark "VSVN". There is nothing in the labels that would show the mark to be anything but "VSVN". In fact, the caption for the trademark application shows that the mark applied for was "VSVN".

The said amendment of the mark from "VSVN" to "NASA" is a substantial amendment, which is not allowed under the Section 102 Chapter III of the Rules of Practice in Trademark Cases (the "Rules"), to wit:

"102. Amendments to description or drawing. Amendments to the description or drawing of the mark or trade name may be permitted only if warranted by the mark or trade name as shown on the labels originally filed, but may not be made if the nature of the mark or trade name is changed thereby."
(Underscoring provided)

The change from "VSVN" to "NASA" is clearly a substantial change that does not only change the nature of the trademark but totally replaces the trademark applied for with another. As such, instead of recommending the allowance of the trademark application, the trademark examiner should have ordered the filing of another trademark application for the mark NASA. VSVN and NASA are two different marks and should have been subjects of separate applications. Consequently, the subject certificate of registration should be cancelled for having been improperly issued.

However, upon certification issued by the Administrative Finance and Human Resource Development Services Bureau (AFHRDSB), it is found that the Respondent-Registrant failed to file the required Affidavits of Use for the 5th and 10th year anniversaries, necessary for the maintenance of its trademark registration under Sec. 12 of R.A. 166. Accordingly, a Notice of Cancellation was sent by the Administrative Finance and Human Resource Development Services Bureau (AFHRDSB) to the Respondent-Registrant, canceling the registration of the trademark subject of this proceeding.

WHEREFORE, premises considered, the cancellation of TM Registration bearing Serial No. 53583 for the mark "NASA" issued in the name of CITIZEN MANUFACTURING CORPORATION on 28 September 1992 is hereby AFFIRMED.

Let the filewrapper of NASA subject matter of this case be forwarded to the Administrative, Financial Human Resource Development Service Bureau for appropriate action in accordance with this Decision, with a copy thereof to be furnished the Bureau of Trademarks for information and update of its records.

SO ORDERED.

Makati City, March 6, 2003.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs