



- “1.3 The registration of the mark “Crocodile & Device” will violate *Section 147.2* of the IP Code because the owner-registrant’s exclusive right to use the registered mark extends to goods (and services) which are not similar to those in respect of which the mark is registered’; *provided*, that use of that mark in relation to those goods (or services) would indicate a connection between those goods (or 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.
- “2. The registration of Respondent-Applicant’s trademark “Crocodile & Device” will cause grave and irreparable injury and damage to the business reputation and goodwill of the Opposer within the meaning of *Section 134* of the IP Code.

Opposer relied on the following facts to support the contentions in its Opposition:

- “a. Opposer is the owner-registrant of the trademarks “Chemise Lacoste,” “Lacoste,” and “Crocodile & Device” in France.
- “b. In the Philippines, Lacoste is the registered owner of the trademarks “Lacoste”, as evidenced by Certificate of Registration No. 34012 issued by the Bureau of Patents, Trademark and Technology Transfer (BPTTT) on 31 January 1985; “Chemise Lacoste & Design”, which is registered with the supplemental register under SR-2225-A; and the “Crocodile Device”, which is registered for all classes of goods such as evidenced by Certificate of Registration No. 64239 issued on 2 April 1997.
- “c. Opposer has registered these marks in more than 180 major countries throughout the world including, inter alia, the United States of America, China, Japan, Great Britain, Australia, Canada, Israel, Cameroon, South Africa, Algeria, Argentina, Kenya, Liberia, Mexico, Norway, Panama, Poland, El Salvador, Sweden, Turkey, India, Uruguay, Syria, Germany, Bahrain, Greece, Brunei, Bulgaria, Denmark, Finland, Indonesia, Kuwait, Lebanon, Malaysia, Taiwan and Thailand.
- “d. The marks “Lacoste”, “Chemise Lacoste & Design” and the “Crocodile Device” have been used by the Opposer for more than sixty years. Since 1933, Opposer has used these marks, specifically the “Crocodile Device” on clothing, sportswear and similar goods, to distinguish its goods from those of others. Recently, Opposer has expanded its products line and has consequently used these marks on other goods such as perfumeries, sunglasses and optical frames, footwear, watches, small leather goods and luggage.
- “e. Locally, goods bearing these marks have been, and continue to be exclusively sold by Rustan’s Commercial Corporation and Stores Specialist (clothing and accessories), Pentstar Sports Inc. (footwear), Charlie Ken Marketing (perfumeries) and Lucerne Jewellers (watches). These goods have also been, and continue

to be, advertised in magazines, newspapers and similar publications for both international and local distribution.

The Notice to Answer dated 29 February 2000 was sent to the Respondent-Applicant through Counsel (duly received on 1 March 2000) requiring the said party to file its Answer within fifteen (15) days from receipt of the said notice, with a warning that failure to file the same will be a cause for it to be declared in default.

Before the lapse of fifteen (15) days, Respondent-Applicant through Counsel in a Request for Time to File Answer prayed for an additional period of thirty (30) days to prepare and file the necessary responsive pleading to the Notice of Opposition, which this Office acted favorably in an Order (No. 2000-163) dated 20 March 2000.

However, despite the additional time given Respondent-Applicant no Answer, motion or any pleading relative thereto had been filed by Respondent Siam Pan Trading Company.

On 11 September 2000, Opposer moved (via a Motion) for the declaration of Respondent-Applicant in default and allow it to present its evidence *ex-parte* pursuant to *Rule 2, Section 11 (b)* of the rules and regulations in *inter partes* proceedings.

Subsequently, Order No. 2000-409 (dated 11 September 2000), was issue by this Office granting Opposer's Motion to Declare Respondent in Default and as a matter of course, allowed it to present evidence *ex parte*. Pursuant to the Order of Default, Opposer presented its evidence consisting of Exhibits "A" to "O".

For consideration in particular is the propriety of Application Serial No. 108256. Resolution by this Office is called for on the issue of whether or not Respondent's application should be denied because the mark (Crocodile & Device) is similar and/or confusingly similar to Opposer's Crocodile & Device (French Certificate of Trademark Registration No. 1410064 – Exhibit "B") and/or "Crocodile Device" (Philippine Certificate of Registration No. 64239 – Exhibit "G").

In support of its claim of ownership over the mark "Crocodile & Device," Opposer presented in evidence an Authenticated French Certificate of Trademark Registration (No. 1410064) issued by the National Industrial Property Office – Ministry of Industry of the French Republic. The National Industrial Property Office in France is the equivalent agency of the Intellectual Property Office in the Philippines, the findings and representations of which (French Office) whenever competent, are accorded great respect and absolute verity. Thus, Opposer's ownership and registration of the mark "Crocodile & Device" in France is fully substantiated. Opposer has used this mark on clothing, sportswear and similar goods.

As to Opposer's ownership and registration of "Crocodile Device," it presented in evidence Certificate of Registration No. 64239 issued by the Bureau of Patents, Trademark and Technology Transfer (BPTTT), on 2 April 1997, for Classes 1 to 42, which covers among others, industrial oils and greases; lubricants; dust absorbing; wetting and binding compositions; fuels (including motor spirit) and illuminants; candles and wicks under Class 4, the same products or product class, for which the applied mark is to be used by herein Respondent. (Siam Pan Trading intends to use the Crocodile & Device mark for lubricating oil and greases; brake fluid oil treatment additives, and radiator coolant. Again, Opposer's ownership and registration of the mark "Crocodile Device" in the Philippines is very well established. Opposer has registered the same for "Classes 1 to 42".

It is noted that the similarity of Respondent-Applicant's "Crocodile & Device" to Opposer's "Crocodile & Device" and/or "Crocodile Device" is both as to text and drawing/logo/mark (alligator). On the other hand, its semblance to "Lacoste" is figurative and/or symbolic that it is the same alligator drawing/logo/mark.

In sum, Respondent-Applicant's applied trademark (Crocodile & Device) needs no further scrutiny. It is clear similar in spelling, sound and appearance with the Opposer's trademarks (Crocodile & Device, Crocodile Device, Lacoste) as shown by the evidence on records.

Under *Section 123.1* Intellectual Property Code, a mark cannot be registered if it:

- “(e) Is identical with or confusingly similar to, or constitute 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 or services, and the owner of the registered mark are likely to be damaged by such use;

It bears to emphasize that the marks “Crocodile & Device” “Chemise Lacoste & Design,” and “Lacoste,” have been used by Opposer since 1933 and that the latter (Lacoste) has an alligator as symbol/figure similar to that of Respondent-Applicant's symbol/figure. The trademark “Lacoste” ha been registered by herein Opposer in more than 180 countries and qualifies as a “well-known mark”, as determined by competent authority. (Letter of then Minister of Trade Luis Villafurte to the Director of Patents dated 20 November 1980 Pursuant to the *Paris Convention*).

Moreover, the Supreme Court in the case of *La Chemise Lacoste S.A. v. Fernandez* (129 SCRA 373) judicially declared:

“We have gone over the records of all the cases filed in this court and find more than enough evidence to sustain a finding that the petitioner (herein Opposer) is the owner of the trademarks “LACOSTE,” “CHEMISE LACOSTE,” the crocodile or alligator device and the composite mark of LACOSTE and the representation of the crocodile or alligator.” (Emphasis supplied).

The *Paris Convention*, to which both the Philippines and France are signatories, likewise affords to owners of the world-famous trademarks extensive protection against infringement and other types of unfair competition, to wit:

*“Article 6bis*

- “(1) The countries of the Union undertake, either administratively 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, imitation or translation, liable to*

create confusion, of a mark considered by the competent authority of the country of registration or use to be well-known in that country as being already the work of a person entitled to the benefits of the present Convention and used for identical or similar goods. *These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to confusion therewith.* (Emphasis supplied).

LACOSTE is registered under Philippine Trademark Certificate No. 34012 issued on 31 January 1985. More than ten years after, Respondent Siam Pan Trading Company would have the same alligator drawing/mark on its oil and lubricating products in its application filed on 21 May 1996.

If allowed registration, Respondent Siam Pan Trading would have copied and infringed at least two duly registered trademarks, which are world famous and protected by the Paris Convention.

Basic is the rule in international law that every State must execute in good faith the obligations incurred by treaty. (*Pacta sunt Servanda Rule*).

Section 147.2 of the IP Code also bolsters La Chemise's opposition to the application, to wit:

Sec. 147.2. The exclusive right to the owner of a well-known mark defined in *Subsection 123.1 (e)* which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: Provided, That use of that mark in relation to those goods or services would indicate a connection between those goods or 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.

Lacoste's alligator drawing/mark enjoys immense popularity. It is associated with high-quality apparel and goods sold in choice shops and stores in major cities worldwide. To grant Respondent's application is to give it a free ride on the goodwill and reputation Lacoste has earned and for which it has spent considerable time, effort and money to build an develop.

At any rate, Opposer now holds Certificate of Registration No. 64239 covering the trademark "Crocodile Device" issued by the Bureau of Patents, Trademark and Technology Transfer (BPTTT), on 2 April 1997, for all classes of goods. This registration, therefore covers, lubricating oil, greases, brake fluid oil treatment additives and radiator coolant. By any standard, the marks "Crocodile & Device" vis-à-vis drawing/mark on its oil products is also the same as that of Lacoste's, another trademark of Opposer.

Furthermore, it must be noted that herein Respondent-Applicant was declared in default (Order No. 2000-409) in accordance with the rules and regulations governing inter partes cases (*Rule 2; Section 11[b]*) for its failure to file its Answer despite notice.

In *Delbros Hotel Corporation v. Intermediate Appellate Court (159 SCRA 543)*, the Supreme Court held:

"Fundamentally, default orders are taken on the legal presumption that in failing to file an Answer, the defendant (Respondent-Applicant) does not oppose the allegations and relief demanded in the complaint."

Indeed, this Office cannot but notice the lack of concern the Respondent-Applicant had shown in pursuing its application for the subject mark which is contrary to the norm that: "A person takes ordinary care for his concern." (*Sec. 3 (d) Rule 131 of the Rules of Court*)

WHEREFORE, premises considered, the Opposition is hereby SUSTAINED. Accordingly, application bearing Serial No. 108256 for the mark "Crocodile & Device" filed on 21 May 1996 by Sam Pan Trading is hereby REJECTED.

Let the file wrapper of CROCODILE & Device, subject matter of this case be forwarded to the Administrative, Financial Human Resource Development Service Bureau (AFHRDSB) for appropriate action in accordance with this DECISION with a copy furnished the Bureau of Trademarks for information and to update its record.

SO ORDERED.

Makati City, December 26, 2002.

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