

LE SPORTSAC, INC.,
Opposer,

INTER PARTES CASE NO. 1768

OPPOSITION TO:

- versus -

Application Serial No. 44139
Filed : March 2, 1981
Applicant : Susana L. Tan, doing
business under the
name of "Stephanie
Home Industries"
Trademark : LE SPORTSAC
Used on : Leather goods, bags,
wallets, travelling cases,
cigarette cases.

SUSANA L. TAN, doing business under
the name of "Stephanie Home Industries",
Respondent-Applicant.

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DECISION NO. 89-47 (TM)
July 11, 1989

DECISION

This is an opposition filed by Le Sportsac, Inc. (herein Opposer to trademark Application Serial No. 44139) filed on March 2, 1981 by Susana L. Tan (herein Respondent-Applicant) for the trademark "LE SPORTSAC" for leather goods, bags, wallets, travel cases, brief cases, belts, cigarette cases, etc.

Opposer is a foreign corporation organized and existing under the laws of New York, U.S.A., holding office and doing business at 320 5th Avenue, New York 10001, U.S.A, while Respondent-Applicant is a citizen of the Philippines, doing business under the name of "Stephanie Home Industries", with address at 204 Ortega Street, San Juan, Metro Manila, Philippines.

The principal issue advanced by the Opposer to be resolved is whether or not it will be damaged by the registration of the trademark "LE SPORTSAC" and "LE SPORTSAC & DESIGN".

To support its claim, opposer presented as evidence forty-three (43) registrations for the trademark "LE SPORTSAC & DESIGN" in thirty (30) states of the United States and sixteen (16) registration for said trademarks in eleven (11) countries including the United States all under its name, for bags, namely, travelling, shopping, cosmetic luggage and handbags. Further, it presented various sales invoices showing exportation of products bearing trademark "LE SPORTSAC" to twenty (20) other countries.

However, in its Answer to Cross-Written Interrogatories, the President of Le Sportsac, Inc. expressly admitted that the "Opposer Corporation has no Operation in the Philippines" and that she, the "(a)ffiant affirms that Le Sportsac, Inc. does not own a registration for "LE SPORTSAC" in the Philippines (Numbers 2. [i] and 4[b], respectively, of Answer to Cross-Written Interrogatories filed on August 19, 1986).

Since opposer has not registered or used the trademark "LE SPORTSAC" in the Philippines, it has not established any property right in the Philippines. Consequently, the Opposer could not claim that it suffered or will suffer any damages. The protection under foreign

registrations could not extend to the Philippines because “the law trademarks rests upon the doctrines of nationality or territoriality. The United States, from which our trademark law has been occupied, and most other countries respect this basic principle. The scope of protection is determined by the law of the country in which the protection of industrial property is predicated upon the same principle. x x x The use required as the foundation of the trademark right refers to local use at home and not abroad. x x x” (2 Callman, Unfair Competition and Trademarks, pr. 76.4, p. 1006). Further, as held in *Sterling Products International, Inc. vs. Farbenfabriken. A.G.*, 44 SCRA 226-227:

“(t)he United States is not the Philippines. Registration in the United States is not registration in the Philippines.

x x x Plaintiff itself concedes that the principle of territoriality of trademark law has been recognized in the Philippines. Accordingly, the registration in the United States of the BAYER trademark would not of itself afford plaintiff protection for use of the defendants in the Philippines of the same trademark for the same or different goods.” (Emphasis ours)

And, in a later decision, the Supreme Court held that a foreign company selling a brand of shoes abroad but not in the Philippines has no goodwill that would be damaged by registration of the same trademark in favor of the domestic corporation which has been using it for years here (*Bata Industries Ltd. vs. CA*, 144 SCRA 318).

As provided in Section 8 of Republic Act 166, “(a)ny person who believes that, he would be damaged by the registration of a mark or trademark may x x x file with the Director an opposition to the application”. Considering that Opposer has not shown that it will be damaged by the registration of the subject mark, this opposition should be dismissed.

Be that as it may, trademark Application Serial No. 44139 cannot be given due course. Respondent-Applicant did not present any evidence to prove her ownership over “LE SPORTSAC”. The records show that Respondent-Applicant when Respondent-Applicant was supposed to present her evidence on January 28, 1988, it was successively reset to four (4) other dates, the last on July 28, 1988. Two days before said date, or on July 26, 1988, Atty. Florencio Z. Sioson filed a motion for leave to withdraw as Respondent-Applicant's counsel. Subsequently, Respondent-Applicant failed to hire the service of another counsel despite the lapse of a considerable length of time, indicating lack of interest to defend her right to the mark under litigation. Consequently, said Respondent-Applicant was considered to have waived her right to pre- sent evidence in her behalf, pursuant to Order No. 89-293. Thus, it may not invoke the decision in *Bata industries vs. CA*, p. 320, supra, were the Supreme Court, in upholding the right of the appellee (*New Olympian Rubber Products Co., Inc.*) to the registration of the trademark “BATA” for shoes, cited the following findings of fact:

“(T)he Respondent-Applicant has overwhelmingly and convincingly established its right to the trademark BATA and consequently, its use and registration in its favor. There is no gainsaying the truth that the Respondent-Applicant has spent considerable amount of money and effort in popularizing the trademark BATA for shoes in the Philippines through the advertising media since it was lawfully used in commerce on July 1, 1970. It cannot be denied, therefore, that it is the Respondent-Applicant's expense that created the enormous goodwill of trademark BATA in the Philippines and not the Opposer as claimed in its opposition to the registration of the BATA mark by the Respondent-Applicant.” (Underscoring supplied)

In the case at bar, Respondent-Applicant, despite the identical mark she was applying for with that of the Opposer who had therefore reason to strongly challenge her right to the mark, neglected to take any step to establish her right to the mark. The situation demanded that her right to the mark be clearly established, and yet she failed to present any iota of evidence to

establish her right to the mark. As aptly held by the Supreme Court in Sterling vs. Farbenfabriken, p. 1224, supra:

“x x x (i)t would seem quite clear that adoption alone of a trademark would not give 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 this alone would not give exclusive right of use. For trademark is creation of use. x x x (Underscorings supplied)

WHEREFORE, the herein Notice of Opposition is DISMISSED and Respondent-Applicant's Application Serial No. 44139 for the registration of the mark “LE SPORTSAC” is REJECTED.

Let the records of this case be forwarded to the Trademark Examining Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director