

EFREN LIM,
Junior Party-Applicant,

IPC No. 1348

INTERFERENCE AMONG:

Application Serial No. 25228
Filed : January 24, 1973
Applicant : Efren Lim
Trademark : CLAYTON
Used On : Water pumps

- and -

Application Serial No. 22333
Filed : June 27, 1972
Applicant : Clayton Mark & Co.
Trademark : CLAYTON MARK
Used On : Water well pumps, parts
and supplies thereof

- versus -

- and -

Certificate of Registration No. 21604
Issued : March 21, 1974
Registrant : Clayton Mark & Co.
(name changed to Mark
Controls Corporation)
Trademark : CLAYTON MARK
Used On : Water well pumps, parts
and supplies thereof

CLAYTON MARK & COMPANY
(name changed to MARK
CONTROLS CORPORATION),
Senior Party-Applicant/ Registrant.
x-----x

Decision No. 88-63 (TM)
August 3, 1988

DECISION

On January 10, 1980, this Bureau declared an interference among Application Serial No. 25228 filed on January 24, 1973 by Efren Lim, a Chinese citizen doing business under the name and style of Eagle Manufacturing for the trademark "CLAYTON" used on water pumps; Application Serial No. 22333 filed on June 27, 1972 by Clayton Mark & Co., a corporation organized and existing under the laws of the State of Delaware, U.S.A. for the trademark "CLAYTON MARK" used on water pumps, parts thereof and supplies therefor; and Certificate of Registration No. 21604 issued on March 21, 1974 in favor of the same Clayton Mark & Co. (name changed to Mark Controls Corporation) for the trademark "CLAYTON MARK" also used on the above-enumerated goods.

Efren Lim, who filed his application on January 24, 1973, was designated as the Second Junior Party-Applicant, while Clayton Mark & Co., which filed its application on June 27, 1972, was designated as the Second Junior Party-Applicant/Senior Party-Registrant (Senior Party-Registrant for short).

On February 29, 1980, Senior Party-Registrant filed a Motion to Dissolve asking for the dissolution of the interference and for the declaration of Clayton Mark & Co. as the rightful owner of the subject mark on the following grounds: (1) that the Senior Party and the Second Junior Party are one and the same; (2) that it owns the trademark "CLAYTON MARK" and (3) that said mark is its tradename or corporate name.

On September 11, 1981, this Bureau denied the Motion to Dissolve (Decision No. 284) for the reason that the issue of priority — of adoption and use of the marks in controversy could not be determined without the presentation by the parties of their respective evidence.

During the trial on the merits, the Junior Party-Applicant himself testified, and submitted documentary evidence (Exhs. "A" to "H" and submarkings). The Senior Party-Registrant marked its exhibits (Exhs. "1" to "4") and filed its Formal Offer of Evidence. On July 10, 1987, this Bureau admitted the evidence submitted by the parties (Order No. 87-150).

Between the parties, who is the prior adopter and user of the trademark "CLAYTON"?

The evidence adduced established the following: (1) The Senior Party-Registrant first used the trademark "CLAYTON MARK" in the United States in 1925. Said trademark was derived from the name of the founder of the Senior Party-Registrant, Mr. Clayton Mark, who founded it in 1888 (Exh. "4"); (2) The sales of the Senior Party-Registrant's "CLAYTON MARK" products in the Philippines averaged at least \$300,000 annually during the years 1955 through 1981 (Exhs. "1", "2" and "3"); (3) William L. Moore, when cross-examined thru written interrogatories, answered that as a Product Draftsman of the Senior Party-Registrant since July 1956, he had actual personal knowledge of sales in 1956 specially in the Philippines of "CLAYTON MARK" products (see Answer to Written Interrogatories); (4) The Junior Party-Applicant first used the trademark "CLAYTON" in the Philippines in November, 1960 (testimony of Efren Lim, p. 8, TSN., April 28, 1982 hearing); and (5) The Junior Party-Applicant had sold pitcher water pumps bearing the trademark "CLAYTON" in the Philippines during the years 1960, 1961 and 1981 (Exhs. "H" to "H-2").

It is clear from the foregoing facts that the Senior Party-Registrant's date of first use in the Philippines (1955) is much earlier than that of the Junior Party-Applicant's (1960). The Senior Party-Registrant, therefore, is the prior adopter and user in the Philippines of the trademark in question.

Moreover, the Junior Party Applicant's trademark "CLAYTON" was previously registered on the Supplemental Register (Certificate of Registration No. SR-766; Exh. "A"), while the Senior Party-Registrant trademark "CLAYTON MARK" had been registered on the Principal Register (Certificate of Registration No. 21604; Exhs. "1", "2", "3" and "4").

Hence, under Section 20 of Republic Act 166, as amended, in relation to Rule 113 of the Rules of Practice in Trademark Cases, the Senior Party-Registrant's Certificate of Registration No. 21604 is prima facie evidence of the validity of the registration of its trademark "CLAYTON" and its ownership of, and exclusive right to use the same. The Junior Party-Applicant's evidence failed to overcome this statutory presumption enjoyed by the Senior Party-Applicant. In fact, the Junior Party-Applicant's Certificate of Registration No. SR-766, which is not accorded such presumption, has been cancelled by this Bureau for failure to file the required affidavit of use.

WHEREFORE, Application Serial No. 25228 filed on January 24, 1973 by Efren Lim is REJECTED; Application Serial No. 22333 filed on June 27, 1972 by Clayton Mark & Co. (name changed to Mark Controls Corporation) is given due course; and Certificate of Registration No. 21604 issued on March 21, 1974 in favor of the same Clayton Mark & Co. (now Marks Controls Corporation) remains VALID and SUBSISTING for the duration of its term, unless sooner cancelled in accordance with law.

Let the records of this case be remanded to the Trademark Examining Division for appropriate with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director