

WILFRO P. LUMINLUN,	}	INTER PARTES CASE NO. 3704
Opposer,	}	Opposition to:
	}	Application Serial No. 70197
-versus-	}	Filed: November 29, 1989
	}	Trademark: "Bar Design (with the
	}	Colors Blue, Red,
	}	and Green)"
ALEXANDER JULIAN, INC.,	}	
Respondent-Applicant.	}	
x-----x	}	Decision No. 2001-29

DECISION

This pertains to an opposition made by Wilfro P. Luminlun, Filipino, of legal age and with address at No. 595 Soler St., Binondo, Manila, to the above-captioned trademark application filed by Alexander Julian, Inc, a corporation organized and existing under the laws of North Carolina, United States of America, with business address at 8th West, 40th Street, New York, N.Y. 10018, U.S.A.

On September 1991, Opposer filed a Motion for Extension of Time to File Notice of Opposition, which was granted by the Bureau of Patents, Trademarks and Technology Transfer as per Order No. 91-806 giving Opposer until 30 October 1991 within which to file the Notice of Opposition. The Opposer filed the Verified Notice of Opposition on 16 October 1991 based on the following grounds:

"1. The approval of Application Serial No. 70197 is contrary to Section 4(d) of Republic Act No. 166, as amended.

"2. The approval of Application Serial No. 70197 is violative of the Copyright Law.

"3. As of the date of the filing of Application Serial No. 70197 on November 28, 1989, respondent-applicant was not entitled to register subject LABEL MARK WITH THE COLORS GREEN, RED, BLUE, RED AND GREEN in its favor in the Philippines.

"4. The Opposer will be damaged and prejudiced by the registration of subject LABEL MARK WITH THE COLORS GREEN, RED, BLUE, RED AND GREEN in the name of the respondent-applicant and his business reputation and goodwill will suffer great and irreparable injury.

To support the opposition, Opposer relied upon the following facts, among other:

"1. That Opposer adopted and started the use of the trademark COLOURS on January 1, 1982 in good faith.

"2. That Opposer is the registered owner of the trademark COLOURS for use on shoes, sandals, slippers, boots, jeans, pants, t-shirts, shirts, briefs, shorts, socks, handkerchiefs, belts, jogging pants and sweat shirts under Registration Certificate No. 54870 issued on July 26, 1989, without any opposition being filed thereto, and which registration is still in full force and effect.

"3. That Opposer has been using the trademark COLOURS together with the COLOURS LABEL MARK in lawful commerce in the Philippines since January 1, 1982 continuously up to the present.

"4. That Opposer has registered his COLOURS LABEL MARK under Certificate of Registration 8383 issued on October 30, 1990.

"5. That in addition, Opposer has copyrighted the COLOURS LABEL MARK for which he was issued last March 20, 1990, Certificate of Copyright Registration No. 0-9253 by the National Library.

"6. That the LABEL MARK WITH THE COLORS GREEN, RED, BLUE, RED AND GREEN being registered by the respondent-applicant is identical and/or confusingly similar to Opposer's duly registered and copyrighted COLOURS LABEL MARK.

"7. That Opposer has spent a considerable amount of time money and efforts to advertise and promote his products bearing registered trademark COLOURS and registered and copyrighted COLOURS LABEL MARK so much so that said trademark and label mark has become distinctive of Opposer's goods and received the consumer's recognition and goodwill.

"8. That considering that the goods upon which respondent-applicant uses its subject label mark, are identical/and or related to the goods upon which the Opposer uses his registered trademark COLOURS and duly registered and copyrighted COLOURS LABEL MARK, likelihood of confusion, deception or mistake, as to the actual source or origin of respondent-applicant's goods is likely.

"9. That the allowance of Application Serial No. 70197 is clearly violative of Section 4(d) of Republic Act 166, as amended.

"10. That the approval of Application Serial No. 70197 is contrary to the Copyright Law.

"11. That as of November 29, 1989 when it filed Application Serial No. 70197, respondent-applicant was not entitled to register the LABEL MARK WITH COLORS GREEN, RED, BLUE, RED AND GREEN under Section 37 of Republic Act No. 166, as amended.

"12. That respondent-applicant is now precluded by the equitable principles of acquiescence, estoppel and laches from registering the LABEL MARK WITH COLORS GREEN, RED, BLUE, RED AND GREEN.

"13. That the allowance of Application Serial No. 70197 will damage and prejudice Opposer and his business reputation and goodwill will suffer great and irreparable injury.

In its Answer filed on 22 November 1991, Respondent-Applicant denied the allegations in the Opposition and claimed that the Notice of Opposition was filed beyond the reglementary period of thirty days from the publication of the mark in the Official Gazette, which in the instant case, was on 31 August 1991. In his Comment filed on 8 January 1991, Opposer manifested that the Notice of Opposition was filed within the extended period granted by the BPTTT in its Order No. Order No. 91-806, which gave Opposer until 30 October 1991 within which to file said Notice. Consequently, on 30 January 1992, the Respondent-Applicant filed another Answer, alleging as its affirmative defenses that (a) the mark LABEL WITH COLORS GREEN RED BLUE RED AND GREEN had long enjoyed trademark protection in the United States and in other countries, i.e.,

Canada and Mexico; (b) that the trademark, which has been in continuous use since its adoption, has a wide consumer following in various countries; (c) that the trademark has gained tremendous goodwill for the Respondent-Applicant and has become clearly distinctive of the products it manufactures and distributes; and (d) that the trademark can be considered as a well-known mark and therefore, entitled to protection pursuant to Article 6bis of the Paris Convention and Executive Order No. 913 issued by the Minister of Trade on 7 October 1983.

On 31 January 1991, Opposer filed a Motion for Judgment on the Pleadings, alleging that Respondent-Applicant's Answer, filed on 22 November 1991, failed to tender an issue since the Answer merely contained general denials of the grounds and supporting facts alleged in the Opposition. Hence, under Rule 169-1 of the Revised Rules of Practice in Trademark Cases, the Respondent-Applicant is deemed to have admitted the material allegations of the Opposition, such that a judgment on the pleadings may be rendered by the Director of Patents.

On 19 February 1991, Opposer filed a Motion to Strike Off Respondent-Applicant's Answer dated 29 January 1992, alleging that said Answer was filed beyond the 12 December 1991 deadline for the Respondent-Applicant to file its Answer, and without prior leave of court after a prior Answer had already been filed on 19 December 1991.

On 24 February 1992, Respondent-Applicant filed an Opposition to the Motion for Judgment on the Pleadings, stating that said motion has no basis in law and in fact. Citing its Answer filed on 30 January 1992, Respondent-Applicants claimed that contrary to Opposer's allegation that only general denials were made in the Answer, Respondent-Applicant stated in its Answer that its trademark has enjoyed tremendous goodwill in various countries, such mark being well-known and registered in various countries.

On 31 March 1999, this Office issued Order 99-68 denying the Motion for Judgment on the Pleadings in the interest of justice and fair play. The case was thereafter set for pretrial trial. The pre-trial proceedings failed to result in an amicable settlement. Subsequently, trial on the merits was conducted and the parties were directed to present their respective evidence.

On 04 May 2000, Opposer commenced the presentation of its evidence by presenting and marking as exhibits the following documents: (a) certified true copy of Certificate of Registration No. 45840 of the trademark COLOURS issued in the name of Opposer on 26 July 1989, together with the Affidavits of Use filed on 02 December 1994 and 01 June 2000; (b) labels actually being used by the Opposer and on file with the records of Registration No. 45840 of the trademark COLOURS; (c) certified true copy of Certificate of Registration No. SR-8383 of the COLOURS LABEL MARK issued in the name of the Opposer on 30 October 1990, together with the Affidavit of Use filed on 02 October 1996; (d) certified true copy of Certificate of Copyright Registration No. O-9253 for COLOURS Label issued in the name of the Opposer on 20 March 1990; (e) certified true copy of Certificate of Registration No. 62139 of the trademark COLOURS AGAINST A RECTANGULAR BACKGROUND COLORED BLUE, RED, GREEN; and (f) certified true copy of Certificate of Copyright Registration No. O-12308 for COLOURS (the colors, blue, red and green are claimed) Label issued in the name of the Opposer on 01 October 1992, together with the notarized application for copyright, to defend its proprietary right to the LABEL MARK WITH COLORS BLUE, RED AND GREEN.

Opposer filed its Formal Offer of Exhibits on 10 August 2000, to which Respondent-Applicant did not file any comment or objection. Hence, the Opposer's documentary evidence consisting of Exhibits "A" to "F" inclusive of sub-markings were admitted for whatever purpose they may be worth.

The case was set for hearing on 12 February 2001 for the presentation of Respondent-Applicant's evidence. For failure of Respondent-Applicant or its counsel to appear, the case was re-set for hearing on 15 March 2001 and 19 April 2001. Neither of the Respondent-Applicant or its counsel appeared on the scheduled hearings so that counsel for the Opposer moved that Respondent-Applicant be deemed to have waived its right to present evidence.

On 19 April 2001, this Office issued Order No. 2001-196 declaring Respondent-Applicant to have waived its right to present evidence. The instant case was submitted for resolution on the basis of the evidence on record.

The issues to be resolved in this particular case are: (a) whether or not there exists a confusing similarity between the Opposer's trademarks COLOURS and COLOURS LABEL MARK and Respondent-Applicant's trademark BAR DESIGN WITH COLORS GREEN, RED, BLUE, RED AND GREEN; and (b) who between the Opposer and the Respondent-Applicant is the prior user entitled to protection under the Trademark Law.

Considering that the Application subject of the instant opposition was filed under the old Trademark Law (R.A. 166, as amended), this Office shall resolve the instant case under said law so as not to adversely affect rights already acquired prior to the effectivity of the new Intellectual Property Code (R.A. 8293).

The applicable provision of the Trademark Law, Section 4(d) provides:

"Sec. 4. *Registration of trademarks, trade-names and service-marks on the principal register.*- xxx The owner of a trademark, trade-name or service-mark used to distinguish his goods, business or services from the goods, business or service of others shall have a right to register the same on the Principal Register, unless it:

"x x x

"(d) Consists of or comprises a mark or trade-name which so resembles a mark or trade-name registered in the Philippines or a mark or trade-name previously used in the Philippines by another and not abandoned, as to be likely, when applied to or in connection with the goods, business or service of the applicant, to cause confusion or mistake or to deceive purchasers."

The determinative factor in a contest involving registration of trademark is not whether the challenged mark would *actually* cause confusion or deception of the purchasers but whether the use of the mark would *likely* cause confusion or mistake on the part of the buying public. The law does not require that the competing trademarks must be so identical as to produce actual error or mistake. It would be sufficient that the similarity between the two trademarks is such that there is a possibility or likelihood of the older brand mistaking the newer brand for it.

The Supreme Court, in determining whether or not there is confusing similarity between trademarks, has relied on the dominancy test or the assessment of the essential or dominant features in the competing trademarks. If the competing trademark contains the main or essential or dominant features of another by reason of which confusion or deception are likely to result, then infringement takes place. Duplication or imitation is not necessary. A similarity in the dominant features of the trademark would be sufficient. Factors such as similarity in appearance, form, style, shape, format and color have been considered in determining confusing similarity.

In the case of *Etepha vs. Director of Patents (16 SCRA 502)*, the Supreme Court stated that:

"The essential element of infringement is colorable imitation. This term has been defined as "such a close or ingenious imitation as to be calculated to deceive ordinary purchasers, or such resemblance of the infringing mark to the original as to deceive an ordinary purchaser giving such attention as a purchaser usually gives, and to cause him to purchase the one, supposing it to be the other."

In the case of *Del Monte Corporation vs. Court of Appeals (G.R. No. 78325, 25 January 1990)* the Supreme Court, in ruling that the Sunshine Tomato Catsup label is a colorable imitation of the Del Monte trademark, found that:

"Sunshine Tomato Catsup label is a colorable imitation of the Del Monte trademark due to prominent similarities in general design although there are some differences. The predominant colors used in the Del Monte label are green and red orange, the same with Sunshine. The word "catsup" in both bottles is printed in white and the style of the print/letter is the same. Although the logo of Sunshine is not a tomato, the figure nevertheless approximates that of a tomato."

In the instant case, a comparison of Opposer's trademarks COLOURS, COLOURS LABEL MARK and COLOURS AGAINST A RECTANGULAR BACKGROUND COLORED BLUE, RED AND GREEN and the Respondent-Applicant's BAR DESIGN (WITH COLORS BLUE, RED AND GREEN) will show that other than the word "COLOURS" in the trademarks of the Opposer, the appearance of the Opposer's and Respondent-Applicant's marks/labels are the same. The shape of both trademarks/labels is rectangular. The design of both trademarks/labels is also the same bar design with the same colors, i.e., blue, red and green. And considering that both trademarks/labels also covers similar goods, i.e., clothing and accessories that flow through the same channels of trade, confusion between the trademarks/labels is likely to result in the mind of the prospective buyers.

As per the evidence presented, the trademark COLOURS and the COLOURS LABEL MARK were first used by the Opposer in the Philippines on 01 January 1982. Opposer has continuously been using said marks as proven by the Affidavits of Use presented by the Opposer. On the other hand, no evidence was presented pertaining to the first use by the Respondent-Applicant of the trademark/label BAR DESIGN (with colors blue, red and green) in the Philippines. Respondent, while claiming registration of its mark in other countries and that said mark is a well-known mark, did not present evidence to prove said allegations.

Thus, it is clear from the foregoing that between the Opposer and the Respondent-Applicant, the former has sufficiently proven that it is the prior user of the trademark COLOURS and COLOURS LABEL MARK and is therefore entitled to protection from infringement thereof.

WHEREFORE, premises considered, the Notice of Opposition is hereby SUSTAINED. Consequently, Application bearing Serial No. 70197 for the mark "BAR DESIGN (with colors green, red and blue)" filed by ALEXANDER JULIAN, INC. on 29 November 1989 is hereby REJECTED.

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

SO ORDERED.

Makati City, 19 December 2001.

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