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| MACARIO CO YU KANG | } | INTER PARTES CASE NO. 14-2003-00041 |
| <i>Petitioner</i> | } | Petition for Cancellation: |
| | } | |
| -versus- | } | Registration No.: 64778 |
| | } | Date Issued : 25 June 1997 |
| | } | Trademark : "DUNLOP FLI-TRI LOGO |
| BTR INDUSTRIES LIMITED, | } | and SIDE FLASH DEVICE" |
| <i>Respondent-Registrant-Assignee</i> | } | |
| x-----x | } | Decision No. 2006-11 |

DECISION

This case pertains to the Petitioner for Cancellation of the registration of the trademark "DUNLOP FLI-TRI & SIDE FLASH DESIGN" under *Registration No. 64778* ISSUED ON *June 25, 1997* in the name of DUNLOP HOLDINGS LIMITED, which later on assigned the same in favor of BTR INDUSTRIES LIMITED with address at BTR House, Carlisle Place, London SWIP IBX, England, represented in the Philippines by its resident agent, Poblador Azada & Bucoy, with offices at the 21st Floor, Chatham House, 116 V.A. Rufino corner Valero Streets, Salcedo Village, Makati City, Philippines.

The herein Petitioner is MACARIO CO YU KANG, Filipino, of legal age and with business address at No. 260 2nd Street, Grace Park, Caloocan City.

The grounds for the cancellation are as follows:

- "1. Respondent-Registrant-Assignee has abandoned said registration. In fact, Respondent-Registrant-Assignee has not filed the required Affidavit of Use within the period provided by law following its fifth anniversary.
- "2. without legitimate reason, Respondent-Registrant-Assignee failed to use the mark "DUNLOP FLI-TRI LOGO & SIDE FLASH DESIGN" within the Philippines, or to cause it to be used in the Philippines by virtue of a license during an uninterrupted period of three (3) years or longer.
- "3. No doubt, the cancellation of Registration No. 64778 is authorized under Section 151 of the Intellectual Property Code which provides as follows:

"Sec. 151 *Cancellation* – 151.1 A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

x x x

(b) At any time, if the registered mark x x x has been abandoned, x x x

(c) At any time, if the legitimate owner of the mark without legitimate reason fails to use the mark within the Philippines by a virtue of a license during an uninterrupted period of three (3) years or longer."

In support of the Petition for Cancellation, the Petitioner will prove and rely upon the following facts, among other:

- “1. Petitioner is the true and lawful owner of the mark “DUNLOP WITH THE LETTER D DESIGN” for use on socks, having adopted, used, popularized and registered the same earlier than the Respondent-Registrant-Assignee. Petitioner had registered the mark “DUNLOP WITH LETTER D DESIGN” for use on socks with the Philippine Patent Office under Registration No. SR-4987 as early as September 26, 1980. A certified true copy of the Certificate of Registration No. SR-4987 is hereto attached as Annex “A” and made as integral part hereof;
- “2. Likewise, Petitioner has filed with the Honorable Intellectual Property Office, Application Serial No. 4-1999-08496 for the registration of the mark “DUNLOP” for use on stocking, thighs, legging, footcover, anklet stockings, short stockings, knee high stockings, stay up stocking and panty hose, and Application Serial No. 4-2000-00536 for the registration of the mark “DUNLOP WITH LETTER D DESIGN” for use on socks. Certified true copies of the aforesaid applications are hereto attaches as Annex “B” and “C” and made integral part hereof;
- “3. Petitioner first used the mark “DUNLOP WITH LETTER D DESIGN” for socks on January 17, 1979.
- “4. Petitioner has continued up to the present the use of the mark “DUNLOP WITH LETTER D DESIGN” on socks and he has extended the use of the mark DUNLOP on stockings, thighs, legging, footcover, anklet stockings, short stocking, knee high stockings, stay up stockings and panty hose.
- “5. The trademark “DUNLOP WITH LETTER D DESIGN” and “DUNLOP” have earned a nationwide reputation and nationwide following:
- “6. Petitioner’s mark have acquired through time, in minds of the purchasing public, a good reputation and high quality-image;
- “7. Registration No. 64778 for the mark “DUNLOP FLI-TRI LOGO & SIDE FLASH DEVICE” was issued in favor of the original registrant only on June 25, 1997 or more than eighteen (18) years after Petitioner adopted and started using the mark “DUNLOP WITH LETTER D DESIGN” on January 17, 1979 and almost seventeen (17) years after Petitioner registered the same mark with the Philippine Patent Office on September 26, 1980;
- “8. Since its registration on June 25, 1997, neither the original-registrant nor Respondent-Registrant-Assignee has used in the Philippines, without justifiable reason, the mark “DUNLOP FLI-TRI LOGO & SIDE FLASH DEVICE”.
- “9. In fact, Respondent-Registrant-Assignee has not filed the required affidavit of use within the one-year period following the fifth anniversary of the issuance on June 25, 1997 of Registration No. 64778.

- “10. In fact and in law, Respondent-Registrant-Assignee has abandoned the mark “DUNLOP FLI-TRI LOGO & SIDE FLASH DEVICE” registered under Registration No. 64778.

On November 19, 2003, the Respondent-Registrant-Assignee filed its Answer denying all the material allegations in the Petition for Cancellation and further alleged the following as its special affirmative defenses:

- “1. Respondent-Registrant-Assignee’s trademark is a product of the creative imagination of Respondent’s predecessor, Dunlop Holdings Ltd. The mark was not copied much less, used to ride on the alleged popularity of the trademarks of the Petitioner if indeed it does exist. In fact, it taxes one’s credulity no end that amongst the millions of marks that the Petitioner could have used, it adopted trademarks that are identical to or akin to herein Respondent-Registrant-Assignee’s trademark that is associated with the best quality products and indorsed no less than by the leading sports figures of the past and present decade.
- “2. It is incumbent upon those who enter the market to trade on the merits and quality of the product of their honest toil and creativity. Trading on the success and popularity of another’s goodwill smacks of unfair competition and has no place in the emerging global market.
- “3. Respondent-Registrant-Assignee’s trademark is internationally well-known and has been registered and is commercially used in all major markets including the Philippines and continuous to enjoy the confidence and support of its satisfied customers worldwide.
- “4. Respondent-Registrant-Assignee has not abandoned its trademark registration and has complied with the requisite submission of an Affidavit of Use for the fifth Anniversary of the registration. Attached as Annex “1” is a copy of our letter dated 23 June 2003 transmitting the Affidavit of Use pertinent to subject registration of duly stamped on the same date with the proof of payment of the relevant maintenance fees. Attached as Annex “1-A” is a copy of said form of the Affidavit of Use likewise bearing the stamp of receipt by the Intellectual Property Office. Attached as Annex “2” is a copy of the communication with mailing date of 2 July 2003 issued by the Patent/Trademarks Administrative Services Division (AFHRDSB) through Ms. Josephine C. Rejano, Intellectual Property Rights Specialist I, requiring the submission of the original/notarized Affidavit of Use within sixty (60) days from the mailing date of the said communication. As Annex “3”, attached is a copy of request for extension of sixty (60) days time we filed on the 1st of September to comply with the submission of the original/notarized Affidavit of Use. As Annex “4”, attached is a copy of our letter of 30 October 2003 submitting to the Intellectual Property Office a copy of the Affidavit of Use signed by the Registrant and duly notarized. As Annex “4-A”, attached is a copy of the Affidavit of Use duly stamped and received on said date i.e. 30 October 2003. As Annex “5”, attached is a copy of the “Response” we filed on 03 November 2003 transmitting the original and notarized Affidavit of Use for the maintenance of the

registration on its 5th Anniversary. And as Annex "5-A", attached is a copy of the original and notarized Affidavit of Use for the trademark "DUNLOP FLI-TRI LOGO & SIDE FLASH DESIGN" showing that the trademark has been continuously used in trade and commerce in the Philippines."

On June 7, 2004 at 2:00 in the afternoon, during the Pre-Trial Conference, the parties failed to reach an amicable settlement and decided to go on a full blown trial and submitted their respective evidences.

Petitioner submitted his Formal Offer of Exhibits consisting of Exhibits "A" to "D" inclusive of sub-markings (ORDER No. 2004-663 dated 04 November 2004).

Respondent-Registrant-Assignee submitted its Formal Offer of Exhibits consisting of Exhibits "1" to "6" inclusive of sub-markings (ORDER No. 2005-462 dated 29 June 2005).

The only issue to be resolved in the instant case is:

WHETHER OR NOT RESPONDENT-REGISTRANT-ASSIGNEE'S
TRADEMARK REGISTRATION FOR THE MARK "DUNLOP FLI-TRI
LOGO & SIDE FLASH DEVICE" IS VALID AND SUBSISTING.

The Trademark subject of the present cancellation proceedings is a registered mark with the Bureau of Patents, Trademarks and Technology Transfer (BPTTT) bearing Registration No. 64778 issued June 25, 1997, and the law governing on Intellectual Property Rights at that time is Republic Act No. 166, as amended.

In the Certificate of Registration issued bearing Registration No. 64778, at the back portion thereof, there is an "*important reminder*" which reads as follows:

"TO AVOID CANCELLATION of the registration the registrant SHALL FILE AN AFFIDAVIT OF USE or NON-USE within one year following the 5th, 10th and 15th anniversary of the date of registration within the necessary fee as required by law."

Section 3.4, Final provision of the Rules and Regulations on Trademarks, Service marks, Trade names and marked or stamped containers provides:

"Section 3.4. *Duration of Registration.* – A certificate of registration granted to an application filed on or before December 31, 1997 and therefore pending on the effective date of the Intellectual Property Code on January 1, 1998 shall be subject to the same conditions for maintenance as provided in these regulations and shall have a term of twenty (20) years."

Pursuant to Section 12 of Republic Act No. 166, as amended (the law which the trademark application for the mark subject of the cancellation proceedings was filed, examined and approved), the period for filing the first Affidavit of Use was from *June 25, 2002 up to June 25, 2003*.

Records of this Office will show that Respondent-Registrant-Assignee filed on June 23, 2003 a blank Affidavit of Use/Non-Use without any statement or entry that the registered mark is still in use in the Philippines and without any name and address of any establishment where goods bearing said mark are for sale. It was the name "DUNLOP HOLDINGS LIMITED" who had ceased to be the registrant thereof way back on April 30, 1999 when the Assignment of the mark was presented for recordal (Exhibits "1-B", for the Respondent-Registrant-Assignee and Exhibits "D-1" and "D-2" for the Petitioner).

Both Exhibit "4-A" which was submitted only on October 30, 2003 and Exhibit "5-A" which was submitted much later on November 3, 2003 clearly show that they were *signed* by certain Elizabeth Anne only on October 24, 2003 well past the deadline for submission on *June 25, 2003*. Furthermore, there was no statement as to whether the registered mark is still in use in the Philippines and if use, by whom and where. Finally, Exhibits "4-A" and "5-A" are not authenticated by the Philippine Consular Office in the country where they were allegedly executed.

On page 35, Webster's Third New International Dictionary, defines "*affidavit*".

"Affidavit- a sworn statement in writing made especially under oath or affirmation before an authorized magistrate or officer."

In the case at bar, the pieces of evidence presented by the Respondent-Registrant-Assignee clearly show that the required Affidavit of Use was not filed from *June 25, 2002 to June 25, 2003*, the specific period to file the 5th anniversary of the date of registration but on 3 November 2003.

Section 12 of Republic Act No. 166, as amended, provides as follows:

"Sec. 12. Durations. – Each certificate of registration shall remain in force for twenty years: Provided, That registrations under the provisions of this Act shall be cancelled by the Director, unless within one year following the fifth, tenth, and fifteenth anniversaries of the date of issue of the certificate of registration, the registrant shall file in the Patent Office an affidavit showing that the mark or trade-name is still in use or showing that its non-use is due to special circumstances which excuse such non-use and is not due to any intention to abandon the same, and pay the required fee."

WHEREFORE, premises considered, Registration No. 64778 for the mark "DUNLOP FLI-TRI LOGO & SIDE FLASH DEVICE" issued on June 25, 1997 in the name of the Respondent-Registrant-Assignee is, as it is hereby declared CANCELLED for failure to file the Affidavit of Use on the 5th Anniversary of the date of registration, pursuant to the aforementioned provision of law.

Let the filewrapper of DUNLOP FLI-TRI LOGO & SIDE FLASH DEVICE, subject matter in this case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau (AFHRDSB) 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, 20 February 2006.

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