

SHELL INTERNATIONAL
PETROLEUM CO., LTD.,

INTER PARTES CASE NO. 4171

Opposer,

Opposition to:

Serial No. : 81537

Filed on : 7-16-1992

Trademarks : GOLDEN SHELL SHOWCASE

Used on : advertising and business

-versus-

INTER PARTES CASE NO. 4172

Opposition to:

Serial No. : 81536

Filed on : 7-16-1992

Trademark : GOLDEN SHELL LOGO (HOUSE MARK)

Used on : advertising and business

PHILIPPINE INTERNATIONAL
TRADING CORPORATION,
Respondent-Applicant.

Decision No. 2002 – 16

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DECISION

This is a consolidation of two (2) oppositions for registration of marks GOLDEN SHELL SHOWCASE and GOLDEN SHELL LOGO (HOUSE MARK).

On 16 July 1992 Philippine International Trading Corporation (PITC) filed with the Bureau of Patents, Trademarks, and Technology Transfer (BPTTT) applications for the registration of marks GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE for advertising and business, bearing Application Serial No. 81536 and 81537 respectively, which were published for Opposition on 31 March 1995 in the BPTTT Official Gazette.

On 28 July 1995 Shell International Petroleum Co., Ltd. (SIPC), a corporation organized and existing under the laws of the State of England with principal offices at Shell Centre, London SE1 7NA, England, filed a Verified Opposition, through counsel to both marks sought to be registered with the BPTTT. Said oppositions were docketed as Inter Partes Case No. 4171 for mark Golden Shell Showcase under Serial No. 82537 and Inter Partes Case No. 4172 for the mark Golden Shell Logo (House Mark) under Serial No. 81536. Opposer anchored its opposition docketed as Inter Partes Case No. 4171, on the following grounds:

- “1. The registration of the mark GOLDEN SHELL SHOWCASE in the name of respondent-applicant will violate and contravene the provisions of Section 4(d) of Republic Act No. 166 as amended because said mark is confusingly similar to the trademark SHELL owned and unabandoned by the Opposer, as to be likely, when applied to or used in connection with the business of respondent-applicant, to cause confusion or mistake or deceive purchasers thereof;
- “2. The trademark SHELL is known in numerous countries to be owned by the Opposer. In fact the mark SHELL is registered in 186 countries. Hence, the registration of the confusingly similar trademark GOLDEN SHELL SHOWCASE in the name of respondent-applicant will be a breach of clear provisions of Article 6bis of the Paris

Convention for the protection of Industrial Property now enforced in the Philippines by virtue of the Memoranda of the then Minister of Trade and Industry dated November 20, 1980 and October 25, 1983 directing the Director of Patents to cancel and/or reject/refuse all unauthorized registrations that are identical or confusingly similar to world famous marks;

- “3. That the registration of respondent-applicant’s trademark GOLDEN SHELL SHOWCASE will cause grave and irreparable injury and damage to the business reputation and goodwill of the Opposer within the meaning of Section 8, Republic Act No. 166, as amended;
- “4. The registration and use by respondent-applicant of trademark GOLDEN SHELL SHOWCASE shall diminish the distinctiveness and dilute the goodwill of Opposer’s trademark SHELL;
- “5. Respondent’s mark GOLDEN SHELL SHOWCASE is confusingly similar with the Opposer’s well-known mark SHELLA on the ground that the word SHELL is the only distinctive word in respondent’s mark. The word SHOW CASE is merely an indication that the services provided are many and the word GOLDEN is merely for the purpose of suggesting the impressive nature of the services provided.”

In support of the above ground relied upon in its opposition, Opposer alleged the following facts:

- “1. Opposer is the owner of the trademark SHELL registered with the BPTTT with the following registration particulars:

Mark	Regn No.	Date of Issue	Date of Renewal
SHELL (word)	3041	November 25, 1960	February 11, 1983
SHELL (tradenname)	2813	August 21, 1961	September 17, 1982
SHELL MACOMA	1928	December 26, 1956	August 17, 1978
SHELL CALMA	11470	October 22, 1962	October 22, 1994
SHELL DENTAX	1949	December 26, 1956	September 27, 1978
SHELL DIALA	1952	December 26, 1956	September 27, 1978
SHELL DIESOLINE	1748	September 10, 1957	July 27, 1977
SHELL DROMUS	1947	December 26, 1956	September 27, 1978
SHELL ROTELLA	1812	November 24, 1956	February 22, 1978
SHELL SHOP STOP & GO	37438	May 28, 1987	
SHELL UNDEO	1960	December 26, 1956	October 4, 1978
SHELL VOLUTA	2303	November 24, 1956	October 9, 1980
SHELL X-100	1964	December 26, 1956	October 23, 1978
SHELLANE	31443	December 17, 1982	
SHELLANE CYLINDER CONTAINER	68	May 29, 1972	
SHELLCARB	30525	February 15, 1982	
SHELLCLEAN	37454	June 8, 1987	

SHELLGUARD	32422	August 18, 1983	
SHELLTOX ANT & COCKROACH	37457	June 8, 1987	
SHELL F-14	37544	June 30, 1987	
SUPERSHELL	3439	December 27, 1962	October 30, 1984
SHELL THERMIA	R-8760	December 3, 1992	
SHELL TERMO	54803	April 16, 1993	

“2. Opposer has been commercially using the trademark SHELL internationally and in the Philippines extensively and continuously prior to the use of and application for registration of the trademark GOLDEN SHELL SHOWCASE by respondent-applicant. Hence, the opposer is the clear and senior-user and rightful owner;

“3. Opposer has established valuable goodwill, fame and favorable reputation for the word SHELL not only as a result of the sales generated by products bearing the said trademark but also in connection with the business and services provided or offered by Opposer. Opposer has spent large sums of money in advertising and promoting the SHELL trade worldwide and in the Philippines;

“4. By virtue of Opposer’s prior, continued and extensive use of the word SHELL in the Philippines and other parts of the world, said trademark has become popular and internationally well-known and has established valuable goodwill for Opposer among consumers who have identified Opposer as the source of the goods and services bearing the said trademark;

“5. The registration and use of a confusingly similar trademark by the respondent-applicant will tend to deceive and/or confuse the public into believing that respondent-applicant’s business is under the sponsorship of opposer; and

“6. Further, the use and registration of the mark GOLDEN SHELL SHOWCASE by the respondent-applicant will cause grave and irreparable damage and injury to the opposer within the meaning of the trademark law.

Substantively similar allegations were invoked by Opposer in its opposition to the registration of the mark GOLDEN SHELL LOGO (HOUSE MARK), bearing Serial No. 81536, which was docketed as Inter Partes Case No. 4172.

In its Answer filed on 4 October 1995 respondent-applicant substantially denied all the material allegations in the opposition and alleged the following as its defense, which are quoted hereunder:

- “1. Serial Nos. 81536 and 81537 filed by respondent Philippine International Trading Corporation on July 16, 1992 are applications for re-registration and not a new registration as alleged by the opposer;
- “2. Being a re-registration matter, it shows that respondent had previously registered and legally used the trademarks GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE long before the herein opposition.

Having registered them earlier under the BPTTT, respondent had acquired a right to said trademarks;

- “3. Opposer’s allegation that said trademarks would be confusingly similar with its registered trademarks is purely speculative and without basis, the matters covered by said trademarks being entirely different and world’s apart from Opposer’s trademarks. Opposer’s products refer to entirely different items neither similar to nor related even in the slightest degree to respondent’s services covered by its trademarks. While the Opposer’s trademarks cover products or items related to lubricants, respondent’s trademarks cover merely services pertaining to the business of international trading, entirely different from the other. Furthermore, as the only state trading corporation of the Philippine government, the businesses primarily being carried out by respondent involve the marketing and exports of Philippine goods and services, bonded warehousing, trade financing, counter trade, product development and assistance to private sector’s small and medium enterprise—all of which do not in any way infringe on the product line or services of the Opposer. In fact, respondent has never and is not involved in lubricants and similar products;
- “4. Thus, the alleged confusing similarity does not exist at all. While the Opposer’s trademarks cover lubricants and related products, respondent’s trademarks cover Philippine goods and services of a different nature. Besides, even the logo designs are not confusingly similar at all. While the Opposer’s logo is yellow in color and rounder at the ends, that of respondent is in gold and flat at the ends. The trademarks “Golden Shell Showcase” and “Golden Shell Logo” are very distinct and concretely different from SHELL trademarks, that confusing is very remote and purely imaginary. The universal test question in the instant case is whether the public is to be deceived. (Asia Brewery, Inc. vs. Court of Appeals, 224 SCRA 437);
- “5. As a matter of fact, mere similarity in the designs on products is not infringement, as long as they are not identical. (Asia Brewery, Inc. vs. Court of Appeals, 224 SCRA 437) Certainly, there is not an iota of being identical nor confusingly similar in the products of Opposer and the products and services of respondent, whether substance or in form;
- “6. The trademark and trade names of opposer and respondent being totally different are not identical and so, no confusing similarity exists. This being the case, no prejudice is caused by one against the other, and vice versa, thus all the allegations of Opposer regarding prejudice to itself is without basis;
- “7. It would be greatly prejudicial to the interest of respondent, a government owner and controlled corporation attached to the Department of Trade and

Industry under E.O. 133, if said trademarks would not be re-registered, considering that respondent PITC had been dealing with the promotion of the Philippine products and services in the international market using said trademarks. It must be noted that respondent PITC is an international trading arm of the government under the DTI, and as such it had been dealing with foreign clients as well as local ones, using the trademarks since they were first registered in 1983;

- “8. In view of the thrust of the Philippine Government to actively compete in the international market through the promotion of Philippine exports by DTI and other government agencies like respondent PITC, the non-re-registration of respondent’s trademarks under Serial Nos. 81536 and 81537 would greatly prejudice respondent in particular sue to its own business clientele and tie-ups created and developed through the years, and the government in general as it would affect the thrusts of the government for all-out competition in the world market through the promotion and export of Philippine products and services in the world market. To refuse the re-registration of the above trademarks of respondent after it had used them for a long period of time, both locally and internationally would create great injustice, prejudice and untold damages to respondent.

On 17 October 1995 respondent-applicant filed a manifestation praying that its Answer in Inter Partes Case No. 4171 be adopted as its Answer in Inter Partes Case No. 4172 due to the similarity of the facts, the parties and the issue involve in the two cases. On 31 January 1996, the counsels of both parties jointly moved in open court for the consolidation of both cases, wherein Order No. 97-430 was issued granting the same, the pertinent portion of which reads:

“WHEREFORE, it is hereby ordered that Inter Partes Case No. 4171 be consolidated with Inter Partes Case No. 4172 and that the Hearing Officer-in-Charge of the lower number shall hear the consolidated cases.

SO ORDERED.”

The evidence adduced showed that the Opposer is a corporation incorporated and existing under the laws of England (Exhibits “A” par.1 and “B”) and the registered owner of trademark SHELL and pectin device being registered in Great Britain and Northern Netherlands on March 08, 1995 was used throughout the world on its businesses relating to oils for Illuminating, Heating and Lubricating and Petroleum Spirits for Automobiles and related products (Exhibits “C” and “D”) while its registration in Great Britain and Northern Ireland includes various edible products under Class 29, 30 and 32 (Exhibit “E”). As a result of these worldwide business activities opposer incurred expenses and derives profit therein (Exhibit “I”) and promotes its products using the word SHELL and pectin device on Shell Lubricants (Exhibit “J”).

On the other hand, respondent-applicant is a government owned and controlled corporation (Exhibit “1”, “2”, and “3”) and its line of business operations are in accordance with the mandate of governing laws (Exhibits “4” and “12”). It is the registered owner of the trade names GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE (Exhibits “5”, “5-A”, “6” and “6-A”) however, the same were cancelled pursuant to law, thus, the re-application of said trade-names were undertaken (exhibit “13 par.7”). Trade-names GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE were used in its business operations (Exhibit “7”, “8”, “9”, “10” and “11”). Its line of business operations include counter

trade and industrial offsets, warehousing, commodities, consumer goods, and contract interiors trading, project packaging, investment and trade financing, product development, quality assurance, cargo consolidation, ship chartering, and an international gift-giving program, raw materials importation and customs facilitation, as well as other related businesses authorized by its charter (Exhibits "4" and "12").

The main issues to be resolved in these consolidated cases are as follows:

1. Whether or not the trade names GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE which respondent-applicant seeks to re-register in the principal register is confusingly similar to trademark SHELL and Shell device of opposer; and
2. Whether or not opposer can be extended protection under Article 6bis of Paris Convention in relation to the use of its trademark here in the Philippines.

In its Opposition, opposer alleged that respondent-applicant has violated Section 4 (d) of Republic Act No. 166, as amended in seeking the registration of its marks GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE. Said provision provides that:

"Section 4. Registration of trademarks, trade names and service marks on the principal register. – xxx The owner of trademark, trade-names or service-mark used to distinguish his goods, business or services of other shall have the right to register the same on the principal register, unless it:

x x x

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

x x x"

The factors to be considered in determining the difference between two labels are: "xxx the existence of substantial difference between the two labels in size, background, colors, contents, and pictorial arrangement, ("American Company vs. Director of Patents, 76 SCRA 568"). Moreover, in order to appreciate and give real meaning of the mark, it should be taken as whole as it appears to be and not in a piece meal manner separately taken from the other portion. As ruled by the Supreme Court, "A comparison of the mark alone is not only the determinant factor. Te marks in their entirety as they appear in their respective labels must also be considered in relation to the goods to which they are attached. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing on the labels in order that he may draw conclusion whether one is confusingly similar to the other and sufficient differences existed between the two marks, ("Fruit of the Loom Inc., vs. Court of Appeals, 133 SCRA 405").

Considered in their entireties as depicted in the parties' evidences consisting of the drawings of the respective marks, the marks involved are grossly different in their overall appearance that even at a distance an ordinary person or a would be purchaser could easily distinguish Opposer's SHELL and Shell device used on petroleum lubricants and related products from Respondent-Applicant's GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE used in the trading business. In the case at bar, although the respective drawings of the mark of the contending parties portray the same word (Shell), yet, taken as a

whole, the similarity of the marks is completely lost in the substantial differences in the general appearance of their respective labels. Opposer's pecten device is predominantly colored with yellow and red with the word SHELL right below the device without any background thereon and consisting of seven radial lines that converge towards the center of the emblem and used said marks to identify the quality and source of its products (Exhibits J, J-1, J-2, J-3 AND J-4), while respondent-applicant's GOLDEN SHELL LOGO (HOUSE MARK) is prominently displayed in gold color consisting of nineteen spikes enclose in a square background also of gold color, fanned out all around without a base nor word imprinted therein and use these marks, in corporate stationeries, official documents and the likes; trade shows; and spelling missions, as shown in Exhibits "7", "8", "9", "10" and "11".

Moreover, the clientele of both parties are not ordinary purchaser as they belong to the middle and upper classes of society where they possess at least average intelligence to appreciate the goods they are purchasing as to its use, source and quality *vis-à-vis* the goods the contending parties are connected with. The goods the contending parties deal are not ordinary household items of minimal prices which ordinary purchaser may not be curious enough as to its use, source and quality but goods that have considerable price that one would assure himself of before buying. Thus, confusion, mistake or deception as to the use, quality and source of the goods for which the contending parties are known is considerably reduced if not totally eliminated.

Equally noticeable is the fact that opposer is the manufacturer or producer of its products and at the same time sell its goods, which are principally petroleum lubricants and related products (Exhibits "B", "C", "D", "I", and "J"). Respondent-Applicant on the other hand, does not produce nor manufacture any particular good/product but act as forerunner of the Philippine products both locally and abroad as it ventured on trade-related services or business operations involving trading activities as applied for under class 35 and as mandated by law (Exhibits "1", "2", "3", "4", and "12"). Said marks of respondent-applicant are not being used on any particular products or goods but to identify the services rendered by said agency, while that of opposer are used principally over its produced goods for purposes of identifying its use, quality and source. In short, the parties are dealing with non-competing goods, which are not so related that the public will not be actually deceived and misled that they come from the same producer or manufacturer. "Goods are so related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form compositions, textures or quality. They may also be related because they serve the same purpose or are sold or distributed in the same channel. (ESSO Standard Eastern Inc., vs. Court of Appeals, 116 SCRA 336.)" It is further ruled that "When a trademark is used by a party for a product in which the other party does not deal, the use of the same trademark on the latter's product cannot be validly objected to. (Ibid). The margin of error in acquisition of one for the other is quite remote as the matters covered by respondent-applicant's marks are pools apart from that of opposer.

Moreover, Opposer's products are normally distributed through gasoline stations, auto centers, auto supply and hardware outlets while the trading business of respondent-applicant is channeled through show rooms and office-to-office transactions as it involves trade-related services. Accordingly, a purchaser who is out in the market for the purpose of buying opposer's goods would definitely not be mistaken, confused or misled into buying instead respondent-applicant's goods as they are distributed in different channels. The fact that respective goods of the contending parties flow on different channels of distribution affirmed their dissimilarity, a fact explained by the Supreme Court in this extent in the case of ESSO Standard Eastern, Inv. Vs. Court of Appeals, 116 SCRA 336:

"The products of each party move along and are disposed through different channels of distribution. The (petitioner's) products are distributed principally through gasoline service and lubricants stations, automotive shops and hardware stores. On the other hand, the (respondent's) cigarettes are sold in sari-sari stores, grocery store, and other small distributor outlets. (Respondent's)

cigarettes even peddled in the streets while (petitioner's) gasol burners are not. Finally, there is a mark distinction between oil and tobacco, as well as between petroleum and cigarettes. Evidently, in kind and nature the products of (respondent) and of (petitioner) are pools apart".

Although opposer is the registrant of trademark SHELL and pectin device in Great Britain and Northern Ireland under Class 29, 30 and 32 for various edible goods (Exhibit "A-1" par. 7 and "E"), yet, all other registered mark of opposer (Par. 6 of its Memorandum and page 3 of Opposition) relates to petroleum lubricants and related products, insecticides and gas stove equipments and no evidence was presented that it really ventured in the line of businesses appearing in Exhibits "A-1" par. 7 and "E" ever since the company started its operation. The products covered by Opposer's mark enjoying its so-called goodwill are petroleum lubricants and related products under Class 4 where respondent-applicant never applied for registration nor used in its line of business. Respondent-applicant seeks to register its marks for GOLDEN SHELL SHOWCASE and GOLDEN SHELL LOGO (HOUSE MARK) for trading business under Class 35 (Chapter III, Rule 82, Rules of Practice), which is entirely unrelated to Opposer's aforementioned products.

From the set of evidence submitted by opposer which were all admitted, it clearly show that it ventured on petroleum lubricants and related products (Exhibits "B", "C", "D", "I", and "J") belonging to Class 4 (Chapter III, Rule 82, Rules of Practice) while respondent-applicant is using its mark on trading business under Class 35 (Ibid).

In this connection, the Supreme Court reiterated "the principle that the certificate of registration confers upon the trademark owner the exclusive right to use its own symbol only to those goods specified in the certificate, subject to the conditions and limitations stated therein. Faberge Incorporated vs. Intermediate Appellate Court, 215 SCRA 326".

This principle takes its origin from Section 20 of Republic Act No. 166, as amended which provides that:

"Section 20. Certificate of registration prima facie evidence of validity. – A certificate of registration of a mark or trade-name shall be prima facie evidence of the validity of registration, the registrant's ownership of the mark or trade-name, and of the registrant's exclusive right to use the same in connection with the goods, business or services specified in the certificate, subject to any conditions and limitations stated therein." (Underscoring supplied)

Thus, the apprehension of Opposer that confusion of business or origin of products might occur if respondent-applicant be allowed to register and use the mark GOLDEN SHELL LOGO (HOUSE MARK) and GOLDEN SHELL SHOWCASE is unfounded and baseless.

Opposer also seeks refuge under the protective mantle of the Paris Convention to bar registration of respondent-applicant's marks claiming that its mark is well-known internationally at the time respondent-applicant filed its application for registration of the marks now under opposition.

Article 6bis of Paris Convention provides as follows.

"(1) The countries of the Union undertake, ex-officio 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 constitute a reproduction, an imitation, or a translation, liable to create confusion, or 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 mark of a person entitled to the benefits of this Convention and used for identical or similar goods.”

xxx

(Underscoring Supplied)

“Paris Convention is a multilateral treaty that seeks to protect industrial property consisting of patents, utility models, industrial designs, trademarks, trade-names, service marks and indication of source or appellations of origin, and at the same time aims to repress unfair competition, *Mirpuri vs. Court of Appeals*, 318 SCRA 516.”

The controlling doctrine with respect to the applicability of Article 6bis of the Paris Convention is that ruled in *Kabushiki Kaisha vs. Intermediate Appellate Court*, 203 SCRA 583, in which the Supreme Court held that “The Paris Convention for the protection of Industrial Property does not automatically exclude all countries of the world which have signed it from using a trade name which happens to be used in one country.”

Equally important is the Memorandum dated 25 October 1983 of then Hon. Roberto V. Ongpin issued to the Director of Patents setting therein the guidelines for the implementation of Article 6bis of the Paris Convention. As cited in the case of *Canon Kabushiki Kaisha vs. Court of Appeals, et.al.* G.R. No. 120900, July 20, 1983, to wit:

- “a. the mark must be internationally known;
- “b. the subject of the right must be a trademark not a patent or copyright or anything else;
- “c. the mark must be for use in same similar kinds of goods; and
- “d. the person claiming must be the owner of the mark (The Paris Convention Commentary, Article by Dr. Bogsch, Director General of the World Intellectual Property Organization, Geneva, Switzerland, 1985) (Underscoring Supplied)

Apparently, opposer failed to meet the criteria set as guidelines for the implementation of the Convention particularly paragraph c, thus, opposer’s claim under Article 6bis of the Paris Convention necessarily fails. Equal ground for the denial of opposer’s claim protection under the Paris Convention is that respondent-applicant’s trade names sought to be registered under the Philippine laws does not run counter with the provisions under said treaty as it did not constitute a reproduction or imitation or a translation, liable to create confusion of the opposer’s mark. Respondent-applicant’s mark, therefore, is not proscribed registration under Article 6bis of Paris Convention.

WHEREFORE, premises considered the herein consolidated Notice of Oppositions are, as they are hereby DENIED. Consequently, Application Serial Nos. 81536 and 81537 for GOLDEN SHELL LOGO (House Mark) and GOLDEN SHELL SHOWCASE, respectively, filed by the Philippine International Trading Corporation (PITC) are GIVEN DUE COURSE.

Let the file wrappers of GOLDEN SHELL LOGO (House Mark) and GOLDEN SHELL SHOWCASE subject matter of these cases be forwarded to the Administrative, Financial Human Resource Development Service Bureau (AFHRDSB) for appropriate action in accordance with this DECISION. Likewise, let a copy of this DECISION be furnished the Bureau of Trademarks (BOT) for information and update of its records.

SO ORDERED.

Makati City, August 23, 2002.

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