

SPECIFIQUE GARMENTS
MANUFACTURING, INC.

Opposer,
- versus -

LT2, LLC,

Respondent-Applicant.

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IPC 14-2006-00106

Opposition to:
TM Application No. 4-2004-5783
(Filing Date: 30 June 2004)

TM: "Le TIGRE (Stylized)"

Decision No. 2007 – 88

DECISION

This pertains to an Opposition Case filed on 22 August 2006 by herein Opposer, SPECIFIQUE GARMENTS, INC., a corporation duly organized and existing under the laws of the Philippines, with principal office at 38 Rosario Drive, Cubao, Quezon City against the application for registration of the trademark "Le TIGRE and DESIGN" bearing Application Serial No. 4-2004-5783 filed on 30 June 2004 for goods falling under Class 25 of the Nice Classification of Goods, for clothing, which includes, men's women's and children's apparel, namely, sweaters, sweater shirts, sport shirts, athletic shirts, knit shirts, t-shirts, jackets, sport coats, all-weather coats, raincoats, pants, slacks jeans, trousers, jump suits, track suits, shorts, boxer shorts, swim trunks, robes; Headwear, namely, knitted ski hats, hats, caps, visors; shoes, boots, sneakers and sandals, filed by LT2, LLC, Respondent-Applicant, likewise a duly organized and existing corporation under the laws of Delaware, United States of America, with address on record at 152 Madison Avenue, 3rd Floor, New York, New York.

The subject trade application was published for opposition in the Intellectual Property Office Official Gazette which was officially released for circulation.

The grounds and relevant facts of the instant opposition are culled from the records, as follows:

1. The Opposer, SPECIFIQUE GARMENTS MANUFACTURING, INC. (SPECIFIQUE, for brevity) is engaged in the business of manufacturing garments.
2. SPECIFIQUE is interposing opposition to the aforementioned application for registration on the ground provided in Section 123 (d) of Republic Act No. 8293, that the mark sought to be registered "Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of (i) The same goods or services, or (ii) Closely related goods or services, or (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion."
3. SPECIFIQUE is a prior user of the mark sought to be registered by the Respondent. It is identical to the mark earlier adopted and used by SPECIFIQUE since the early 80's, more specifically, around the year 1982. Thus, SPECIFIQUE, has been using an identical mark "Le TIGRE (Stylized)" for about twenty four (24) years now.
4. SPECIFIQUE sells garments bearing the mark "Le TIGRE (Stylized)" to Shoemart and Ever Plaza, Inc., among others. SPECIFIQUE, in fact, assigns employees to Shoemart, to oversee the sales of Le TIGRE shirts. Copy of the letter of sales manager of SPECIFIQUE addressed to Shoemart, Inc., Cubao Branch is attached to the Opposition as Annex "A". Likewise, Affidavits of the employees assigned to Department Stores Shoemart, Robinsons, C.O.D., Uniwid and Ever are attached as Annexes "B" (Affidavit of Evangeline Bernal) and "C" (Estellita Ramirez) of the Opposition.

5. SPECIFIQUE also sold garments bearing the identical subject mark to other business entities. Some of the invoices to prove sales are attached as Annexes "D" and "I" of the Opposition. Likewise attached as Annexes "J", "K" and "L" of the Opposition to prove that SPECIFIQUE had been selling clothing apparels bearing the subject mark since 1982, are the affidavits of Mr. Valentino Madriaga, sales agent of SPECIFIQUE, Mr. James Ong, store consignor head of Ever Plaza, Inc., and Mr. Henry Go.

6. Moreover, SPECIFIQUE also worked to promote and create goodwill for its "Le TIGRE (Stylized)" by placing advertisements on different media, namely, in radio and on print ads. Copies of official receipts issued by Prime Spot to prove the advertisement of the garments bearing said mark are attached as Annexes "M" and "N" of the Opposition. Copies of two (2) contracts with Prime Spots are attached as Annexes "O" and "P" of the Opposition. Copy of another official receipt issued by Visayan Daily Star to prove advertisement of garments bearing the subject mark is attached as Annexes "Q" of the same Opposition.

7. Over the years, SPECIFIQUE has adopted and used the trademark "Le TIGRE (Stylized)". Copies of the patches and labels used by SPECIFIQUE in connection with the aforesaid trademarks are attached as Annex "R" of the Opposition.

8. From the foregoing, it is clear that SPECIFIQUE has created, promoted and built up the mark "Le TIGRE (Stylized)". Consequently, SPECIFIQUE's effort has given the mark "Le TIGRE (Stylized)" goodwill and reputation.

9. To allow a junior user of the mark "Le TIGRE (Stylized)", such as the respondent, to be the registered owner thereof would clearly cause damage to SPECIFIQUE. The goodwill and reputation acquired by the mark "Le TIGRE and DESIGN because of the efforts and resources of SPECIFIQUE will go naught, and instead, a third person will reap the benefits thereof.

Respondent-Applicant LT2, LLC, (LT2 for brevity) filed Answer dated 05 January 2007. It admitted the allegations in paragraph 2 of the Notice of Opposition with qualifications, that Respondent is the owner of the mark "Le TIGRE (Stylized)" and as such, has applied for registration of the said trademark with the Intellectual Property Office (IPO) on 30 June 2004 under Class 25 of the Nice Classification of Goods, embodied in the Rules and Regulations on Trademarks, Service marks, Trade Names and Marked or Stamped Containers, Republic Act No. 8293. It was further alleged that there being no pending trademark application or currently effective trademark registration with the IPO for an identical or confusingly similar mark to said subject trademark which was connected, originated, designed and made by LT2, the said application has been successfully prosecuted having been granted allowance, published and in fact granted Registration No. 4-2004-005782 which took effect on May 13, 2006.

Respondent specifically denies paragraph 1, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of the Opposition.

Special and affirmative defenses are set forth, to wit:

1. Respondent adopts the foregoing admissions and denials in so far as they may be relevant to this Affirmative Defenses.

2. Respondent hereby states that under the new Intellectual Property Code of the Philippines, Republic Act 8293, the basic underlying principle is the adoption of the FIRST TO FILE system in the protection of the Intellectual Property Rights, in Patents or Trademarks, which is a complete turnabout and thus vacated the previous reliance on the FIRST TO INVENT system in Patents and PRIOR USE in the case of trademarks. As such, Opposer's attempt to prove prior use of subject trademark, that it has unlawfully, illegally, fraudulently and deceitfully appropriated, adopted and used is no moment considering that there was never an attempt by the Opposer to have this subject mark registered in its name

which is in itself a very glaring and clear indication that it did not own much less create, concoct or make this subject mark owned, originated, created, concocted and made by herein Respondent.

3. This subject mark is made, concocted, and owned by herein Respondent where it filed applications and obtained registrations to protect its ownership not only in the Philippines but in other countries namely, Argentina, Austria, Bolivia, Brazil, Canada, Chile, China, Columbia, Community Trademark covering the countries of Spain, Germany, France and Italy, Costa Rica, Denmark, Ecuador, El Salvador, Guatemala, Hong Kong, India, Indonesia, Japan, Republic of Korea, Malaysia, Pakistan, Panama, Paraguay, Peru, Singapore, Switzerland, Taiwan, Thailand, United States of America, Uruguay and Venezuela. As proof, printout of the list of Respondent's trademark applications/registrations of mark applications/registrations around the world of Respondent's subject trademark "Le TIGRE and Design", as an integral part of this Answer is marked as Exhibit "1".

4. Respondent's trademark applicant's/registrations in the above-listed countries as Exhibit 1 likewise reflected in the data available in the website of the Trademark Offices of some of the countries stated in Exhibit 1, which are Australia, Canada and the Community Trademark of the Office for Harmonization in the Internal Market (OHM) covering the countries Spain, Germany, France and Italy, Denmark, Hong Kong, Japan, Singapore and the United States of America. It is submitted and made an integral part of this Answer the data retrieve from the Trademark Office of Australia pertaining to Respondent's trademark "Le TIGRE and Design", marked as Exhibit 2; the data retrieved from the Canadian Intellectual Property Office pertaining to the same trademark marked as Exhibit 3; the data retrieved from Office for Harmonization in the Internal Market (OHIM) (Community Trademark) covering Spain, Germany, France and Italy pertaining to the same trademark marked as Exhibit 4; the data retrieved from the Danish Trademark Office pertaining to the same trademark marked as Exhibit 5; the data retrieved from the Trademarks Registry of the Intellectual Property Department of Hong Kong pertaining to the same trademark marked as Exhibit 6; the data retrieved from the Japanese Trademark Database from the Japan Patent Office pertaining to the same trademark marked as Exhibit 7; the data retrieved from the Trademark Office of Singapore pertaining to the same trademark marked as Exhibit 8; and the data retrieved from the United States Patent and Trademark Office pertaining to the same trademark marked as Exhibit 9.

5. The foregoing evidently shows that herein Opposer has no basis at all under Republic Act 8293, to file this Notice of Opposition, and that Opposer only shows that it brazenly, unlawfully, illegally, fraudulently and deceitfully appropriated, adopted and used Respondent's trademark "Le TIGRE (Stylized)"

6. It would be at the height of injustice to invalidate the registration of herein Respondent's allowed, published and registered trademark application for its mark "Le TIGRE and Design" based on the Opposition of Opposer, which in fact has unlawfully, illegally, fraudulently and deceitfully appropriated, adopted and use subject mark without the latter's knowledge and consent causing incalculable damage, prejudice and injury t said Respondent's intellectual property rights.

The Opposer's Reply file on 30 January 2007, questions the issuance of a certificate of registration in favor of Respondent's for the subject mark despite the timely filing of this instant Opposition, in accordance to Republic Act No. 8293. In furtherance, Opposer refuted the affirmative defenses in Respondent's Answer and reiterated arguments raised in its Opposition.

In a Memorandum dated 31 May 2006 by the Assistant Director of this Bureau, addressed to the Director of the Bureau of Trademarks, the former affirmed the timely filing of the opposition in paragraph 4 thereof, as quoted:

“However, despite the fact that the Office received the Opposer’s letter request/petition with postal money order in the total amount of P1, 444.30 just last May 26, said petition will still be accepted, considering that fact that it has been mailed on May 12, 2006 which is the last day of filing or the 30th day from publication of the subject trademark applications, the Opposer’s tendered the corresponding payment as well. Therefore, said petition is considered filed on time”.

Verily, pursuant to Office Order No. 79, series of 2005 or the Amendments to the Regulations on Inter-Partes Proceedings, Opposer through its counsel, submitted the following pieces of documentary evidence, to wit:

- “A” Letter dated 13 October 1987 of Esther L. Go of Specificque to Shoemart, Inc.
- “B” Affidavit of Evangeline Natad Bernal, Sales Coordinator of Specificque
- “C” Affidavit of Estellita Ramirez, Sales Coordinator of Specificque
- “D” Sales Invoice No. 9958 dated 13 December 1991, sold to Shoemart, Inc. by Specificque
- “E” Sales Invoice No. 8898 dated 18 March 1992, sold Mc Brian by Specificque
- “F” Sales Invoice No. 9067 dated 11 June 1992, sold to Metropole by Specificque
- “G” Sales Invoice No. 9292 dated 09 November 1992, sold to Unimart by Specificque
- “H” Sales Invoice No. 9260 dated 23 October 1992, sold to Classique by Specificque
- “I” Sales Invoice No. 09661 dated 28 September 1993, sold to Robinsons Department Store by Specificque
- “J” Affidavit of Valention Madriaga, Sales Agent of Specificque
- “K” Affidavit of James Ong, Store Consignor Head of Ever Plaza, Inc.
- “L” Affidavit of Henry Go, proprietor of John John Shopping Mall
- “M” and “N” Official Receipts issued by Prime Spot re: advertisement in radio and media 1990
- “O” and “P” Copies of two (2) Advertising Contract with Prime Spots dated 12 July 1990 and 27 September 1991
- “Q” Official Receipt issued by Visayan Daily Star re: advertisement in radio and media dated 05 December 1994
- “R” sample of patches and labels used by Specificque bearing the trademark “Le and TIGRE and Design”

Respondent-Applicant’s compliance, on the other hand, consists of the following pieces of documentary evidence, to wit:

“1”	Trademark Status Report for Le TIGRE, LLC
“2”	Trademark Details
“3”	Trademark Data, Canadian Intellectual Property Office
“4”	CTM-On Line Detailed trade mark information
“5”	Trademark Data
“6”	Trade Marks Registry, Government of Hong Kong
“7”	Trademark Database
“8”	Details of Mark
“9”	Trademark Electronic Search System, United States Patent and Trademark Office

During the Preliminary Conference, parties tried to thresh out their dispute to settle amicably. Unfortunately, on the second scheduled conference, counsel fro Respondent-Applicant failed to appear, which caused the termination of said conference.

The issue posed is:

Who between the Opposer and Respondent-Applicant is the rightful owner of the trademark “Le TIGRE and Design”?

To synopsise, this Decision will not delve into the issue of confusing similarity because the facts have presented identical trademarks covering similar and/or related goods. Instead, the focus of discussion is the antipodal claims of trademark ownership presented by the herein Opposer and the Respondent-Applicant. In this instant case, Opposer Specificque, alleged ownership of the mark “Le TIGRE (Stylized)” on the basis of Section 123 (d) of Republic Act (R.A.) 8293 and the “prior user” rule, stating its use of the subject mark since 1982 up to the present. Respondent-Applicant LTW on the other hand, defends its ownership over the subject mark predicating on the “prior filer” rule under Application No. 4200045783, and citing several applications and registrations in other countries.

In this regard, the quantum of evidence required in administrative proceedings is substantial evidence. Substantial evidence has been defined as more than a mere scintilla of evidence or relevant evidence as a reasonable mind might accept as adequate to support a conclusion, even if other minds, equally reasonable, might conceivably opine otherwise. (Salvador vs. Philippine Mining Services Corporation, GR No. 148766, January 22, 2003)

This Bureau finds substantial evidence in favor of Opposer Specificque.

R.A. 8293 which has taken effect in 1998 provides for instances where a mark cannot be registered, to wit:

“SEC.123.Registrability. – 123.1 A mark cannot be registered if it:
x x x

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of:

- i. The same goods or services, or
- ii. Closely related goods or services, or

- iii. It nearly resembles such a mark as to be likely to deceive or cause confusion;”
(Emphasis Ours.) [Section 123 (d), R.A. 8293]

This Bureau subscribes with Respondent that R.A. 8293 sets the basis of ownership of a mark on a “proprietor or a mark an earlier filing or priority date” of the “prior filer rule”. This negates any problem in so far as intellectual property rights acquired during the effectivity of R.A. 8293. What muddled the “prior filer rule” are the rights which were already acquired prior to R.A. 8293, where the old regime of R.A. 166 (Old Trademark Law) has itself set a basis of trademark ownership which cannot be disregarded, as provided hereunder, to wit:

“Sec. 2-A. Ownership of trademarks, trade names and service marks; how acquired. – Anyone who lawfully produces or deals in merchandise of any kind or who engages in any lawful business, or who renders any lawful service in commerce, by actual use thereof in manufacture or trade, in business, and in the service rendered, may appropriate to his exclusive use a trademark, a trade name, or a service mark not so appropriated by another, to distinguish his merchandise, business or service from the merchandise, business or service of others. The ownership or possession of a trademark, trade name, service mark, heretofore or hereafter appropriated, as in this section provided, shall recognize and protected in the same manner and to the same extent as are other property rights known to the laws.” (Emphasis Ours.) (Sec. 2-A, Chapter II, R.A. No. 166)

The afore-quoted law underscores the “prior user” rule, which was sufficiently established by herein Opposer in this instant case by presenting Sales Invoices (Exhibit “D”, “E”, “F”, “G”, “H”, and “I”), dated during the effectivity of R.A. 166. Opposer’s Sales Invoices are proof of actual use in Philippine commerce of its mark “Le TIGRE and Design” in selling its clothing apparels.

Thus, Opposer’s actual and continuous use of the subject mark, as acquired under R.A. 166, has resulted to ownership thereof. It has gained for itself vested rights in the New Intellectual Property Code, to wit:

“Sec. 236 Preservation of Existing Rights. – Nothing herein shall adversely affect the rights on the enforcement of rights in patents, utility models, industrial designs, marks and works, acquired in good faith prior to the effective date of this Act.” (Sec. 236, R.A. 8293)

The repeal of R.A. 166 did not terminate all trademark rights acquired under and pursuant to said law. It is fallacy to assume that because of the repeal of R.A. 166, the ownership rights of Opposer to the trademark has ceased and was terminated. It is even a more deliberate error to enunciate that claim ownership over the subject mark is all dependent upon the priority filer rule. Deserving merit is the fact that when Respondent filed its trademark application on 30 June 2004, an identical mark of the subject mark was owned and issued in Philippine commerce by the Opposer. It was not *res nullius*, which cannot be subject of appropriation.

The above-quoted Section 236 guarantees due process and observance of justice, fairness or equity. The adoption of this provision of law finds purpose in repeal of R.A. 166 by R.A. 8293, to protect the rights of those who have already invested and established goodwill on their marks and names. Said Section 236 draws a conclusion that the rights referred thereto include rights of owners and prior users of unregistered trademarks that were acquired in good faith before RA 8293 took into force and effect which include the right to appropriate exclusive use of the trademark (Sec. 2-A, R.A. 166)

and the right to oppose or prevent the registration of the trademark in favor of others (Section 4 (d) of RA 166).

The repealing clause of R.A. 8293, which is the law amending R.A. 166 provides for the amendment of “all rule and regulations, memoranda, circulars and memorandum circulars and parts thereof inconsistent with these Regulations particularly the Rules of Practice in Trademark Cases, as amended x x x” (Emphasis Supplied) (Sec. 4, Repeals, Final Provisions, Republic Act 8293). Therefore, R.A. 166 or the old Trademark Law was not totally repealed by the advent of R.A. 8293, as they are not inconsistent with each other, particularly referring to the above-discussion on the “prior user rule” under R.A. 166 and the “prior filer rule” under R.A. 8293.

Respondent-Applicant wish to impress upon this Bureau that it is registration which confers ownership of a trademark to which this Bureau disagrees.

“A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant’s ownership of the mark, and of the registrant’s exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.” (Sec. 138, R.A. 8293)

Prima facie evidence is defined as, “evidence good and sufficient on its face. x x x Evidence which, if unexplained or uncontradicted, is sufficient to sustain a judgment in favor of the issue it supports, but which may be contradicted by other evidence.” (Robert P. Wa-acon vs People of the Philippines, GR No. 164575, December 6, 2006)

Prima facie evidence is a presumption and a rebuttable one. If evidence is adduced to prove the contrary, then presumption is at end and the prima facie case is destroyed.

In the instant case, Respondent’s registrations of its mark in several countries are merely prima facie evidence of its ownership of the subject mark and its exclusive right to use the same in its goods. However, it is settled existing jurisprudence that the Law on trademarks adheres to the principle of nationality and territoriality. As aptly put, the registration in foreign countries is not registration in the Philippines. In the case of Sterling Products International, Incorporated v. Farbenfabriken Bayer Aktiengesellschaft and Allied Manufacturing and Trading Co., Inc., G.R. No. L-19906, April 30, 1969, our Supreme Court has this to rule, to wit:

“Neither will the 1927 registration in the United States of the BAYER trademark for insecticides serve plaintiff any. The United States is not the Philippines. Registration in the United States is not registration in the Philippines. At the time of the United States registration in 1927, we had our own Trademark Law, Act No. 666 aforesaid of the Philippine Commission, which provided for registration here of trademarks owned by persons domiciled in the United States.

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There is nothing new in what we now say. Plaintiff itself concedes that the principle of territoriality of the Trademark Law has been recognized in the Philippines, citing Ingenohl vs Walter E. Olsen, 71 L. ed. 762. As Callman puts it, the law of trademarks “rests upon the doctrine of nationality or territoriality.”

Moreover, Opposer had satisfactorily proven its superior right through actual sales in local commerce way back 1982 by presenting Sales Invoices (Exhibits “D” to “I”) and Affidavits of its employees and other disinterested persons (Exhibits “A”, “B”, “C”, “J”,

“K” and “L”). This Bureau is therefore convinced that the evidence of herein Opposer is sufficient to overcome that presumption laid in Section 138 of R.A. 8293.

In fact, the Philippines implemented the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement) when RA 8293 took into force and effect on 01 January 1998. Article 15, in relation to Article 16(1) of the said Agreement provides that, “it is not the registration that confers ownership of trademark; rather, it is ownership of the trademark that gives rise to the right to cause its registration and enjoy exclusive use thereof for the goods associated with it.”

“The “First-To-File” rule could not have been intended to justify the approval of a trademark application just because it was the first application to be filed regardless of another’s better or superior right to the mark applied for. The rule cannot be used to commit or perpetuate an unjust and unfair claim. A trademark is an industrial property and the owner thereof has property rights over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership. RA 8293 implements the TRIPS Agreement and therefore, the idea of “registered owner” does not mean that ownership is established by mere registration but that registration establishes merely a presumptive right of ownership. That presumption of ownership yields to superior evidence of actual and real ownership of the trademark and to the TRIPS Agreement requirement that no existing prior rights shall be prejudiced.” (Fishwealth Canning Corp. vs Henry Kawson, Appeal Nos. 10-05-03 and 14-05-06, Office of the Director General, 22 January 2007)

WHEREFORE, having clearly shown the Opposer is the rightful owner of the trademark “Le TIGRE (Stylized)” on Class 29 of the Nice Classification of Goods and that, the registration of the subject trademark in favor of Respondent-Applicant will cause great and irreparable damage and injury to Opposer, hence, the Notice of Opposition filed by Opposer is, as it is hereby, SUSTAINED. Consequently, application bearing Serial No. 4-2004-005782 filed by Respondent-Applicant LT2., LLC, on 30 June 2004 for the registration of the mark “Le TIGRE (Stylized)” used for Class 29 of the Nice Classification of Goods is, as it is, hereby REJECTED.

Let the file wrapper of “Le TIGRE (Stylized)”, subject matter of this case together with a copy of this decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 29 June 2007

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