STA. MONICA INCORPORATED, Petitioner,

INTER PARTES CASE NO. 3217 Cancellation

- versus -

Trademark: TOKYO

THREE GOLDEN STAR CANNING PRODUCTS COMPANY,
Respondent-Registrant.

DECISION NO. 89-80 (TM)

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DECISION

On August 23, 1988, STA. MONICA INCORPORATED filed a Petition for the Cancellation of Trademark Registration No. SR-7103 from the Supplemental Register of this Bureau, bearing the mark "TOKYO", used on sardines, issued on November 13, 1985 in the name the THREE GOLDEN STAR CANNING PRODUCTS COMPANY.

Petitioner is a domestic corporation organized under the laws of the Philippines with office address at San Diego Street, Barangay Canumay, Malinta, Valenzuela, Metro Manila; while Respondent-Registrant is a partnership organized under the Philippine laws with address at Don Bautista, Malabon, Metro Manila.

The ground alleged in herein Petition is:

That the Registrant was not entitled to register the mark "TOKYO" at the time of its application for registration thereof.

On August 29, 1988 Respondent-Registrant was notified and furnished a copy of herein Petition and was required to file its Answer thereto within fifteen (15) days from receipt of said notice.

In its Answer filed on September 14, 1988, Respondent-Registrant denied the material allegations stated therein and made the following special and affirmative defenses:

- "3. That the Petitioner's and Respondent's trademarks and labels are very different from each other and could be easily and separately distinguished.
- 4. That the Respondent's label (TOKYO) fish and tomatoe are set on a yellow field while Petitioner's label (TOYO) is on a purely red field.
- 5. That the Respondent's label TOKYO has one big tomatoe serving as its sardines background, while TOYO label has two (2) tomatoes for its sardines background.
- 6. That Respondent-Registrant's label TOKYO has the word 'Superior Quality' in white capital letters and the word <u>sardines</u> below 'superior quality' is in big bold letters, while TOYO has the word 'in tomato sauce' in smaller red letters with yellow background and below it the word 'mackerel' in bold white letters.
- 7. That Respondent's TOKYO bears a manufacturer's logo, packaging and content label vertically set on a white field while Petitioner's TOYO set its logo, packaging and content label on its purely red field in yellow print.
- 8. That the sound, spelling and pronunciation of the word of Respondent-Registrant's trademark is different from the Petitioner's trademark.

9. Factors that should be considered are sound, appearance, form style, shape, size or format, color, ideas connotated by the marks, the meaning, spelling and pronunciation of the word used, and setting in which the word appear (Etepha vs. Director of Patents, et.al., 16 SCRA, 495, 499, 501)."

Issues having been joined, the Pre-Trial Conference was set to December 6, 1988 and the parties started to negotiate for a settlement of the case by the change of some color schemes on the mark of Respondent-Registrant.

The Pre-Trial stage has been reset for several times and deliberated on some proposals to avoid the possible confusion of the public in the purchase of the product they intend to buy.

Finally, at the hearing of October 16, 1989 the parties submitted a Joint Motion To Dismiss with Stipulation of Facts which provides: "That they have agreed to settle in full all their differences, as well as any and all other claims which they may have against each other arising from the instant proceeding and in pursuant thereof hereby respectfully submit the following stipulation of facts:

- a) Respondent-Registrant will immediately 'cease and desist' from using any label other than what is actually shown and described in the new label, copy attached as Annex 'A' hereof, in connection with the manufacture, sale and distribution of its TOKYO sardines; nor shall adopt or use any other labels either in identical form or in such near resemblance hereof to Annex 'A'.
- b) Petitioner agrees to give Respondent-Registrant three (3) months from date of judgment hereof, within which to dispose of its present stock of old labels."

The amendment made in the Respondent's label is the change of color scheme in the word mark TOKYO from white to red and the addition of Chinese characters below the letters T and O of said word mark TOKYO (Annex "A" as compared to Respondent-Registrant original contested mark).

WEEREFORE, this Petition is DISMISSED subject to the provisions of the above Stipulation of Facts. Respondent-Registrant is enjoined to immediately effect amendment/change of its label in conformity with the submitted sample (Annex "A" of Stipulation of Facts).

Let the records of case be forwarded to the Patents & Trademarks EDP Division for appropriate action in accordance with this Decision.

SO ORDERED.

Makati, Metro Manila, October 23, 1989.

IGNACIO S. SAPALO Director