

STAR TELEVISION
PRODUCTION LIMITED,
Opposer,

IPC 14-2006-00056

- versus -

Opposition to:
TM Application No. 4-1994-094417
(Filing Date: 09 August 1994)

STAR CINEMA PRODUCTIONS, INC.,
Respondent-Applicant.

TM: "STAR CINEMA PRODUCTION INC.
& DEVICE

X-----X

Decision No. 07-111

DECISION

This pertains to the Opposition filed by STAR TELEVISION PRODUCTIONS LIMITED., a corporation organized and existing under the laws of British Virgin Islands, with principal place of business at Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, Bristish Virgin Islands, against the registration of the trademark "STAR CINEMA PRODUCTIONS INC. & DEVICE" for business covered under Class 35 specifically for use on advertising filed under Application Serial No. 4-1994-094417 on 09 August 1994 in the name of STAR CINEMA PRODUCTIONS, INC. of ABS-CBN Annex, Scout Borromeo, Quezon City.

The grounds for opposition to the registration of the trademark STAR CINEMA PRODUCTIONS, INC & DEVICE are as follows:

1. The registration of the mark subject of this opposition is contrary to the provisions of Section 123.1 (d), of Republic Act No. 8293, as amended, which prohibits the registration of a mark that:

"(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) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

"(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, that in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

"(f) Is identical with, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection

between those goods or services, and the owner of the registered mark: Provided further, that the interests of the owner of the registered mark are likely to be damaged by such use”.

2. The Opposer is the owner of the STAR mark, which it uses in connection with a variety of goods and services, including advertising services in class 35. The Opposer’s STAR mark is also used, but not in all instances, in conjunction with a graphical representation of a star. The Opposer has registered and applied for the registration of the STAR mark in the Philippines. The details of the registration and applications are as follows:

| Mark | Registration No. | Date Issued | Class(es) |
|-----------------------|------------------|-----------------|-----------|
| STAR TV & STAR DEVICE | 4-1992-84265 | 21 October 2002 | 38 |

| Mark | Application No. | Filing Date | Class(es) |
|----------------------------------|-----------------|------------------|---------------|
| STAR TV & STAR DEVICE | 96172 | 3 November 1994 | 41 |
| STAR TV & STAR DEVICE | 96171 | 3 November 1994 | 35 |
| STAR TV & STAR DEVICE | 96170 | 3 November 1994 | 16 |
| STAR LOGO | 4-2000-10313 | 18 December 2000 | 9,16,38,41,42 |
| STAR & LOGO | 4-2000-10314 | 8 December 2004 | 9,16,38,41,42 |
| STAR WITH CROPPED BOX LOGO | 4-2004-11644 | 8 December 2004 | 9,16,38,41,42 |
| STAR MOVIEWITH CROPPED BOX LOGO | 4-2004-11645 | 8 December 2004 | 9,16,38,41,42 |
| STAR MOVIE WITH CROPPED BOX LOGO | 4-2004-11646 | 8 December 2004 | 9,16,38,41,42 |

3. The STAR word appearing in the Respondent-Applicant’s mark resembles the Opposer’s STAR mark as to be likely to deceive or cause confusion. The Respondent-Applicant’s use of the STAR word in conjunction with a representation of a star/sun increases the likelihood of confusion or Deception since the Opposer also uses its STAR mark in conjunction with a representation of a star. Also, the Respondent-Applicant’s mark is used on services that are similar or closely related to the goods and services on which the Opposer uses the STAR mark. Hence, the registration of the Respondent-Applicant’s mark will be contrary to Section 123.1 (d) of Republic Act No. 8293.
4. Opposer is entitled to the benefits granted to foreign nationals under Section 3 of Republic Act No. 8293, which provides:

“Section 3. International Conventions and Reciprocity. - Any person who is a national or who is domiciled or has a real and effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act.”

The Opposer is domiciled in the British Virgin Islands, an overseas territory of the United Kingdom. Both the Philippines and the United Kingdom are members of the Paris Convention for the Protection of Industrial property (the “Paris Convention”), which provides:

“Article 6bis

- (1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation, or a translation considered by competent authority of the country of registration or use to be well known in that country as being mark of a person entitled to the benefits of this Convention and used for identical or similar goods x x x.

“Article 10bis

- (1) The countries of the Union are bound to assure nationals of such countries effective protection against unfair competition”
5. The Opposer’s STAR mark is a well-known or world famous mark. This well-known status has been confirmed by the Honorable Office in the decision rendered in the case Star Television Productions Limited vs. Juanito Cardenas (IPC Case No. 14-2001-00013). Hence, the registration of Respondent-Applicant’s mark will constitute a violation of Articles 6bis and 10bis of the Paris Convention in conjunction with Section 3, 123.1 (f) of Republic Act 8293.
6. The Respondent-Applicant’s use of the STAR word or the STAR word in conjunction with the star/sun device forming part of the mark subject of the opposed application will mislead consumers into believing that the Respondent-Applicant’s services are provided, originate from, or are under the sponsorship of the Opposer.
7. The Respondent-Applicant’s use of the STAR word or the STAR word in conjunction with the star/sun device forming part of the mark subject of the opposed application will mislead the public into believing that the services offered and /or provided by Respondent-Applicant are associated with the Opposer. Therefore, potential damage to the Opposer will be caused as a result of the Opposer’s inability to control the quality of the services offered to the public by the Respondent-Applicant under the mark subject of this opposition.
8. The Respondent-Applicant’s use of the STAR word or the STAR word in conjunction with the star/sun device forming part of the mark subject of the opposed application in relation to any of the services covered by the opposed application will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer’s well-known STAR mark.
9. The Respondent-Applicant’s use of the STAR word or the STAR word in conjunction with the star/sun device forming part of the mark subject of the opposed application encroaches on the zone of natural expansion of the Opposer’s business in connection with which the Opposer’s STAR mark is used.
10. The denial of the application subject of this opposition is authorized under other provisions of Republic Act No. 8293.

The antecedent facts which Opposer relied upon to support its Opposition were the following:

1. The Opposer is the owner of the STAR mark, which has been registered and applied for registration in the name of Opposer in the Philippines and in other countries.
2. The STAR word forming part of the mark subject of the opposed application is visually and phonetically identical and similar to the Opposer’s STAR mark.

3. The Opposer has not considered to the Respondent-Applicant's use and registration of the STAR mark or any other mark identical or similar to the Opposer's STAR mark.
4. The Respondent-Applicant's use of the STAR word as a trademark is likely to deceive or cause confusion. Also, the Respondent-Applicant's use of the STAR word in conjunction with a representation since the Opposer also uses its STAR mark in conjunction with a representation of a star.
5. The STAR mark has been in commercial use in the Philippines and internationally prior to the filing date of the application subject of this opposition.

5.1 The well-known STAR mark's use in commerce by the Opposer and its affiliates began at least as early as 1991 in Hong Kong and has been continuous, famous and uninterrupted ever since then.

5.2 in the Philippines, services on which the Opposer's STAR mark is used have been offered and provided to Philippine customers as early as 1995.

6. The Opposer has not abandoned its STAR mark and commerce in over 53 countries in the Asia Pacific region, including the Philippines, and in the Middle East.
7. By virtue of the prior and continued use by the Opposer of the STAR mark in the Philippines and other parts of the world, the said mark has become popular and internationally well-known and has established for the Opposer valuable goodwill with the public which has identified the Opposer as the source of services on which the STAR MARK is used.
8. The Opposer has also extensively promoted the STAR mark worldwide.
 - 8.1 Over the years, the Opposer has obtained significant exposure for its services on which the STAR mark is used, in various media including television commercials, outdoor advertisements, internationally well-known print publications, and sports and other promotional events. Services offered and provided under the Opposer's STAR mark are also promoted at the domain www.startv.com, which can be readily accessed by internet users.

The Notice to Answer dated 19 April 2006 was sent to Respondent-Applicant, through its Counsel, Quiason Makalintal Barot Torres & Ibarra, directing Applicant to file their Verified Answer within a prescribed period from Receipt. After several extensions which were granted by this Bureau, Respondent finally filed its Verified Consolidated Answer on 13 September 2006.

Respondent in its Answer interposed the following ADMISSIONS and DENIALS:

1. Star Cinema does not admit any of the allegations in Opposer's Notice of Opposition dated 4 April 2006 in IPC Case No. 14-2006-00056 and Notice of Opposition dated 4 April 2006 in IPC Case No. 14-2006-00057 (the "Notices of Opposition").
2. The following paragraphs under Item I of the Notices of Opposition are denied for lack of knowledge or information sufficient to form a belief as to the truth thereof
 - a. Paragraph 2, on Opposer's ownership and supposed use of the STAR TV mark, and the details of the supposed trademark registrations and applications of said mark;
 - b. Paragraph 4, insofar as it alleges the domicile of the Opposer; and

- c. Paragraph 5, on the supposed international fame of the STAR TV mark. The rest of the allegations in this paragraph are specifically denied for the reasons stated in the affirmative Allegations and Defences
3. The following paragraphs under Item II of the Notices of Opposition are denied for lack of knowledge or information sufficient to form a belief as to the truth thereof:
 - a. Paragraph 1, on Opposer's supposed ownership of the STAR mark;
 - b. Paragraphs 5, 5.1 and 5.2, insofar as they allege the supposed commercial use of Opposer's mark in the Philippines. The rest of the allegations in these paragraphs, particularly those which allege use of the mark prior to the filing of the subject Applications are specifically denied for being false, the truth being as stated in the Affirmative Allegations and Defenses;
 - c. Paragraph 6, on the supposed continuous use by the Opposer of the STAR TV mark in trade and commerce;
 - d. Paragraph 7, on the supposed international fame of Opposer's STAR mark. The allegations in this paragraph are likewise specifically denied for the reasons stated in the Affirmative Allegations and Defenses; and
 - e. Paragraphs 8 and 8.1, on the supposed extensive promotion, and significant exposure, of the STAR TV mark worldwide.
4. The following paragraphs under Item I of the Notices of Opposition are DENIED for being conclusory and false, the truth being as stated in the Affirmative Allegations and Defenses:
 - a. Paragraph 1, which alleges that the registration of the mark subject of Star Cinema's applications contrary to Sections 123.1 (d), (e) and (f) of Republic Act No. 8293 (R.A. No.8293");
 - b. Paragraph 3, which states that the STAR word appearing in Star Cinema's mark is likely to deceive or cause confusion;
 - c. Paragraph 4, insofar as it alleges that the Opposer is entitled to the benefits granted to foreign national under Section 3 R.A. No. 8293;
 - d. Paragraph 5, which alleges that the registration of the mark subject of Star Cinema's application will constitute a violation of Articles 6bis and 10bis of the Paris Convention and the provisions of R.A. No. 8293;
 - e. Paragraphs 6 and 7, which allege that Star Cinema's use of the STAR word alone or in conjunction with the star/sun device will mislead consumers, or cause confusion;
 - f. Paragraph 8, which alleges the supposed dilution of Opposer's mark by reason of Star Cinema's use of the STAR word alone or in conjunction with the star/sun device;
 - g. Paragraph 9, which alleges that the STAR Cinema's use of the STAR word alone or in conjunction with the star/sun device encroaches on the zone of natural expansion of Opposer's business; and
 - h. Paragraph 10, which alleges that the denial of subject application is authorized under the provisions of R.A. No. 8293.
5. The following paragraphs under Item II of the Notices of Opposition are DENIED for being false, the truth being as stated in the Affirmative Allegations and Defences:
 - a. Paragraph 2, which alleges that the STAR word forming part of Star Cinema's mark, is visually and phonetically identical or similar to Opposer's STAR mark;
 - b. Paragraph 3, which alleges that the Opposer has not consented to Star Cinema's use of the STAR mark; and

- c. Paragraph 4, which alleges that Star Cinema's use of the STAR word alone or in conjunction with star/sun device will mislead consumers, cause confusion or increase likelihood of deception.

and raised in its Answer the following Affirmative Allegations, to wit:

6. Star Cinema was incorporated on April 13, 1993. Xxx

A certified true copy of its SEC Certificate of Registration is attached as Exhibit "1".

- a. It is a subsidiary of one of the largest broadcasting networks in the Philippines, ABS-CBN Broadcasting Corporation (ABS-CBN).
 - b. It became the number one film company in the country in 2000 and by 2003, has captured 64% of the market share.
7. The mark subject of Application Nos. 4-1994-094417 and 4-1994-0944-18 (the "subject Applications"), "STAR CINEMA PRODUCTIONS, INC. and DEVICE" (the "Star Cinema" mark), was first used and adopted in commerce in the Philippines in 1993.
 - a. Application No. 4-1994-094417 is for the use of the Star Cinema mark on goods/services falling under class 35, i.e., for advertising. It was filed on 9 August 1994 and is being prosecuted under the provisions of Republic Act No. 166 (the "old Trademark Law"). Application No. 4-1994-094418 is for the use of the Star Cinema mark on goods/services falling under class 41 i.e., for motion pictures and entertainment. It was likewise filed on 9 August 1994 and is being prosecuted under the provisions of the old Trademark Law.
 8. Since its incorporation in 1993, the "Star Cinema" mark was used and adopted in the movies produce, distributed and advertised throughout the Philippines by Star Cinema and later, by ABS-CBN Film Productions, Inc. ("ABS-CBN Film"), xxx
 - a. Star Cinema's movie, Anak (2000), is among the top grossing movies in the Philippines of all time.
 - b. The movies produced by Stat Cinema and ABS-CBN Films have likewise been exhibited for market distribution and competition in various international film festivals, including the Toronto International Film Festival, Hong Kong International Film Festival, Fukuoka Film Festival (Fukuoka, Japan) and Ourense Film Festival (Spain), among others.
 9. Star Cinema's movies are shown in over 70 theatres all over the Philippines and on local television and on some cable channels.
 - a. The movies are likewise released in VCD/DVD format and are sold, not only in the Philippines but in various countries worldwide including the United Sates, Canada, Australia, Saudi Arabia, Kuwait, Bahrain, Qatar, United Arab Emirates and Cyprus.
 10. The movies were extensively promoted in Star Cinema's affiliate television network, ABS-CBN, Channel 2, a local channel readily accessible to both cable and non-cable subscribers.
 11. The Star Cinema mark is prominently displayed in all of Star Cinema's movies and in all of its advertising and promotional materials and activities.

12. The promotion of movies produced by Star Cinema and ABS-CBN Film is not limited to television and newspaper advertising. In some cases, promotion of the movies include merchandising deals featuring the movies in t-shirts, caps, mugs, posters, all of which prominently display, not only the movie's stars but also the Star Cinema mark.
13. Star Cinema and ABS-CBN Film, to date, has spent over 200 Million pesos in promoting their movies nationwide and in areas outside of the Philippines.
14. Due to the extensive promotion of the Star Cinema mark since 1993, the public at large, and not only the movie-going public has, in the field of entertainment, associated the word "STAR" exclusively with Star Cinema and its parent company, ABS-CBN.
15. The theatrical release of the movies alone has generated over Two Billion Pesos in revenues. This excludes revenues from the video sales, television and cable rights and international sales of the movies.

and interposed the following defenses, as follows:

16. Opposer's Opposition to the subject applications for the registration of the Star Cinema mark should be denied. Contrary to Opposer's allegations, the registration of the Star Cinema mark is not violative of Sections 123.1 (d), (e) and (f) of R.A. 8293, specifically:
 - a. The Star Cinema mark is not identical to, or similar with, Opposer's Star TV mark;
 - b. Opposer's Star TV mark was not internationally and locally famous at the time of Star Cinema's use of, and applications for trademark registration for, the Star Cinema mark;
 - c. The registration of the Star Cinema mark will not cause confusion nor lead to deception; and
 - d. The registration of Opposer's STAR TV mark cannot prejudice the right of Star Cinema to use the register its mark
17. While the grounds relied upon by the Opposer in its Opposition to the subject Applications are based on the provisions of R.A. No. 8293, reference are made to the provisions of the old Trademark Law, considering the following:
 - a. Based on the documents obtained from this Honorable Office, Opposer's STAR TV trademark, which it cites in its Opposition, was registered under the provisions of the old Trademark Law; and
 - b. The subject Applications were filed, and are being prosecuted, under the provisions of the old Trademark Law.

Given the foregoing, the determination of the rights and obligations of the Opposer and Star Cinema over the use of their respective marks should be emphasized that Section 237 of R.A. 8293 expressly provides that the provisions thereof shall not "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."

18. Opposer's trademark registration for its "STAR TV and DEVICE" mark is not based on actual use of the mark in the Philippines but rather, on its foreign registration. Certificate of Registration No. 4-1992-82496 for the mark "STAR TV and DEVICE" was issued for goods covered under class 38 for television and broadcasting services, among others. Based on the records obtained from this Honorable Office,

Opposer's registration was made under the provisions of the old Trademark Law, which allowed foreign registration of the marks, and not on the basis of actual commercial use of the mark in the Philippines. It appears that Opposer submitted its Certificate of Registration for the mark issued in Israel for class 38 as basis for the registration of its mark in the Philippines.

19. Section 37 of the old Trademark Law, which allowed foreign nationals to register their marks in the Philippines on the basis of an application of the mark in their country of domicile or in another country, reads:

SEC. 37. Rights of foreign registrants. – Persons who are nationals of, domiciled in, or have a bona fide or effective business or commercial establishment in any foreign country, which is a party to any international convention or treaty relating to marks or trade-name or the repression or unfair competition to which the Philippines may be a party, shall be entitled to the benefits and the subject to the provisions of this Act to the extent and under the conditions essential to give effect to any such convention and treaties so long as the Philippines shall continue to be a party thereto, except as provided in the following paragraphs of this section.

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- a. In order to claim the benefit under the cited provision, the trademark application in the Philippines must have been filed on the same date on which the application was first filed in the foreign country, provided that "(t)he application in the Philippines is filed six months from the date on which the application was first filed in the foreign country; and within three months from the date of filing or within such time as the Director shall in his discretion grant, the applicant shall furnish a certified true copy of the application for, or registration in the country or origin of the applicant...".
- (i) Based on the records of this Office, Opposer's trademark application was initially filed on 14 September 1992. However, the application was withdrawn on 19 October 1992 because of Philippine consular office in Hong Kong. The application appears to have been re-filed only on 16 December 1992.
 - (ii) Opposer's application was granted based on the registration of the "STAR TV" mark in Israel. However, the application for registration of the mark in Israel appears to have been filed on 15 May 1992, or seven (7) months before Opposer's application for registration of the mark in the Philippines was re-filed. It thus appear that Opposer's trademark Law as the application for registration in the Philippines was filed beyond the six-month period prescribed under Section 37, i.e., the Philippine application was re-filed on 16 December 1992 while the application for registration of the mark in Israel was filed on 15 May 1992.
20. Assuming, without conceding, the validity of Opposer's Philippine registration for its Star TV mark, its registration does not affect Star Cinema's right to use, and register, the Star Cinema mark.
21. The registration of the Star Cinema mark is not contrary to the provisions of Section 123.1 9d), (e) and (f) of R.A. No. 8293.
22. Section 123.1 (d) of R.A. No. 8293 prohibits the registration of a mark when it is shown that: (i) it is identical to a registered mark belonging a different proprietor or to

a mark with an earlier filing or priority date; and (ii) it is used with respect to: (a) the same goods or services; (b) closely related goods or services; or (c) if it nearly resembles a mark as to be likely to deceive or cause confusion.

23. Opposer claims that the Star Cinema mark and its Star TV mark are visually identical. A comparison of the marks however shows that apart from containing the word “Star”, the two marks are not identical.



The Star Cinema mark is composed of the words “Star Cinema Productions, Inc.” with the image of a rising sun above it. Opposer’s Star mark consists of just the words Star TV with the image of a star. The design of the two marks and the fonts used are different. Notably, while Opposer claims that “Star” is a dominant feature of its mark, the word Star is not given prominence or emphasis.

24. The fact that both marks contain the word “Star” does not preclude Star Cinema from using the word “Star” in its mark. Opposer cannot claim exclusive right to the use of the word “Star”, either as a stand-alone mark or in conjunction with other words. Based on the allegations in its own Opposition, Opposer does not have Philippine trademark registration or application for the stand-alone word “Star” or even the word mark “Star TV”. There is likewise no showing that Opposer has continuously and exclusively used the stand-alone word “Star” as a trademark, either in the Philippines or elsewhere in connection with its services. Further, there is no indication that the word “Star” alone has become distinctive of Opposer’s business or services.
25. Assuming arguendo that the mark “Star TV” might be deemed to be associated with the Opposer, the word “Star” alone may not. On the contrary, the numerous trademarks with the word “Star” in trademarks already registered with this Honorable Office negates exclusive use by Opposer of the word “Star” in trademarks. It likewise belies the claim that “Star” has become distinctive of its business or services. Thus, in the recent case of Mighty Corporation, et. al. v. E & J Gallo Winery, et al., the Supreme Court held that the existence of another trademark registration containing the word “GALLO” negates the claim that the “GALLO” mark is a strong and distinct mark in the Philippines, to wit:

xxx xxx xxx

Second, the GALLO trademark cannot be considered a strong and distinct mark in the Philippines. Respondents do not dispute the documentary evidence that aside from Gallo Winery’s GALLO trademark registration, the BUREAU of Patents, Trademarks and Technology Transfer also issued on September 4, 1992 Certificate of Registration No. 53356 under the Principal Register approving Productos Alimenticios Gallo, S.A.’s April 19, 1990 application for GALLO trademark registration and use for its “noodles, prepared food or canned noodles, ready or canned sauces for noodles, semolina, wheat flour and bread crumbs, pastry, confectionary, ice cream, honey, molasses syrup, yeast, baking powder, salt, mustard, vinegar, spices and ice.

26. A search of this Honorable Office's trademark database will readily show that there are at least fifty-eight (58) trademarks registered and subsisting with this Honorable Office bearing the word "STAR", either as a stand-alone mark or in conjunction with other words, xxx
- a. Of these trademarks, twenty-two (22) are registered for use on goods and services falling in the same class and/or classes claimed by herein Opposer as pertaining to the class of goods/services on which it uses its trademark (i.e. classes 9, 16, 35, 38, 41 and 42). Seven of these registrations are for the stand alone mark "STAR".
 - b. The above enumeration still excludes registered trademarks which use "Star" as part of a word, where "STAR" appears to be the dominant feature of the mark, i.e., Starbucks, Starshop, Starlink, Starnet, Stargazer, StarMedia, etc. If these registered marks were to be included, there would be even more registered trademarks that have "STAR" as a dominant feature of the mark.
27. There are also various trademarks registered with this Honorable Office which use the word STAR, either as a stand-alone mark or as part of the trademark, with the image of a star. Below is but a few samples of registered marks which consist of the word "STAR", as a stand-alone mark or in conjunction with either words, and the image of a star. The marks cited below are only those registered for use in connection with goods and services under Classes 9, 16, 35, 38 and 41: xxx
28. The proliferation of the word "STAR" or device in marks registered with this Honorable Office (including those pertaining to marks of the same class as that cited by the opposer) show that Opposer has no exclusive use of the mark. In fact, following the ruling in the Gallo case, these trademark registrations negate the Opposer's claim that Star has become distinctive of its products. As ruled in a long line of cases of American vintage, "distinctiveness in the marketplace is influenced significantly by the marks of third parties. Third parties' usage of similar marks, in the same industry, weighs heavily against the finding that a mark is commercially strong". Elsewhere, it has also been held that "an arbitrary mark may be classified as weak where there has been extensive third party use of similar marks on similar goods."
29. This implies that in a crowded field of similar marks, "each member of the crowd is relatively 'weak' in its ability to prevent use by others in the crowd." Thus, even assuming that the Opposer has a trademark entitled to protection in this jurisdiction, it cannot prevent Star Cinema from using the word "STAR" in its own application.
30. Section 123.1 (d) of R.A. No. 8293 likewise presupposes that the use of an identical mark will be on goods or services similar to, or closely related with, the goods or services on which the registered mark was/will be used. The subject Applications are for services falling under classes 35 and 41 of the Nice Classification, i.e., advertising, business management, business administration and office functions. Opposer's trademark registration is for a class of goods/services under class 38.
31. Neither can Opposer rely on its trademark application for its STAR mark for use on services falling under class 35. To be entitled to protection under Section 123.1 (d) of R.A. No. 8293, Opposer's trademark application must have been filed earlier than the subject Applications. Based on the allegations of the Opposer itself, it applied for registration of its trademark for use on services under class 35 only on 3 November 1994. The subject Applications were filed three months earlier, or on 9 August 1994. Moreover, even prior to the filing of the subject under Class 35 as early as in 13 April 1993, or more than a year before Opposer even sought to register its STAR mark for services falling under the same class.

32. Opposer likewise anchors its Opposition to the subject Applications on Sections 123.1 (e) and (f) of R.A. No. 8293. The cited sections, however, presuppose that Opposer's STAR mark was well known internationally and in the Philippines, at the time of filing of the subject Applications. Thus, a mark that is famous internationally (assuming arguendo Opposer's mark is one), but not locally, cannot claim the benefit of Section 123.1 (e) and (f) of R.A. No. 8293.
33. Opposer further invokes the provisions of the Paris Convention, particularly Articles 6bis and 10bis thereof, in conjunction with Sections 123.1 (e) and (f) of R.A. No. 8293. Opposer overlooks the fact that to avail of the protection given to well-known marks under the provisions of the Paris Convention, the international and local Fame of the mark AT THE TIME of Star Cinema's use and application for its "Star Cinema" mark must be established.
34. Under Article 4 of the Joint Recommendation Concerning Provisions of the Protection of Well-Known Marks, a mark identical to a well-known mark will not be considered a conflicting mark, if such mark was a) sued; b) the subject of a trademark application, or c) registered in a Member State before the well-known mark became famous in the Member State, xxx
35. Without conceding that Opposer's 'STAR TV' mark is now an internationally and locally famous mark, there is no showing that the mark was internationally AND locally famous at the time of Star Cinema's first use of its mark in 1993, or even at time of filing of the subject Applications in 1994. On the contrary, Opposer's own evidence suggests that, the mark was not even in actual commercial use in the Philippines in 1993.
 - a. The affidavit of Opposer's witness, Chan Mai, States that the STAR mark was first used in commerce in the Philippines only in 1995, which is almost two years after Star Cinema first used its own mark. On the contrary, Star Cinema's mark was already locally famous at the time Opposer used its mark in the Philippines, considering that in 1995, the former had already used its mark in twenty-five (25) movies, all of which were promoted extensively and shown in theatres throughout the Philippines, xxx
 - b. At the time Opposer's alleged use of the STAR TV mark in 1995, in the field of entertainment, the public at large, (and not only the movie-going public) had already associated STAR in the field of entertainment, with Star Cinema and its movies.
36. Opposer attached to its Opposition voluminous documents to demonstrate the supposed international fame of its STAR TV mark. However, not one of the documents attached showed that its Star mark was even famous internationally at the time Star Cinema first used and adopted its mark in the Philippines in 1993. Further, there is no indication, or even allegation, of efforts undertaken by the Opposer to promote its mark in the Philippines. On the contrary, there is every indication that its mark was, at the very least, not even locally famous at the time of Star Cinema's applications for the registration of its own mark in 1994. In this regard, it bears nothing that in *Kabushi Kaisa Isetan v. Intermediate Appellate Court*, the Supreme Court ruled that a supposed internationally famous mark must also be known "among Filipinos", to claim protection under the Paris Convention. In the cited case, the Supreme Court noted that absence of use in the Philippines by the foreign registrant of the claimed internationally famous mark. Here, Opposer admits that it only used its mark in the Philippines in 1995.

37. Additionally, Sections 123.1 (e) and (f) of R.A. No. 8293 also require that a mark should be well-known internationally and in the Philippines, taking into account “knowledge in the Philippines which has been obtained as a result of the promotion of the mark.” There is no showing here of Opposer’s prior promotion of the mark in the Philippines which would indicate that the mark was already well-known in the country even before it used the mark here in 1995.
38. Opposer cannot rely on this Honorable Office’s declaration in IPC Case No. 14-2001-0013 that its mark is internationally well known, as Star Cinema was not a party to that case. Additionally, there is nothing in the text of the Decision it invokes which suggests that Opposer’s Star mark was internationally AND locally famous at the time Star Cinema first used its mark in the Philippines in 1993. Further, assuming (without conceding) that Opposer’s mark has now become well-known, such fact cannot affect that right of Star Cinema, as it used the Star Cinema mark even before Opposer’s mark became well-known. The Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organization, in their Joint Recommendation on the Protection of Well-Known Marks, likewise recognize that the protection to well-known marks cannot affect the rights of those who used an identical mark before the “well-known” mark has become famous in a member state.
39. Sections 123.1 (d), (e) and (f) all contain a prohibition against the registration of a mark identical to a registered mark or a well-known mark if such registration will cause confusion. As discussed above, Opposer’s mark and Star Cinema mark will not cause confusion or lead to deception.
40. The Supreme Court’s discussion in *Mighty Corporation, et. al. v. E.J. Gallo Winery, et. al.*, on the determination of whether a trademark causes confusion, is instructive: xxx
41. Following the test in *Mighty Corporation*, there is no confusing similarity between the Star Cinema mark and Opposer’s Star mark. As above discussed, a plain comparison of the two marks will already yield the conclusion that apart from containing the word “Star”, the two marks are not visually identical.
42. Moreover, it appears from the documents it attached to its Opposition that Opposer’s use of its “Star TV” mark is usually as depicted in its Philippine trademark registration, i.e., as “Star TV” with the image of a star, and not just the word “Star”. Assuming without conceding, that the public may associate “Star TV” exclusively with Opposer, such exclusive association will not occur if only the word “Star” is used. In this case, such association is even remote given the fame of the “Star Cinema” mark in the Philippines.
43. Star Cinema and the Opposer use their marks on goods and services which are distributed in different channels of their respective trade. Star Cinema’s movies are shown primarily in theatres throughout the Philippines, for a fee. Opposer’s programs are accessible only to those who have cable subscriptions and only in those areas where the cable providers have contracts with the Opposer. Further, Star Cinema and the Opposer are engaged in different lines of business. Star Cinema primarily produces movies for distribution in theatres. Its movies are also shown in local and cable channels. Opposer, on the other hand, is a provider of programs exclusively for showing in cable television and its shows are not accessible to those who have subscription. There is no showing that Opposer has engaged in movie production for exhibition in theatres, in the Philippines or elsewhere.
44. With the undisputed fame and extensive promotion and use of the Star Cinema mark in the Philippines, it is highly unlikely, if not impossible, for the movie-going public, or even the public at large (including those with cable subscriptions), to confuse Star

Cinema with Star TV. The local fame of the STAR is exclusively associated with Star Cinema. In fact, given Star Cinema's fame in the Philippines, it is likely that if Opposer engages in movie production and releases its movies in the Philippines, the movie-going public will likely be misled into believing that the movies are produced by Star Cinema, and not by the Opposer.

45. Opposer invokes the provisions of R.A. No. 8293 and Article 16 (1) of the Agreement on Trade Related Aspects of Intellectual Property Rights ("TRIPS Agreement") to prevent the registration of Star Cinema mark. However, Opposer ignores that fact that its trademark registrations for the STAR TV mark cannot prejudice the right of Star Cinema.

46. Article 16(1) of the TRIPS Agreement recognizes that the registration of a mark cannot prejudice any existing prior rights, xxx

47. The subject Applications were filed, and are being prosecuted under the provisions of the old Trademark Law. Under Section 2-A Of the old Trademark Law, ownership of a trademark or service mark is acquired by actual use thereof in trade, in business and in the service rendered. Registration merely confirms ownership of the mark. In this regard, the Supreme Court ruled in Philip Morris, Inc., et.al. v. Fortune Tobacco Corporation, xxx

48. By its adoption and use of the "Star Cinema" mark in 1993, Star Cinema had already acquired ownership over the mark, even without it having secured a registration therefore under the provisions of the old Trademark Law. This right of ownership is protected and preserved notwithstanding the fact that R.A.N. 8293 now provides that ownership over a mark is acquired through registration made validly in accordance with the law. Section 236 of the same law expressly preserves existing prior rights acquired in good faith.

49. The subsequent registration of Opposer's STAR TV mark cannot prejudice Star Cinema's rights. Neither does such subsequent registration give Opposer an exclusive right to use the mark. It bears noting here that Star Cinema's use of its Star mark precedes Opposer's claimed actual use of its "STAR TV" mark in the Philippines. Star Cinema first used its Star mark in the Philippines in April 1993 while based on Opposer's allegations; it first used its "Star TV" mark in 1995. In Gallo, the Supreme Court held that mere registration of the mark in the Philippines does not vest the foreign registrant with the exclusive right to a mark, in the absence of actual use thereof. In this cited case, the Supreme Court ruled that there was no trademark infringement. It noted that while the foreign registrant secured trademark registration for its mark ahead of the local registrant, the latter's use of the mark nevertheless preceded the foreign registrant's actual commercial use of the mark in the Philippines, to wit: xxx

50. Finally, Star Cinema is cognizant of, and respects, the protection extended to well-known marks under R.A. No. 8293. However, the protection given cannot prejudice the rights of Star Cinema to use its mark, especially in this case when its use of the mark precedes Opposer's use and registration of such mark in the Philippines. This is a protection which Star Cinema is likewise assured of under Section 236 of R.A. No. 8293. Section 236 preserves the rights of those who, like Star Cinema, have acquired rights over marks prior to the affectivity of R.A. No. 8293.

From receipt of Respondent-Applicant's Consolidated Answer, a reply was subsequently filed by Opposer. A Preliminary Conference of the instant suit was initially held on 17 October 2006 wherein the parties manifested their desire to explore the possibility of amicable settlement and requested for time. For failure of the parties to arrive at an amicable settlement, this Bureau terminated the preliminary conference on 13 February 2007 and submitted the case for decision.

Filed as evidence for the Opposer, based on the records, are the following:

1. Verified Notice of Opposition - Exhibit "A"
2. Affidavit of Chan Wai Man - Exhibit "B"
3. Certified copy of Israel Trademark Registration No. 948080 - Exhibit "C"
4. Certified copy of Taiwan (Republic of China) Trademark Registration No. 71796 - Exhibit "D"
5. Certified copy of Japan Trademark Registration No. 4050204 - Exhibit "E"
6. Certified copy of South Korea Trademark Registration No. 0032315 - Exhibit "F"
7. Certified copy of Cambodia Trademark Registration No. 5206 - Exhibit "G"
8. Certified copy of Australia Trademark Registration No. 641229 - Exhibit "H"
9. Certified copy of Macau Trademark Registration No. 13857 - Exhibit "I"

Filed likewise for Respondent-Applicant were the following: Certified true copy of the Article of Incorporation of Respondent-Applicant (Exhibit "1"); Affidavit executed by Ms. Beverly Fernandez (Exhibit "2"); Affidavit executed by Ms. Angie Pineda (Exhibit "3"); Affidavit executed by Mr. Roxy Liquigan (Exhibit "4"); Originals of Certificates of Performance (Exhibit "4-B")-series; Copies of film stills of movies produced or distributed by Respondent-Applicant (Exhibit "4-D")-series; and Certified true copies of Exhibits "5" and "6" relating to Opposer's trademark registration for the "STAR TV" mark for classes 35 and 38.

For consideration in particular is the propriety of Application Serial No. 4-1994-094417. Resolution by this Office is called for on the following issues:

1. Whether or not there is confusing similarity between Opposer's mark STAR TV and STAR DEVICE vis-à-vis Respondent-Applicant's mark, STAR CINEMA PRODUCTIONS, INC. and DEVICE covering business or services falling under class 35 specifically for use on ADVERTISING business;
2. whether or not Respondent-Applicant's trademark application for the mark STAR CINEMA PRODUCTIONS, INC. and DEVICE should be granted registration;

In this connection, it should be noted that Republic Act No. 166, as amended was the law in force at the time the subject trademark application was filed, hence, this Office shall resolve this instant Opposition 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). Thus, the applicable provision of law in resolving issues set forth is Section 4 (d) of R.A. 166, as amended, which provides that:

xxx

"Section 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:

- (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.”

xxx

The Opposer’s main arguments pivot or delve on the issue of confusing similarity between trademarks. In determining the existence of confusing similarity, it becomes imperative for this forum to make a careful comparison and scrutiny of the marks involved; to determine the points where these labels as they appear on the goods to which they are attached are similar, in spelling, word STAR and Respondent’s use or adoption of the word STAR in conjunction with a rising sun device was Opposer’s basis in bringing and filing this Opposition. For a better appreciation of the arguments posited, the two marks are reproduced hereunder exactly as it appears in the application of the facsimile copy of the registration records filed with this Office:



Opposer’s STAR mark



Applicant STAR mark

A mere examination and comparison of the competing labels reveal that the dominant word STAR appears in both marks. Although the records disclose that apart from the use of the word STAR, there are features composing Applicant’s STAR mark which included the use of a device consisting of the image of the rays of a rising sun above the words STAR CINEMA PRODUCTIONS, INC. Underneath the rising sun design comprising Applicant’s STAR mark is written the dominant word STAR along with the word CINEMA. Unlike the word STAR, the other words, CINEMA and PRODUCTIONS, INC. are descriptive of the service/s Respondent is offering to the public. STAR as word in Opposer as well as Respondent’s label is arbitrary, and as word mark it is not generic and may be appropriated by anybody as its own when used on goods/services not descriptive of the label or mark, by way of illustration, we take the word “APPLE” which is a very distinctive trademark for a computer. The following popularly known marks demonstrate how marks are declared fanciful and arbitrary, for being non-descriptive of the article to which it pertained:

One-word marks:

- | | | |
|---------|---|-----------------------------------|
| GUESS | - | for wearing apparels, accessories |
| ARROW | - | for clothing apparels |
| COACH | - | for bags |
| CITIZEN | - | for watches |
| FRIDAYS | - | for restaurant |

With R.A. 166, as amended, as basis of registrability, this Bureau adheres to the rule on prior adoption and use in the Philippines applying specific provisions of R.A. 166 (Secs. 2 and 2-A). Records will show that as between the parties, Respondent’s application has an earlier filing date and use in the Philippines of the STAR mark for use on services falling under Classes 35 and 41. But further examination of the documentary evidence confirms Opposer’s earlier application and registration of the STAR mark on services included under Class 38. Between the two contending parties, trademark application of Opposer’s STAR mark for Class 38 (par. 10 of Exhibit “B”, Opposer) came earlier by more or less two (2) years or in 1992 vis-à-vis Respondent’s application in 1994.

Opposer's communication services (Class 38) and Applicant's advertising business (Class 35) are admittedly not in actual competition but they are related in that Applicant's advertising business, we all know, can only be carried out and established using communications and/or television as medium. By their being basically in the mass media industry which is rapidly evolving, both services expectedly would cater to the same market targeting as it does, the consuming public. Hence, their service may be marketed similarly. At this juncture, it can logically be inferred that both services flow through the same channels of trade being related to the purpose of existence and their target market. Clearly, their proscribed from appropriating a service mark which is substantially or confusingly similar to a service mark owned by a prior registrant.

The right to register trademarks, trade names and service marks is based on ownership. Only the owner of the mark may apply for its registration (*Bert R. Bagano v. Director of Patents, et. al.*, G.R. No. L-20170, August 10, 1965). And where a trademark application is opposed, the Respondent-Applicant has the burden of proving ownership (*Marvex Commercial co., Inc. v. Peter Hawpia and Co.*, 18 SCRA 1178). In the instant case, Opposer has an earlier application in 1992 for the following under Class 38 which was not disproved by Respondent-Applicant and in fact the Certificate of Registration was presented as evidence (Exhibit "6") by Respondent-Applicant in its formal offer, in its designated service names, the registration reads as follows:

television and radio broadcasting services, diffusion of television programmes; operation of earth to satellite tv transmitters for transmission of signals to earth receiver aerials; frequency conversion of microwave signals relayed by satellite; dissemination of tv programmes relayed by satellite receiver aerials by cable or by microwave link to television receivers of users; operation of tv cable networks; provision and operation of radio, telephone, telegraph, videotext and teletext transmission services; electronic and telecommunication transmission services; services for the transmission of data and of information by electronic mail, telecopier, tv, microwave, laserbeam, communication satellite or other communication means; provision of communication satellite or other communication means; provision of communication facilities for the interchange of data by electronic means; consultancy services relating to information for business of domestic purposes from a computer-stored data bank; rental of communication apparatus; time services for communication apparatus.

Sec. 37 of R.A. 166, as amended, provides for the rights of foreign registrants which are as follows:

xxx

Section 37. Rights of foreign registrants. – Persons who are national of, domiciled in, or have a bona fide or effective business or commercial establishment in any foreign country, which is a party to any international convention to treaty relating to marks or trade-name or the repression or unfair competition to which the Philippines may be a party, shall ne entitled to the benefits and subject to the provision of this Act to the extent and under the conditions essential to give effect to any such convention and treaties so long as the Philippines shall continue to be a party thereto, except as provided in the following paragraphs of this section.

xxx

Although the service initially of the contending parties do not directly move in the same channel of trade and the possibility appears improbable that purchasers will confuse one service with the other because the services although not directly related, telecommunication vis-à-vis advertising, the possibility that Opposer's STAR TV service mark will be used on services under the aforementioned class specifically on advertising business and promotional activities appears probable as they are within the normal or zone of potential business expansion of Opposer. At

present, there were trademark applications that already matured into registration not only for the same class as Respondent's advertising services but extended to all related services such as printed matter (Class 16); education and entertainment services (Class 41). These applications were filed only months later than Respondent's trademark application in 1994. The expansion of Opposer's business into this related services were the pattern taken as well in other countries where Opposer's business indeed expanded to these areas. Bolstering this view of potential expansion is the pronouncement of the Supreme Court in the case of Jose P. Sta. Ana vs. Florentino Maliwat, et. al. G.R. No, L-23023, August 31, 1968 which ruled, thus:

"Modern law recognizes that the protection to which the owner of a trademark is entitled is not limited to guarding his goods or business from actual market competition with identical or similar products of the parties, but extends to all cases in which the use by a junior appropriator of a trade-mark or trade-name is likely to lead to a confusion of source, as where prospective purchasers would be misled into thinking that the complaining party has extended his business into the field (see 148 ALR 56 et seq; 53 Am Jur. 576) or is in any way connected with activities of the infringer; or when it forestalls the normal potential expansion of his business"

It may well be worthy to note that as early as the years 1990-1991, Opposer's STAR mark was used in Hongkong through broadcast services via satellite throughout the Asia Pacific Region (Exhibit "b", Opposer). Hence, Respondent-Applicant, by any parity of reasoning, cannot be considered an originator, prior registrant nor a prior applicant of the subject or questioned STAR service mark.

Opposer further argues that STAR marks are well-known citing provision for the protection of well-known marks contained in Article 6bis of the Paris Convention, thus:

- (i) "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 constitutes a reproduction, an imitation, or a translation, liable to create confusion, of 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

The protection in Article 6bis extends only to registration or use in respect of identical or similar goods, contrary to what is obtaining in the instant case which involves services. Opposer further bolstered its argument invoking R.A. 8293 (the Intellectual Property Code of the Philippines) which took effect on January 1, 1998.

In the language of R.A. 8293, more particularly Section 123 (f), it is said that:

"Section 123 Registrability. – 123.1. A mark cannot be registered if it:

xxx

- (i) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the

It is clear that the foregoing section can not apply to the case at bar because the trademark application was filed when the old trademark law was still effective, it follows that it is R.A. 166, as amended, that must be applied with regard to the determination of whether or not a mark is well-known. In standards an international treaty: the Paris Convention for the Protection of Industrial Property or Article 6bis and as national guidelines, the November 20, 1980 Memorandum issued by the Minister of Trade and Industry, the Hon. Luis Villafuerte and the October 25, 1983 Memorandum issued by then Minister Roberto V. Ongpin.

In as much as this Bureau finds confusing similarity between the subject service marks in the light of discussions on the evidence adduced and/or presented to this Bureau, the issue of well-knownness of the mark has become unnecessary to resolve.

By appropriating a word which is identical or closely resembles that of a previously registered and widely used trademark, and taking into account the evidence submitted by Opposer, this Bureau holds that indeed there was a deliberate intent by Respondent-Applicant to ride on the popularity of the mark of the Opposer without the Respondent-Applicant having incurred any expense to gain such goodwill and/or reputation.

In the case of American Wire & Cable Co. vs. Director of Patents, 31 SCRA 544, it was observed that:

“Why of the million of terms and combination of letters and designs available the appellee had to choose a mark so closely similar to another’s trademark if there was no intent to take advantage of the goodwill generated by the other mark”

As the rightful owner of the STAR mark, Opposer should be given protection against entities that merely wish to take advantage of the goodwill its marks have generated.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Consequently, Application bearing Serial No. 4-1994-094417 for the mark STAR CINEMA PRODUCTIONS INC. & DEVICE filed on 09 August 1994 for advertising business/services is hereby REJECTED.

Let the filewrapper of STAR CINEMA PRODUCTIONS INC., subject matter of this case be forwarded to the Bureau of Trademarks for appropriate action in accordance with this DECISION.

SO ORDERED.

Makati City, 21 December 2007.

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