

registration, unless the Junior Party alleges in his application a date of use prior to the filing date of the Senior Party.”(Underscoring provided)

The issue therefore to be resolved is who between the parties is prior adopter and user and therefore, the rightful owner of the mark CHIN CHUN SU & DESIGN or, stated otherwise, who is entitled to the registration thereof.

Considering that this Interference Case has been declared prior to the effectivity of Republic Act No. 8293, the applicable law is Republic Act No. 166, as amended.

SECTION 2-A of Republic Act No. 166, as amended provides as follows:

“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 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 of others. x x x” (Underscoring supplied)

During the trial on the merits, the Junior Party-Applicant submitted testimonial and documentary evidences consisting of Exhibits “A” to “G” inclusive of their sub-markings. (ORDER No. 2001-514) dated 24 August 2001.

On the other hand, the Senior Party-Applicant submitted his testimonial and documentary evidences consisting of exhibit “1” to “18” and their sub-markings. (Order No. 2002-34) dated 23 January 2002.

The evidences adduced established the following:

In all the cases instituted by the parties to resolve who between them has the right to use the trademark “CHIN CHUN SU & DESIGN” the courts have declared the Junior Party-Applicant “SUMMERVILLE GENERAL MERCHANDISING CO.”, as the party legally entitled to use the trademark in question.

In Civil Case No. Q-91-10926, the Regional Trial Court of Quezon City, Branch 90 promulgated the following decision:

Accordingly, judgment is hereby rendered:

1. Declaring that plaintiff is not legally authorized to use the trademark “CHIN CHUN SU” and upholding the right of defendant SUMMERVILLE GENERAL MERCHANDISING CO., to use said trademark as authorized by Shun Yih Chemistry Factory of Taiwan; (Exhibit “D”, p.1)”

On appeal to the Court of Appeals, in C.A. –G.R. CV No. 48043, the Appellate Court affirmed in TOTO the decision of the Quezon City Regional Trial Court in the following words:

“WHEREFORE, the decision herein appealed from is hereby AFFIRMED in toto, without pronouncement as to costs” (Exhibit “D”)

In the same case (C.A. –G.R. CV No. 48043), in resolving the separate Motion for Reconsideration of the November 22, 1999 Decision (Exhibit “D”), the Court of Appeals reconsidered its decision as follows:

“WHEREFORE, in view of the foregoing premises, our decision of November 22, 1999 is hereby RECONSIDERED as follows:

- 1.) DIRECTING the National Library to cause the recall and cancellation of Certificate of Copyright Registration No. 3867 issued on May 23, 1991 in the name of plaintiff appellant ELEDAD C. KHO, doing business under the style KEC Cosmetic Laboratory;
- 2.) DIRECTING the Bureau of Patents, Trademarks and Technology Transfer to cause the recall and cancellation of Letter patent No. 5389 issued on August 7, 1992 to plaintiff-appellant, ELIDAD C. KHO, doing business under the style of KEC Cosmetic Laboratory;
- 3.) DECLARING defendant-appellant SUMMERVILLE GENERAL MARCHANDISING CO., to be the one entitled to the ownership and use of the oval cream container/case of CHIN CHUN SU; (emphasis supplied)
- 4.) AFFIRMING the trial court’s decision on all others.” (Exhibit “E”)

In the petition for review filed by Senior Party –Applicant (G.R. No. 144100) the Supreme Court ruled as follows:

“We agree with both the Court of Appeals and the Regional Trial Court that SUMMERVILLE GENERAL MERCHANDISING & CO. has the better right to use the trademark “CHIN CHUN SU” on its facial cream product by virtue of the exclusive importation and distribution rights given to it by Shun Yih Chemistry Factory of Taiwan on November 20, 1990 after the latter cancelled and terminated on October 30, 1990 its Sale Distributorship Agreement with one Quintin Cheng, who assigned and transferred his rights under said Agreement to Petitioner ELIDAD C. KHO on January 31, 1990.

As correctly held by the Court of Appeals, Petitioner KHO is not the author of the trademark “CHIN CHUN SU” and his only claim to the use of the trademark is based on the Deed of Agreement executed in his favor by Quintin Cheng. By virtue thereof, he registered the trademark in his name. The registration was a patent nullity because Petitioner is not creator of the trademark “CHIN CHUN SU” and, therefore, he has no right to register the same in his name. Furthermore, the authority of Quintin Cheng to be the sole distributor of “CHIN CHUN SU” in the Philippines had already been terminated by Shun Yi Chemistry Factory of Taiwan. Withal, he had no right to assign or to transfer the same to Petitioner KHO.

WHEREFORE, the instant Petition is hereby DENIED due course. (Exhibit "F")

As to the documentary exhibits offered by the Senior Party-Applicant in support of his claim of ownership over the mark "CHIN CHUN SU", the Supreme Court ruled that the registration issued by the Bureau of Patents, Trademarks and Technology Transfer in the name of ELIDAD C. KHO was a patent nullity because he was not the creator of the mark "CHIN CHUN SU" and that the Certificate of Registration No. SR - 4529 in the Supplemental Register had already been cancelled by the Bureau of Patents, Trademarks and Technology Transfer for failure to file the affidavit of use which is a mandatory requirement of the law (Exhibit "D").

With respect to the Copyright Registration No. I-3687 dated May 23, 1991 and Design Patent No. 5389 date August 7, 1992, the Court of Appeals under its Resolution promulgated July 12, 2000 in C.A.-G.R. CV No. 48043 ordered the same recalled and cancelled (Exhibit "E", p. 4).

On the other hand, as established by the evidence on record in this case as well as in the decisions promulgated by the Regional Trial Court in Civil Case Q-91-10926 which was affirmed by the Court of Appeals in C.A.-G.R. CV No. 48043 and subsequently by the Supreme Court in G.R. No. 144100, the original owner of the trademark in question is Shun Yih Chemistry which in turn, assigned the mark to Summerville General Merchandising Company, the herein Junior Party-Applicant per Assignment of Registered Mark marked as Exhibit "A-11".

WHEREFORE, in view of all the foregoing, this Bureau finds and so holds that the JUNIOR PARTY-APPLICANT, SUMMERVILLE GENEREAL MERCHANDISING COMPANY is the rightful owner of the trademark "CHIN CHUN SU & DESIGN", hence application bearing Serial No. 82042 by SUMMERVILLE GENEREAL MERCHANDISING CO. is hereby GIVEN DUE COURSE. Accordingly, Application bearing Serial No. 75922 filed on April 30, 1991 by ELIDAD C. KHO for the mark "CHIN CHUN SU & Chinese Character and Representation of Two(2) Flowers" is hereby REJECTED.

Let the filewrappers subject matter of this case be forwarded to the Administrative, Financial Human Resource Development Service Bureau (AFHRDSB) for appropriate action in accordance with this DECISION with a copy furnished the Bureau of Trademarks for information and to update its record.

SO ORDERED.

Makati City, March 19, 2003.

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