

THE BARBIZON CORPORATION,	}	Inter Partes Case No. 2049
<i>Opposer,</i>	}	Opposition to:
	}	
	}	Appln. Serial No. : 45011
-versus-	}	Date Filed : 37 May 1981
	}	Trademark : "BARBIZON"
	}	Used on : Brassieres, girdles
PRIBHDAS J. MIRPURI,	}	suites, half slips, chemise
<i>Respondent-Applicant</i>	}	nighties and panties
x-----x	}	Decision No. 2005 - 09

DECISION

On 09 March 1987, The Barbizon Corporation, an entity organized and existing under the laws of the State of New York, U.S.A., filed its Verified Notice of Opposition docketed as Inter Partes Case No. 2049, to Application Serial No. 45011 for the trademark BARBIZON used on brassieres, girdles, suites, half slips, chemise, nighties and panties in Class 25, which application was filed on 27 May 1981 by Prihbdas J. Mirpuri of Parañaque, Metro Manila, Philippines.

The subject of this Opposition, Application Serial No. 45011 is just a RE-REGISTRATION of the same mark BARBIZON, then applied for and registered in the name of Lolita R. Escobar (Application Serial No. 19010 which matured to Certificate of Registration No. 21920). Before it matured to Registration No. 21920 on 11 September 1974, the said application was opposed by the same Opposer herein, Barbizon Corporation on 18 June 1974, docketed as Inter Partes Case no. 686 where the then Director of Patents after due notice and hearing, issued Decision No. 804 dismissing the Opposition to the effect that "the Opposer has not made out a case of probable damage by the registration of the Respondent-Applicant's mark BARBIZON". Thus, Application Serial No. 19010 of the Respondent Lolita R. Escobar was GIVEN DUE COURSE and issued Certificate of Registration No. 21920.

Subsequently, Certificate of Registration No. 21920 was assigned to herein Respondent, Prihbdas J. Mirpuri which assignment was recorded at page 78 of Book 13 of the Books of Assignment on 24 March 1984. The records, however, show that the corresponding Affidavit of Use for the 5th year was not filed, thus Certificate of Registration No. 21920 was cancelled.

On 27 May 1981, successor-in-interest Prihbdas J. Mirpuri filed subject trademark application for re-registration of the mark BARBIZON. For the second time, herein Opposer BARBIZON CORPORATION filed an Opposition. Thus, Respondent Prihbdas J. Mirpuri, through counsel, raised the issue of *res judicata*, claiming that all the elements thereof are present to bar this present Opposition. In its Reply-Memorandum, Opposer claims that the "third requisite for *res judicata to apply* is missing in this case, that is, the prior judgment be a judgment on the merits (page 2, Reply-Memorandum for Opposer filed 27 March 1991). Decision No. 804 states that "Neither party look testimony nor adduced documentary evidence, they submitted the case for decision based on the pleadings which together with the pertinent records have all been carefully considered". Thus, Opposer concluded that the same was not rendered on the merits, *res judicata* could not be invoked as Decision No. 804 "emanated from summary administrative proceedings", relying upon the case of Nasipit Lumber Co., Inc. vs. NLRC, 177 SCRA 93 (1989).

On June 18, 1992, the then Bureau of Patents, Trademarks and Technology Transfer (BPTTT) now the Intellectual Property Office (IPO) rendered its decision declaring that the Opposition filed in Inter Partes Case No. 2049 was barred by *res judicata* and gave due course to Application Serial No. 45011 for the trademark "BARBIZON" filed by PRIHIBDAS J. MIRPURI.

The above-mentioned Decision was elevated to the Court of Appeals, which later reversed the Director of Patents finding that Inter Partes Case No. 686 was barred by judgment

“(d) Consist of or comprises 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 used in connection with the goods, business or services of the applicant to cause confusion or mistake or to deceive purchasers.”

As to the first issue, a cursory review of the documentary exhibits indicate that both trademarks contain the word “BARBIZON”, wherein the spelling, pronunciation and meaning which are the factors to be considered in determining confusing similarity are the same and as such, there is no iota of doubt that the mark sought to be re-registered by the Respondent-Applicant is identical to Opposer’s alleged trademark “BARBIZON”.

As to the second issue, the point to be taken into consideration is Section 2-A of Republic Act No. 166, as amended which is being uniformly followed by the Courts.

“Section 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 as trademark, trade names or service mark not so appropriated by another, to distinguish his merchandise, business or services of others.* The ownership or possession of a trademark, trade name or service mark, heretofore or hereafter appropriated, as in this section provided, shall be recognized and protected in the same manner and the same extent as any other property right known to the law.” Republic Act No. 166, as amended by Section 1 of Republic Act No. 638)

It is to be remembered that the mark “BARBIZON” was previously registered in the name of LOLITA R. ESCOBAR under Registration No. 21920 on 11 September 1974 which registration was subsequently assigned to herein Respondent-Applicant “PRIHBDAS J. MIRPURI” and recorded on page 73 of Book 13 of the Books of Assignment on March 24, 1984.

Respondent-Applicant claimed that her first date of use of the mark is “March 3, 1970”, however, there being no testimony taken as to said date of first use, Respondent-Applicant was limited to the filing date as her date of first use. Rule 173 of the Rules of Practice in Trademark Cases reads as follows:

“173. *Allegations in the application not evidence on behalf of the applicant.* – In all Inter Partes proceedings, the allegations of date of use in the application for registration of the applicant or of the registrant cannot be used as evidence in behalf of the party making the same. In case no testimony is taken as to the date of use, the party will be limited to the filing date of the application as to the date of his first use.” (see also CHUNG TE vs. NG GIAB, 18 SCRA 747)

To be noted is the fact that, subject trademark application being opposed is the re-registration of the mark “BARBIZON” previously registered but was cancelled for failure of the Registrant to file the affidavit of use of the mark, a mandatory requirement of the law (Section 12 of Republic Act No. 166, as amended). However, failure to comply to the aforementioned law is not an act of abandonment of the use of the mark.

Abandonment, which is in the nature of a forfeiture of a right, must be shown by clear and convincing evidence (74 Am. Jur 2d, p. 722). To work an abandonment, the disuse must be permanent and not ephemeral; it should be intentional and voluntary, and not involuntary or even compulsory (Philippine Nut vs. Standard Brand, Inc., 65 SCRA 575).

In the case of *Heirs of Crisanta Y. Gabriel-Almoradie vs. CA, 229 SCRA 15*, the Supreme Court ruled that:

“The cancellation of registration of trademark has the effect of depriving the registrant protection from infringement from the moment judgment or Order of cancellation has become final.”

The Supreme Court further stated that:

“As a condition precedent to registration, the trademark, trade name or service mark, should have been in actual use in commerce in the Philippines before the time of filing of the application.”

The evidence on record show that Respondent-Applicant-Petitioner has not abandoned the use of his trademark “BARBIZON”. In fact, Respondent-Applicant-Petitioner continuously used the same in commerce even after the cancellation of his registration. The several wholesale invoices and advertisements issued by the Respondent-Applicant from 1970 to 1989 (Exhibits “7” to “24-A” inclusive of sub-markings) attested to this fact.

Most importantly, the application for re-registration of the mark “BARBIZON” and the active participation of the Respondent-Applicant in the instant case from the Intellectual Property Office (IPO) to the Court of Appeals and then to the supreme Court indicates his intention to preserve and assert his right to his trademark “BARBIZON”. All the above circumstances established Respondent-Applicant’s continuous use of his trademark “BARBIZON”.

A rule widely accepted and firmly entrenched is that actual use in commerce or business is a pre-requisite to the acquisition of the right of ownership over a trademark. *Section 2-A of Republic Act No. 166, as amended, makes it quite clear that adoption alone of a trademark would not give exclusive right thereto. Such right grows out their actual use. Adoption alone is not use. One may make advertisements, issue circulars, give out price list on a certain goods; but these would not give exclusive right of use.* For trademark is a creation of use. The underlying reason for all these is that purchasers have come to understand the mark as indicating the origin of the wares. Registration of a trademark, of course, does not, however, perfect a trademark right. [Sterling Products International, Inc., vs. Farbenfabriken Bayer Aktiengesellschaft, 27 SCRA 1214]

On the other hand, it is Opposer’s assertion that the goods covered by its Certificate of Registration for the mark “BARBIZON” has been used and been manufactured in the Philippines through its wholly owned Philippine subsidiary, “The Philippine Lingerie” (page 3 paragraph (d)) of the Verified Notice of Opposition. However, *the allegation has not been substantiated by any proof or evidence*, but as admitted by the Opposer, its Philippine subsidiary, the Philippine Lingerie Corporation has been prevented from selling its goods in the local market or in the Philippines.

The Opposer went further and alleged that Opposer’s mark “BARBIZON” had been used in many countries of the world *including the Philippines for at least forty (40) years* (page 3 paragraph (e) of the Verified Notice of Opposition). Again, Opposer’s claim of use in the Philippines has not been substantiated by any proof of evidence. Instead, the Opposer in support of its claim of ownership over the mark, presented in evidence Certificates of Registration in many countries of the world. (Exhibits “A” to “F-37”, inclusive of sub-markings.)

As claimed by the Opposer, its trademark has been registered in many countries of the world. However, the Philippines is not included in the countries where BARBIZON is allegedly registered in favor of Opposer.

Opposer must be well-aware that registrations obtained abroad and advertisements outside the Philippines cannot be made source of trademark rights in the Philippines (Section 2 and 2-A of Republic Act No. 166, as amended).

The protection under foreign registration could not extend to the Philippines because “the law of trademarks rest upon the doctrine of nationality or territoriality.” The United States, from which our trademark laws has been copied, and most other countries respect this basic premise. The scope of protection is determined by the law of the country in which protection is sought, and international agreements for the protection of industrial property are predicated upon the same principle x x x The use required as the foundation of the trademark rights refers to local use at home and not abroad x x x (Callman, Unfair Competition and Trademarks, Sec. 76.4 p. 100).

Further, as held in Sterling Products Inc., vs. Farbenfabriken A.G., 21 SCRA 1214:

“The United States is not the Philippines. Registration in the United States is not registration in the Philippines x x x plaintiff itself concedes that the principle of territoriality of trademark law has been recognized in the Philippines. Accordingly, the registration in the United States of the “BAYER” trademark would not itself afford plaintiff protection for use by the defendants in the Philippines of the same trademark for the same or different goods.”

In another case, the Supreme Court held that a foreign company selling a brand of shoes abroad and not in the Philippines has no goodwill that would be damaged by registration of the same trademark in favor of the domestic corporation which has been using it for years here (Bata Industries Ltd., vs. Court of Appeals, 114 SCRA 318).

Opposer likewise, claims extraterritorial protection from certificates of registration abroad and protection under our adherence to the Paris Convention. In support of its position, it highlighted its numerous registrations obtained in many countries of the world. (Exhibits “F-1” to “F-37”)

In the case of Emerald Garments Manufacturing Corporation vs. Court of Appeals, G.R. No. 100098 of the Paris Convention in this wise:

“The provision of the Paris Convention for the Protection of Industrial Property relied upon the private respondent and Sec 21-A of the Trademark Law (Republic Act No. 166, as amended) were sufficiently expounded upon and qualified in the recent case of Philip Morris, Inc. vs. Court of Appeals.

x x x

Following universal acquiescence and comity, our municipal law on trademarks regarding the requirement of actual use in the Philippines must subordinate on the international agreement in as much as the apparent clash is being decided by a municipal tribunal (Mortisen vs. Peters, Great Britain, High International Law and World Organization 1971 Ed. P. 20) Withal, the fact that International Law has been made part of the law of the land does not by any means imply the primacy of the international law over national law in the municipal sphere. Under the doctrine of incorporation as applied in most countries, rules on international law are given a standing equal, not superior, to national legislative enactments.”

It is worthy to note that the Memorandum issued by the then Minister Luis B. Villafuerte dated 20 November 1980, specifically made mention what are internationally known marks but the mark "BARBIZON" subject of the opposition is not one of them.

On the issue raised by the Opposer that the registration of its mark abroad falls within the protective ambit of the Paris Convention as well as within Executive Order No. 913 dated 7 October 1983, it may not be amiss to mention the high Court's observation in *Wolverine Worldwide, Inc., vs. Court of Appeals* (169, SCRA 627), where the Supreme Court stated that-

"In the first place the subject Memorandum never amended, now was it meant to amend, the Trademark Law. It did not indicate a new policy with respect to the registration in the Philippines of world-famous trademarks. The protection against unfair competition, and other benefits, accorded to owners of internationally well-known marks, as mandated by the Paris Convention, is already guaranteed under the Trademark Law. Thus, the subject Memorandum, as well as Executive Order No. 913 merely reiterate the policy already existing at the time of its issuance."

A sale made by a legitimate trader in the course of his doing business established trademark rights. In this regard, Respondent-Applicant was able to present evidence sufficient to sustain a finding of actual sales of goods in the local market using the mark "BARBIZON" which signifies commercial use ahead of the Opposer in the Philippines which is crucial in determining trademark ownership.

This unmistakably proves that in the Philippines, it is through Respondent-Applicant's efforts, initiative and industry that the trademark "BARBIZON" have generated goodwill among the Filipino consumers. It would be erroneous if not unfair to assume/conclude that Respondent's business standing and reputation shows Respondent's prior adoption and use of the mark in the Philippines in 1970 ever since. Opposer's insistence that it has goodwill in the Philippines that would be damaged by Respondent's registration is specious and unfounded. Opposer's registration of its mark in some countries abroad and advertising which may or may not have been circulated in the Philippines cannot by any stretch of imagination influence the Filipino public. The impact of the "BARBIZON" mark on the Filipino buying public was entirely through Respondent's efforts.

As aptly enunciated by the Supreme Court in the case of (*Kabushiki Kaisha Isetan vs. Intermediate Appellate Court*, 203 SCRA 593):

"The mere origination or adoption of a particular trade name without actual use thereof in the market is insufficient to give any exclusive right to its use (Johnson Manufacturing Co., vs. Leader Filling Stations Corporation, 196 N.E. 852, 291 Mass. 394), even though such adoption is publicly declared, such as by use of the name in advertisements, circulars, price lists and on signs and stationary. (Consumers Petroleum Co., vs. Consumer Co. of Ill. 169 F 2d 153).

The Paris Convention for the Protection of Industrial Property does not automatically exclude all countries of the world who have signed it from using a trade name which happens to be used in one country. To illustrate if a taxicab or bus company in a town in the United Kingdom or India happens to use the trade name "Rapid Transportation", it does not necessarily follow that "Rapid" can no longer be registered in Uganda, Fiji or the Philippines."

On the other hand, Respondent-Applicant had spent millions of pesos in advertising and promoting the trademark "BARBIZON" as shown in Exhibits "9" and "10", in order generate goodwill for the brand "BARBIZON".

Moreover, at the time of Respondent's application, Opposer had no existing registration nor commercial use of the mark in the Philippines that would justify any conclusion that confusion, deceit or mistake would likely happen if the mark "BARBIZON" is registered in favor of the Respondent-Applicant.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby DENIED. Accordingly, application bearing Serial No. 45011 for the registration of the mark "BARBIZON" filed on May 27, 1981 by Pribhdas J. Mirpuri is hereby GIVEN DUE COURSE.

Let the filewrapper of BARBIZON, subject matter in this case be forwarded to the Administrative, Financial and Human Resources Development Services 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, 16 May 2005.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs