UNIVERSAL CITY STUDIOS, INC., Opposer,	INTER PARTES CASE NO. 3942 Opposition to:
-versus-	Serial No. : 75864 Filed : 25 April 1991 Trademark : "UNIVERSAL HOLIDAYS, INC. & Dev."
UNIVERSAL HOLIDAYS, INC., Respondent-Applicant. x---x	DECISION NO. 98-40

DECISION

(UHI) UNIVERSAL HOLIDAYS, INC., filed an application for the registration of its trademark "UNIVERSAL HOLIDAYS, INC., & Device for "travel agents" on April 25, 1991 with Application Serial No. 75864 which was published for OPPOSITION in the Official Gazette of the then Bureau of Patents, Trademarks and Technology Transfer Vol. VI No. 3 p.99, officially released for circulation on July 29, 1993.

In accordance with the said publication, the herein Opposer UNIVERSAL CITY STUDIOS, INC., a foreign corporation organized under the laws of the United States of America, believing that it will be damaged by the registration of the said trademark, filed its UVERIFIED and VERIFIED NOTICE OF OPPOSITION, on 27 September 1993 and 24 November 1993, respectively, alleging therein, among others, the following grounds:

> "1. The registration of the mark "UNIVERSAL HOLIDAYS, INC. & Device" in the name of the Respondent-Applicant is proscribed by Sec. 4 (d) of Republic Act No. 166;
>
> "2. Opposer is the registered owner of the mark "UNIVERSAL" having been the first to adopt and use the same in actual trade and commerce. Registrations in countries all over the world have been obtained, including the Philippines;
>
> "3. The mark "UNIVERSAL" which Opposer herein originated and adopted is known in the Philippines and elsewhere. Its products and services carried under said mark had, through the years, earned international acclaim as well as the distinct reputation of high quality products and services;
>
> "4. The mark "UNIVERSAL" of Opposer forms part of its trade name thus, is accorded due protection under Article 8 of the Paris Convention.

Opposer relied on the following facts to support its Opposition:

> "1. Opposer was issued by this Honorable Office Certificates of Registration Nos. 50075 and 43201 covering classes 9 and 41 respectively for the mark "UNIVERSAL". Copies of said registration certificates are thereto attached and made parts hereof of Annexes "A" and "B".
>
> "2. The mark "UNIVERSAL HOLIDAYS, INC." of the Respondent-Applicant is a flagrant and veritable imitation of herein Opposer's mark as likely to cause confusion, mistake and deception to the buying public as to the source or origin of Respondent-Applicant's goods/services.

"3. Opposer has invested tremendous amount of resources in the promotion of the "UNIVERSAL" mark, i.e., advertisements in well-known newspapers, magazines and other publications around the world. It is the resultant goodwill and popularity of Opposer's mark that Respondent-Applicant wishes to exploit and capitalize. Accordingly, the use and approval for registration of the respondent-applicant's mark will constitute an infringement or invasion of Opposer's property rights to its registered "UNIVERSAL" mark which is protected by law. Such will most assuredly cause the dilution and loss of distinctiveness of Opposer's mark."

A Notice to Answer dated 01 December 1996 was sent to the Respondent-Applicant requiring it to file and Answer to the said Verified Notice of Opposition within fifteen (15) days from receipt thereof. An extension of thirty (30) days counted from December 17, 1993 or until January 18, 1994 within which to file its Answer was requested and was granted by this Office in its Order No. 94-04 dated January 04, 1994.

Respondent-Applicant filed its ANSWER on December 23, 1993 where it denied all the material allegations in the Opposition and interposed the following SPECIAL AND AFFIRMATIVE DEFENSES:

"A. Respondent-Applicant incorporates herein and make integral part hereof all material allegations, constitutive of its defenses, against oppositor's baseless opposition, appearing in the preceding paragraphs;

"B. Respondent-Applicant's application covers a different kind of classification of goods/services from that of the opposite;

"C. The mark "universal" as used by the Opposer belongs to an entirely different classification of business or services. They fall under class 9 (cinematographic) & 41 (education and entertainment), while respondent-applicant's use of the same mark may properly fall under class 42 (miscellaneous) or more specifically on Tours and Travels business/services.

"D. That the trademark "universal" is generally considered a "weak mark" like those of "standard", and "Hickock" for which reason the Bureau of Patents, Trademarks and Technology Transfer of the Philippines has allowed and approved the registration and use of the same trademark by different applicant's covering different classification of goods and/or services as herein above shown;

"E. Oppositor's use of the mark "universal" is applied solely to "films" while that of the respondent-applicant applies to "package tours and travels", hence, shall not cause any confusion in the minds of the general public patronizing the Oppositor's business or respondent-applicant's services;

"F. The big white capital letters reading "UHI" inside the black square background and the printed words reading "Universal Holidays, Inc." printed next to it are strong distinctive features which distinguishes applicant-respondent's manner of presentation of use of the mark "Universal" from that of the Oppositor;

"G. That, prior to, during and after Oppositor's use and the registration in the Philippines of the mark "universal" the Bureau of Patents, Trademarks and Technology Transfer, had approved many applications using the same trademark "universal" which did not have any adverse effect on the Oppositor's use of the same trademark."

The issues having been joined, the case was set for Pre-Trial Conference on 04 February 1994 and finally pushed through on 19 July 1994, where the herein parties submitted their respective pre-trial brief, failing to reach an amicable settlement, trial n the merits proceed.

On August 23, 1994, Opposer presented and marked as evidence the legalized affidavit of Mr. Michael Samuel and the Respondent-Applicant was given 20 days within which to submit its cross-written interrogatories, which the latter has waived in its Manifestation and Motion dated May 31, 1995 and granted by this Office in its Order No. 95-329.

On September 8, 1995, Opposer filed its formal offer of evidence which was opposed by Respondent-Applicant on October 2, 1995. The said written offer of evidence consisting of Exhibits “A” to “P-2” inclusive of sub markings were all ADMITTED in evidence per Order No. 95-489 and the Opposition/Comments thereto shall form part of the records to be considered in the final adjudication of the case.

The Respondent-Applicant presented Mr. Lorenzo P. Mina as its witness and filed its formal offer of Exhibits “1” to ‘8” on July 18, 1998 and the same were all ADMITTED in evidence per this Office Order No. 96-390, dated July 10, 1966. Opposer’s objection thereto was filed on July 8, 1996 which shall form part of the records to be considered in the fair adjudication of this case.

Opposer submitted its Memorandum on September 17, 1996 while the Respondent-Applicant likewise filed its MEMORANDUM and REPLY on September 2, 1996 and October 14, 1996, respectively.

The first issue to be resolved in this case is WHETHER OR NOT RESPONDENT-APPLICANT TRADEMARK “(UHI” UNIVERSAL HOLIDAYS, INC. & Device” IS CONFUSINGLY SIMILAR WITH THAT OF THE OPPOSER’S TRADEMARK “UNIVERSAL.”

With the enactment of R.A. 8293, otherwise known as the “Intellectual Property Code of the Philippines” which took effect on January 01, 1998, the application for the registration of the mark “UNIVERSAL HOLIDAYS, INC. & DEVICE” should have been prosecuted under the new law (R.A. 8293).

However, this Office takes cognizance of the fact that the herein application Serial No. 75864 was filed on April 25, 1991 when the new law was not yet in force. Section 235.2 of R.A. 8293, provides, inter alia that: “All applications for registration of marks or trade names pending in the Bureau of Patents, Trademarks and Technology Transfer at the effective date of this Act may be amended, if practicable to bring them under the provision of this Act. xxx. If such amendments are not made, the prosecution of said application shall be PROCEEDED WITH and registration thereon granted in accordance with the ACTS UNDER WHICH SAID APPLICATION WERE FILED AND SAID ACTS HEREBY CONTINUED IN FORCE TO THIS EXTENT ONLY NOTWITHSTANDING THE FOREGOING REPEAL TEJREOF.

Considering however, that this application subject of opposition proceedings is now for resolution, thereby rendering impractical to so amend it in conformity with R.A. 8293 without adversely affecting rights already acquired prior to the effectivity of the new law (Sec. 236, supra), this Office undertakes to resolve the case under the former law, R.A. 166 as amended, particularly Section 4 (d), which provides:

> “SEC. 4. Registration of trademarks, trade names and service mark on the principal register. – There is hereby established a register of trademarks, trade names and service marks which shall be known as the principal register. The owner of a trademark, trade name or service mark used to distinguish his goods, business or service from the goods, business or service of others shall have the right to register the same on the principal register unless it:

XXX

(d) Consist of comprises a mark or trade name which so resembles a mark or trade name registered in the Philippines or a mark or tradename 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 consumers." (Underscoring provided)

Interpreting the above-quoted provisions, the Supreme Court has ruled that:

"In determining whether two trademarks are confusingly similar, the test is not simply to take their words and compare the spelling and pronunciation of said words. Rather, it is to consider the two marks in their entirety, as they appear in the respective labels, in relation to the goods which they are attached. (Mead Johnson and Co. vs. N.V.J., Van Dorp, Ltd., 7 SCRA 768) (underscoring provided)

In the case at bar, the herein Respondent-Applicant, UNIVERSAL HOLIDAYS, INC., has been in the Tours & Travels business/services using the mark "UNIVERSAL HOLIDAYS, INC." the primary purposes of which are:

"To engage in, undertake and carry on the business of travel and tourist consultants, contractors, and agents for operators of air, sea, land or inland waterway carriage under takings, road transport owners and hirers, hotel, apartment and lodging-house managers and keepers, caterers and storekeepers, promoters and managers of clubs and societies (travelling, social, educational or otherwise), and generally to facilitate travelling and to provide for tourist and travelers or promote the provision of facilities of every description and in particular by acting as consultants and advisers for the booking of travel passengers and hotel and lodging accommodations, providing guides, sale deposits, inquiry bureaus and baggage transport, arranging and operating tours, to form and between several cities and points of, and in, the Philippines, and foreign countries; and in connection with the foregoing, to act in its own right or as agent in the purchase and sale of passenger and freight accommodation in land, air and sea travel, to enter into charter parties for the carriage of passenger and freight, whether alone or conjunction with others engaged in the same or similar business. (Exh. 2-a – Articles of Incorporation of Universal Holidays, Inc.)

XXX"

Foreign Tour Operators (exhibits "7"-"8")

Opposer, in support of its claims that it is the prior adopter and user and the owner-registrant and has superior right over the "Universal" mark presented in evidence numerous registrations and applications worldwide for goods falling under classes 9 (cinematographic, Exhibits "B" to "H" and "I"); service marks under class 39 (conducting travel tours for others, Exh. "F-2"); class 41 (education and entertainment, Exh. "H-3") and 42 (Retail Gift Store Services; (Exh. "D-2") & Restaurant Services (Exh. "E-2")); which includes such countries like Japan, France, the U.S. and the Philippines among others.

On the other hand, Respondent-Applicant has been using in business the name "UNIVERSAL HOLIDAYS, INC." for tour operation way back in 1978 (Exhibits "2-f", "6-a" & "7") while the herein Opposer has begun its business in the same line of business in the United States per Certificate of Registration No. 1,643,169 issued on 30 April 1991, not on 31 July 1990 (Exhibit F-2).

It is noteworthy to mention at this point that although the herein Opposer has registered the said mark in the United States on April 30, 1991 (Exhibit "F-2"), the said registration was made long after Respondent's first used of the subject mark on its tour and travel business in 1978 (see Exhibits "2-f", "6-a" & 7). It can therefore be inferred that the Respondent-Applicant was the first to adopt and used subject mark UNIVERSAL HOLIDAYS INC. & DEVICE as shown by the evidence presented in this case.

In this connection, the Supreme Court held in the case of Sterling Products International, Inc. vs. Farbenfabriken Bayer, 21 SCRA 1214, that:

> "Registration in the United States of America is not registration in the Philippines. The law of Trademark rests on the doctrine of nationality or territoriality. What is to be secured from unfair competition in a given territory is the trade which one has in that particular territory. There is where his business is carried on; where the goodwill symbolized by the trademark has immediate value; where the infringer may profit by infringement." (underscoring supplied)

Moreover, Exhibits "H-3" and "I-1" pertaining to Certificates of Registrations for the mark "UNIVERSAL" issued by this Office to the herein Opposer show that the goods covered therein are film and entertainment services – namely, production of motion picture films for theatrical and television use and distribution of such films produced by applicant and by others; falling under class 9 and 41 respectively. Hence, it has exclusive right to use the said mark in connection with these goods, business or services mentioned in said Certificates in accordance with Section 20 of R.A. No. 166, as amended, and conducting travel tours is not one of them.

Therefore, Opposer's ownership of, and its exclusive right to use the mark UNIVERSAL is not an absolute bar to the use and registration of the same by another. Sec. 4(d) quoted above clearly provides that registration by another is barred only when used in connection with the goods specified in the application or to goods which is likely to cause confusion or mistake or to deceive the purchasers.

WHEREFORE, in view of the foregoing, this Opposition case is, as it is hereby DENIED. Accordingly, Application Serial No. 75864 for the registration of the trademark "UNIVERSAL HOLIDAYS INC. & Dev." filed on 25 April 1991 by the Respondent-Applicant UNIVERSAL HOLIDAYS INC., is hereby GIVEN DUE COURSE.

Let the filewrapper of the application subject matter of this case be forwarded to the Administrative, Financial and Human Resource Development Bureau in accordance with this Decision with a copy thereof to be furnished the Bureau of Trademarks for information and update of its records.

SO ORDERED.

Makati City, December 29, 1998.

ESTRELLITA BELTRAN-ABELARDO
Caretaker/Officer-In-Charge