

VALENTINO GLOBE B.V.,	}	INTER PARTES CASE No. 14-1998-00019
Opposer,	}	Opposition to:
	}	
	}	Serial No. : 77001
-versus-	}	Date Filed : July 25, 1991
	}	Applicant : Florence Fashion
	}	(Jersey) Ltd.
FLORENCE FASHIONS	}	Trademark : "GIOVANNI VALENTINO"
(JERSEY) LTD.,	}	
Respondent-Applicant,	}	Decision No. 2006 – 75
x-----x	}	

DECISION

This pertains to the application for the registration of the mark "GIOVANNI VALENTINO" bearing Serial No. 77001 filed on July 25, 1991 covering the goods clothing, head gears and footwear, namely: bathing trunks, beach clothes, beach shoes, belts, boats, breeches, camisoles, blouses, dresses, ties waist coats, chemisettes, coats, topcoats, cuffs, diapers, dressing gowns, shoes, gloves, hats, jackets, jerseys, jumpers, motorist clothing, overcoats, pajamas, parkas, sandals, scurries, shawls, shirts, shoes, t-shirts, sweatshirts, sweatpants, stockings, suits, swimsuits, teddies, hats, trousers, underclothing, underwear which application was published in the Official Gazette of the Bureau of Patents, Trademarks and Technology Transfer (BPTTT), Vol. X, No.2, p. 61 which was officially released on January 14, 1998.

The Opposer in this opposition proceeding is VALENTINO GLOBE B.V., a foreign corporation organized and existing under the law of Netherlands.

On the other hand, the Respondent-Applicant is FLORENCE FASHIONS (JERSEY) LIMITED, of St. Helier, Jersey, Channel Islands.

The grounds upon which the Opposer bases its opposition are as follows:

- "1. The registration of the mark "GIOVANNI VALENTINO" in the name of Respondent-Applicant is proscribed by Section 123.1 (d), (e) and (f) of Republic Act No. 8293.

- "2. The House of VALENTINO was founded in 1959 by the legendary Italian Fashion Designer Valentino Garavani, who is so famous that he is known throughout the world simply by his first name "VALENTINO". The House of VALENTINO has registered more than 1,200 VALENTINO and VALENTINO related trademark (e.g. VALENTINO GARAVANI BOUTIQUE, the V [in oval logo] worldwide including registration for VALENTINO GARAVANI & V LOGO in the Philippines, having been the first to adopt and use the same in actual trade and commerce. It has filed prior applications for VALENTINO & V (in oval) LOGO and VALENTINO GARAVANI in the Philippines. The House of VALENTINO and VALENTINO have been featured on at least 344 international magazine covers and the House of VALENTINO has approximately 60,000 advertisements and editorials of VALENTINO and/or his products, which represent but a fraction of the press coverage received.

- “3. The House of VALENTINO has applied its VALENTINO trademarks to a vast range of products over the past 40 years, including all types of clothing, perfume, jewelry, eyewear, accessories and luxury household products. The VALENTINO trademarks are commercially used here and around the globe. Its products and services carried under said mark had, through the years, earned international acclaim and the distinct reputation of high quality products and services.
- “4. The marks of the House of VALENTINO are accorded due protection under Article 8 and Article 6 bis of Paris Convention.

Opposer relied on the following facts to support its opposition:

- “1. Opposer was issued by the Honorable Bureau of Patents, Trademarks and Technology Transfer (BPTTT) Certificate of Registration No. 53082 for the “VALENTINO GARAVANI & V LOGO” mark covering class 18. Copy of said registration certificates is hereto attached as Annex “A”. Opposer also filed with said Honorable Office applications for registration of the “VALENTINO & V LOGO” mark covering classes 3, 9, 14, 18 and 25 and “VALENTINO GARAVANI & DEVICE” mark covering classes 9 and 25 under Serial No. 74377.
- “2. The mark “GIOVANNI VALENTINO” 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 source and origin of Respondent-Applicant’s goods/services. Respondent-Applicant has never used the said trademark in the Philippines and elsewhere.
- “3. The house of VALENTINO expends approximately US\$ 6,000,000.00 (six million United States dollars) on average each year to promote, advertise and market on a worldwide basis its VALENTINO products and VALENTINO-related products. It is the resultant goodwill and popularity of the House of VALENTINO’s mark that Respondent-Applicant wishes to exploit and capitalize. Accordingly, the use and approval or registration of Respondent-Applicant’s mark will constitute an infringement and invasion of Opposer’s property rights to its registered “VALENTINO & V LOGO” and “VALENTINO GARAVANI & V LOGO” marks which are protected by law. Such will most assuredly cause the dilution and loss of distinctiveness of Opposer’s marks as well as cause irreparable damage and injury to Opposer.

On January 8, 1998, Respondent-Applicant filed its Answer denying all the material allegations of the opposition.

During the pre-trial conference, the parties failed to reach an amicable settlement, hence a trial on the merits was conducted whereby the parties filed their respective evidences in support of their respective claims.

Opposer filed its evidences consisting of Exhibits "A" to "Y" inclusive of sub-markings. (Order No. 2003-446 dated 17 November 2003)

On the other hand, the Respondent-Applicant was directed in open court during the hearing on May 30, 2005 to file its Formal Offer of Evidence within fifteen (15) days from receipt of the Order and for the Opposer to file comment therein within fifteen (15) days from receipt of Respondent-Applicant's Formal Offer of Evidence. (Order No. 2005-329, dated 30 May 2005)

The above-mentioned order was received by the Respondent-Applicant on June 2, 2005 through the Intellectual Property Office mail box.

On July 4, 2005, Opposer through counsel filed a Motion to Strike Out Evidence identified and marked as Exhibits "1" to "19" during the presentation of Respondent-Applicant's evidence which was granted, there being no opposition or comment filed therein by the Respondent-Applicant as it did not actually file its Formal Offer of Evidence. (Order No. 2006-378, dated 7 March 2006)

The failure of the Respondent-Applicant to file its Formal Offer of Evidence within the prescribed period is a violation of Section 34 and 35 of Rule 132 of the Rules of Court which have suppletory application in the instant proceedings, to wit:

"Section 34. *Offer of Evidence* – The Court shall consider no evidence which has not been formally offered. The purpose for which the evidence is offered must be specified.

Section 35. *When to make offer* – As regards the testimony of a witness, the offer must be made at the time the witness is called to testify. Documentary and object evidence shall be offered after the presentation of a party's testimonial evidence. Such after shall be done orally unless allowed by the Court to be done in writing."

The issues to be resolved in this particular case are:

1. WHETHER OR NOT RESPONDENT-APPLICANT'S MARK "GIOVANNI VALENTINO" IS IDENTICAL OR CONFUSINGLY SIMILAR TO OPPOSER'S MARK "VALENTINO GARAVANI & V LOGO".
2. WHETHER OR NOT RESPONDENT-APPLICANT'S MARK HAS BEEN USED/OR REGISTERED IN THE PHILIPPINES.

To be noted is the fact that the trademark application bearing Serial No. 77001 for the mark "GIOVANNI VALENTINO" subject of the instant opposition proceedings was filed on July 25, 1991 and the law in full force at that time is Republic Act No. 166, as amended.

Considering that the trademark subject of the instant opposition proceeding was filed during the affectivity of Republic Act No. 166, as amended, this Bureau shall resolve the case under said law so as not to adversely affect rights already acquired prior to the affectivity of the new Intellectual Property Code of the Philippines (Republic Act No. 8293).

The applicable provision of the law is Section 4(d) of Republic Act No. 166, as amended which provides:

"Sec.4 Registration of trademarks, tradenames and service marks on the principal register. - There is hereby

established a register of trademarks, tradenames and service marks which shall be shown as the principal register. the owner of the trademark, tradename or service mark used to distinguish his goods, business, or services from the goods, business, or services of others shall have the right to register the same on the principal register, unless it:

x x x

(d) Consists of or comprises a mark or trade-name which so resembles a mark of 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 mistakes or to deceive purchasers.”

In ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, two kinds of test have been developed. The dominance test, applied in *Asia Brewery, Inc. vs. Court of Appeals*, 224 SCRA 437; *Co Tiong vs. Director of Patents*, 95 Phil. 1; *Lim Hoa vs. Director of Patents*, 100 Phil. 214; *American Wire & Cable Co., vs. Director of Patents*, 31 SCRA 544; *Philippine Nut Industry, Inc. vs. Standard Brands, Inc.*, 65 SCRA 575; and the holistic test developed in *Del Monte Corp vs. Court of Appeals*, 181 SCRA 410; *Mead Johnson & Co., vs. M.V.J. Van Dorp, Ltd.*, 7 SCRA 771; *Bristol Myers Co., vs. Director of Patents*, 17 SCRA 128:

As its title implies, the test of dominance focuses on the similarity of the prevalent, essential or dominant features of the competing trademarks which might cause confusion or deception. On the other side of the spectrum, the holistic test mandates that the entirety of the mark in question must be considered in determining confusing similarity.

Records will show that the competing trademarks contain the word “VALENTINO” of which, in all aspect are the same, such as spelling, sound, form, features as well as in appearance.

Although the competing trademarks are accompanied by another word or in short a composite one, the word “VALENTINO” is considered the dominant feature.

In *Co Tiong vs. Director of Patents* (95 Phil.) the Supreme Court said:

“x x x. If the competing trademarks contain the main essential or dominant features of another and confusion and deception is likely to result, infringement takes place. Duplication or exact imitation is not necessary, nor is it necessary that the infringing label should suggest an effort to imitate.

x x x, The ordinary customer does not scrutinize the details of the label; he forgets or overlooks these, but retains a general impression or a central figure, or a dominant characteristic. The reason for the above has been explained in the following manners:

x x x This rule has a basis in experience. The average person usually will not and often cannot, take in at a casual glance all, or even a large part of the details of what he looks at. What part or parts of the two trademarks which are alleged to be similar does the average ordinary buyer see when he looks at

them? What features of them are remembered by the average buyer? We do not really hear all that is spoken in our hearing. Far from all we see or hear casually is retained sufficiently clearly or in sufficient details for us to get a lasting impression of it which we can remember when we encounter the mark again. The importance of this rule is emphasized by the increase of radio advertising in which we are deprived of the help of our eyes and must depend entirely on the ear.”

The word “VALENTINO” easily attracts and catches the eyes of the ordinary consumer and it is that very word and none other, that sticks in his mind when we think of the products leather goods. When the same word “VALENTINO” is pronounced over the radio or television, or by anybody, the sound attracts the ears of the ordinary consumers even if it is accompanied by any other word.

One important point to be taken into consideration is the fact that the Opposer’s trademark “VALENTINO GARAVANI & V LOGO” is a mark registered with the Bureau of Patents, Trademarks and Technology Transfer (BPTTT), bearing Registration No. 53082, covering the class 18. At the same time Opposer filed for its registration under class 3, 9, 14, 18 and 25 of the International Classification of goods.

In trademark registration cases, certificate of registration is *prima facie* evidence of the validity of registration, the registrant’s ownership of the mark and the exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate. (Levi Strauss & Co., vs. Clinton Apparelle, Inc. 470 SCRA, 253-254 [2005])

Section 147.1 of Republic Act No. 8293 provides:

Section 147. *Rights conferred.* – Section 147.1. – The owner of the registered mark shall have the exclusive right to prevent all third parties not having the owner’s consent from suing in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in likelihood of confusion. x x x

As testified to by Mr. GEORGE FREDERICK NICOLAI, the Opposer’s first witness (Exhibits “R” to “R-7”) the trademark “VALENTINO” was first used worldwide in by MR. VALENTINO GARAVANI, the legendary Italian fashion designer, in 1959.

In the Philippines, Opposer is a holder of Certificate of Registration No. 53082 for “VALENTINO GARAVANI & V LOGO” issued on July 27, 1992 by the Bureau of Patents, Trademarks and Technology Transfer (BPTTT) covering the goods leather and imitations of leather and articles made from these materials in so far as not included in other classes of goods; trunks and traveling bags, umbrellas, parasols and walking sticks (Exhibits “J” to “J-2”) and likewise, Opposer filed with the Bureau of Patents, Trademarks and Technology Transfer (BPTTT) an application for the registration of the mark “VALENTINO” bearing Serial No. 70724 on December 13, 1989 covering the goods under classes 24 and 25 of the international classification of goods (Exhibits “L” to “L-14”).

In many countries of the world, including the Philippines, Opposer has obtained registrations of its trademark “VALENTINO GARAVANI”.

Opposer has been actually using its trademark “VALENTINO” on its products in the Philippines since 1985 and its actual customer is “RUSTAN”. (Exhibits “O” to “O-11”)

On the other hand, the Respondent-Applicant failed to file or submit any evidence to substantiate its claim over trademark GIOVANNI VALENTINO subject of the instant opposition, as it actually did not file its Formal Offer of Evidence (Order No. 2006-378, dated 7 March 2006).

As early as 1969, the Supreme Court has recognized the principle that actual use in commerce is a pre-requisite to the acquisition of right over a trademark. Thus, in the case of Sterling Products International, Inc., vs. Farbenfabriken Bayer Aktiengesellschaft and Allied Manufacturing and Trading Co., Inc., (G.R. L-19906, April 30, 1969) the Supreme Court has ruled that:

“A rule widely accepted and firmly entrenched because it has come down through the years is that actual use in commerce or business is a pre-requisite to the acquisition of the right of ownership over a trademark.”

The fundamental principle of Philippines Trademark Law is that *actual use in commerce in the Philippines is a prerequisite to the acquisition of ownership over a trademark or a trade-name.* (Kabushiki Kaisha Isetan vs. Intermediate Appellate Court, et. al., G.R. No. 75420, November 15, 1991) It may be added in this connection that Opposer is a holder of certificate of registration in the Philippines of its trademark. It is also actually using the same mark in commerce in the Philippines since 1985 as shown by the sales invoices (Exhibits “O” to “O-11”). *The right to exclusive use of a trademark grows out of its actual use* (CIA General de Tabacos vs. Alhambra Cigar & Cigarettes Manufacturing Co., 38 Phil. 485).

Exclusive right to a trademark grows out their actual use for trademark is a creation of use. (Sterling Products International Inc., vs. Farbenfabriken Bayer Aktiengesellschaft, L-19906, April 30, 1969, 27 SCRA 1214, citing Esso Inc., vs. Standard Oil Co., 98 P 2d 1).

Likewise, the use required as a foundation of trademark rights refers to local use at home and not abroad. (2 Callman, Unfair Competition and Trademarks, par. 76.4 p. 1006)

In the case of BATA Industries, Ltd., vs. Court of Appeals, 114 SCRA 318, the Supreme Court categorically ruled that:

“The use of the mark must be in the country. Foreign use creates no trademark right in the Philippines, following the nationality principle upon which the Trademark Law rests.”

Furthermore, a sale made by a legitimate trader in the course of his doing business establishes trademark rights. In this regard, Opposer was able to present evidence sufficient to sustain a finding of actual sales of goods in the local market using the mark “VALENTINO” which signifies actual commercial use which is very crucial in determining ownership of trademark.

It must be emphasized that the products bearing the trademarks in question are the same and belong to the same classification of goods.

Therefore, considering the evidence presented, it is safe to conclude that the trademark GIOVANNI VALENTINO & V LOGO and that Opposer has validly proven its prior use of said trademark in the Philippines in connection with its products.

WHEREFORE, premises considered, the Opposer being the prior user of the trademark “VALENTINO” in the Philippines, the opposition is, as it is hereby, SUSTAINED. Consequently, trademark application bearing Serial No. 77001 for the mark “GIOVANNI VALENTINO” filed on July 25, 1991 by FLORENCE FASHIONS (JERSEY), LTD., is hereby REJECTED.

Let the filewrapper of “GIOVANNI VALENTINO” subject matter of this case be forwarded to the Bureau of Trademarks (BOT) for appropriate action in accordance with this DECISION.

SO ORDERED.

Makati City, 31 July 2006.

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