

VAN CLEEF & ARPELS
Opposer,

-versus-

SHOETOWN INT'L. IND. CORP.
Respondent-Applicant.

INTER PARTES CASE NO. 3887
Opposition to:

Serial No.: 78743
Filed : November 29, 1991
Trademark: "VANS-CLIF"
Goods: shoes, slippers
and sandals

Decision No. 98-12

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DECISION

Above captioned case is an Opposition filed by VAN CLEEF & ARPELS (Opposer), a corporation duly organized and existing under the laws of France, with business address at 22 Place Vendome 75008, Paris, France against the application for the registration of the trademark VANS-CLIF for shoes, slippers and sandals with Serial No. 78743, filed on November 29, 1991 by Shoetown International Industrial Corporation (Respondent-Applicant), a corporation duly organized and existing under the laws of the Philippines, with business address at Mercado Street, Guiguinto, Bulacan which application was published on page 27, Volume VI, No. 1 January-February, 1993 issue of the Official Gazette, officially released for circulation on March 16, 1993.

The grounds for Opposition are as follows:

- "1. The trademark VANS-CLIF so resemble Opposer's trademark VAN CLEEF & ARPELS, which have been previously used in commerce in the Philippines and other parts of the world and not abandoned, as to be likely , when applied to or used in connection with the goods of Applicant, to cause confusion, mistake and deception on the part of the purchasing public;
- "2. The registration of the trademark VANS-CLIF in the name of the Applicant will violate Section 37 of Republic Act No. 166, as amended, and Section 6bis and other provisions of the Paris Convention for the Protection of Industrial Property to which the Philippines and France are parties;
- "3. The registration and use by the Applicant of the trademark VANS-CLIF will diminish the distinctiveness and dilute the goodwill of Opposer's trademark VAN CLEEF & ARPELS;
- "4. The registration of the Applicant is contrary to the other provisions of the Trademark Law."

On June 17, 1993, the then Bureau of Patents, Trademark and Technology Transfer (BPTTT), issued a Notice to Answer in respondent-applicant's mentioned business address. However, Respondent-Applicant did not file any responsive pleading.

Thus, on September 14, 1993, Opposer filed a Motion to Declare Respondent-Applicant in Default for failure to file Answer within the prescriptive period.

This Office, through Order No. 93-681 dated September 23, 1993, declared Respondent-Applicant in default for failure to file an answer despite notice which was sent through registered mail under Registry Receipt No. 083 with return card dated July 1, 1993.

Consequently, trial on the merit proceeded ex-parte. And on January 06, 1994, Opposer formally offered its exhibits which were admitted by the Bureau in Order No. 94-175, dated February 23, 1994. Later on, Opposer filed its Memorandum, on April 28, 1994.

The only issue to be resolved in this case is WHETHER OR NOT THERE IS CONFUSING SIMILARITY BETWEEN OPPOSER'S TRADEMARK VAN CLEEF & ARPELS AND RESPONDENT-APPLICANT'S MARK VANS-CLIFF.

Considering that the application for registration of the trademark VANS-CLIF was filed on November 29, 1991, long before the present R.A. 8293, the Intellectual Property Code of the Philippines, took effect on January 01, 1998, this case will thus be resolved under the old R.A. 166, as amended, more particularly known as the Trademark Law, which was then the law in effect. Section 4 of the Trademark Law provides, thus:

“SECTION 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 purchasers; or”

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In the case at bar, the two subject trademarks, Opposer's VAN CLEEF & ARPELS and Respondent's mark VANS-CLIFF, are unmistakably confusingly similar so that indiscriminating consumers would likely be deceived or confused as to the source or origin of the goods bearing the respective trademarks.

The mere utterance of the two marks would produce a similar sounding sound which a seller or a dealer cannot make any marked distinction as to which of the two trademarks is being referred to by a purchaser.

While it is true that there is a variance in terms of spelling such as the appearance of the two “E” in the Opposer's word mark VAN CLEEF in contrast to the presence of the letter “S” in the first syllable, the dash mark in between the two syllables, the letter “I” and the double “F” in the last syllable of the Respondent's trademark VANS-CLIFF, this is lost by the similitude in the essential or dominant features the two subject mark possess.

In determining whether two trademarks are confusingly similar or not, the Supreme Court has been relying on the “Dominancy Test” which has been defined as “the assessment of the essential or dominant features in the competing labels to determine whether they are confusingly similar” (American Wire and Cable Company vs. Director of Patents, 31 SCRA 544, 547). Under the “Dominancy Test”, the courts shall look into the form, marks, contents, words, or other special arrangement or general appearance of the competing marks and determine whether the later mark would likely mislead persons in the ordinary course of purchasing the genuine article (Forbes Munn and Co. vs. Ang San To, 40 Phil. 272).

Undoubtedly, the dominant feature of Opposer's VAN CLEEF & ARPELS mark is the composite words VAN CLEEF. This is precisely what the herein Respondent-applicant copied or

imitated, albeit differently in terms of spelling, purposely to ride on the popularity and renown trademark of the Opposer.

“A boundless choice of words, phrases and symbols is available to one who wishes a trademark sufficient unto itself to distinguish his products from those of others. When, however there is no reasonable explanation for the defendant’s choice of such a mark though the field for his selection was so broad, the inference is inevitable that it was chosen deliberately to deceive.” (III, Callman Unfair Competition, 2nd ed. Pp. 1527-1528)

Opposer has convincingly shown by evidence that it owns, exclusively uses and appropriates mark VAN CLEEF & ARPELS, which dated back to February 10, 1906, through worldwide trademark registrations for a wide range of goods, and extensive advertisement in different forms of media. (Exhs. “A” to “H”, inclusive of sub-markings)

In the Philippines, the Office on July 22, 1986 issued Trademark Registration No. 35766 for the trademark VAN CLEEF & ARPELS under the name of the herein Opposer for use on perfumery, essential oils, and soaps [Class 3] (Exh. “D-18”). This registration is made in pursuance of Section 37, R.A. 166, as amended so actual prior use in the Philippines is dispensed with.

Respondent-Applicant on the other hand, is applying for the registration of the trademark VANS-CLIFF for use on shoes, slippers and sandals (Class 25) which it allegedly used since June 16, 1991.

From this contrasting data, it may be inferred that the class of goods for which Opposer’s trademark is registered is different to the class of goods. Respondent’s mark is being applied. But the facts reveal that the goods bearing the two trademarks are not totally foreign to each other. The products shoes, slippers, sandals, perfumery, essential oils and soaps are invariably sold in department stores and groceries. Because of their similar sounding names, there is no reason for consumers not to conclude that Respondent-Applicant’s trademark is an expansion, or under license or sponsorship of the herein Opposer’s trademark or corporate name. Inevitably, not only confusion or deception of goods would result but also dilution of goodwill and reputation would transpire (please see Converse Rubber Corporation vs. Universal Rubber Products, Inc. 147 SCRA 154, January 8, 1987).

Under the “Sponsorship Theory” the protection of the trademark should extent to the zone of potential or logical expansions. Where the goods in respect of the contending marks are used are so related that the courts would find that a false association is suggested invariably it would also find that “confusion or origin” or “confusion of registration” occurs and therefore the trademark owner is entitled to protection.

Compounding the Respondent-Applicant’s woes was its failure to defend its case before this Office. This omission is an affirmation of Respondent’s conformity with the allegations of the Opposer herein.

As held by the Supreme Court in Delbros Hotel Corporation vs. Intermediate Appellate Court 159 SCRA 533, 543 (1988) thus: “Fundamentally, default order are taken on the legal presumption that in failing to file answer, the Defendant does not oppose the allegations and relief commended in the complaint.” (underscoring ours)

IN VIEW OF THE FOREGOING, this Opposition should be, as it is hereby SUSTAINED. Accordingly, Application Serial No. 78743 for the registration of the mark VANS-CLIFF used on shoes, slippers and sandals is, as it is hereby REJECTED.

Let the filewrapper of this case be forwarded to the Administrative, Financial and Human Resource Development Bureau for appropriate action in accordance with this DECISION with a copy to be furnished the Bureau of Trademarks for information and to update its records.

SO ORDERED.

Makati City, November 19, 1998.

ESTRELLITA BELTRAN-ABELARDO
Caretaker/Officer-In-Charge