

YUGENGAISHA DOULAKU	}	IPC No. 14-2004-00111
(DOWLUCK LIMITED)	}	Opposition to:
<i>Opposer,</i>	}	
	}	Application No. 4-2002-001469
-versus-	}	Date Filed: 19 February 2002
	}	
RAMON ONG,	}	Trademark: "EVISU"
<i>Respondent-Applicant.</i>	}	
x-----x	}	Decision No. 2006-124

DECISION

This pertains to an Opposition filed on 19 February 2002 by herein opposer, YUGENGAISHA DOULAKU (DOWLUCK LIMITED), a limited liability company duly registered and existing under the laws of Japan, with principal office address at 2-21-85 OUSU, Nakaku, Nagoyashi, Aichiken, Japan, against the application filed on 19 February 2002 bearing Serial No. 4-2002-001469 for the registration of the trademark "EVISU" used for goods in Classes 18 and 25, of the Nice Classification namely: clothings, jeans, boots, shoes, hosiery, hats, caps, leather and leather imitation and goods made from these materials, which application was published in the Intellectual Property Office Official Gazette, officially released for circulation on 20 April 2004 on page 208, volume VI, no. 16.

The Respondent-Applicant in the instant petition is Ramon Ong, with postal address at No. 35 BNC Compound Baler St., S.F.D.M., Quezon City, Metro-Manila.

In support of the opposition, opposer will prove and rely on the enumerated facts, citing the grounds for opposition, as follows:

- "1. Section 123 (e) of the Intellectual Property Code of the Philippines (IPC for brevity) explicitly states that a mark cannot be registered if it is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, that in determining whether a mark is a well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark.

- "2. The trademark "EVISU" is completely identical to the trademark of the Oppositor Dowluck Limited's mark "EVISU". Both trademarks covered goods in Classes 18 and 25 of the Nice Classification. Respondent's trademark application covers the following goods: t-shirts, polo, polo shirts, pants, stacks, jeans, socks, briefs, panties, stockings, jackets, belts, sweatshirts, skirts, hats, caps, suspender, jogging pants, jogging suits, wallets, bags, coin purse, swim suits, swimming trunks, shoes, slippers, sandals and boots; while that of Dowluck Limited covers the following goods such as: clothing, jeans, boots, shoes, hosiery, hats, caps, leather and leather imitation and goods made from these materials.

- "3. Oppositor is the registered owner of the trademark "EVISU" and is registered in a number of other countries, specifically: United States of

America, Republic of China, Commonwealth of Australia, People's Republic of China, United Kingdom, Hong Kong and European Union.

- "4. Trademark certificates with respect to the above countries, attached and marked in the opposition, demonstrate that the Oppositor has prior rights to the mark "EVISU" globally.
- "5. Furthermore, the said trademark has been published and advertised in the magazine ARENA, which is being distributed in the Philippines.

In the Answer of respondent-applicant filed with this Office on 22 September 2004, the following are the recital of Admissions and Denials, to wit:

- "1. Respondent-applicant denies the personal circumstances of the Opposer.
- "2. Respondent-applicant denies the rest of all the material allegations raised in the Notice of Opposition for lack of information or knowledge and/or the same being conclusions of law and/or being conclusions of fact and not all allegation of fact. This denial is subject to the allegations of the material allegations of the complaint.
- "3. Respondent-applicant admits the data written in the trademark application being opposed.

Affirmative defenses were set forth as follows:

- "1. The mark "EVISU" is not internationally well-known.
- "2. The respondent-applicant is the owner of the mark "EVISU" in the Philippines.

As its special affirmative defense, respondent-applicant stated that the person who signed the Verification of non-forum shopping was disclosed to be a representative of Glaxo Group and not of the opposer named herein. Consequently, there is really no verification to speak of.

Due to the advent of Office Order No. 79, series of 2005, which took effect on 01 September 2005, this case, as it is undergoing pre-trial, is deemed mandatorily covered by the summary rules per Section 11 (pertaining to "Effect on Pending Cases") thereof. Preliminary Conference was set on 26 January 2006 but despite due notice, counsel for respondent-applicant failed to appear during the 23 March 2006 hearing.

Consequently, this Office issued Order No. 2005-557 setting the rules which provide that a party who fails to attend the preliminary conference shall be deemed to have waived the right to submit position papers and draft decisions. Respondent-applicant's right therefore, was waived.

Opposer has the following pieces of documentary evidence, to wit:

EXHIBITS	DESCRIPTION
"A"	Special Power of Attorney of the Dowluck Limited's representative
"B"	Certificate of Trademark Registration in the United States of America

“C”	Certificate of Trademark Registration in the People’s Republic of China
“D”	Certificate of Trademark Registration in the Commonwealth of Australia
“E”	Certificate of Trademark Registration in Great Britain and Northern Ireland
“F”	Certificate of Trademark Registration in Hong Kong SAR Class 18
“G”	Certificate of Trademark Registration in Hongkong SAR Class 25
“H”	Certificate of Trademark Registration in European Nation
“I”	Affidavit of Dowluck Limited’s authorized representative
“J”	FHM Menswear Awards 2001
“K”	Sportswear International 4/1997
“L”	Attitude: the Magazine for real men June 1995
“M”	Trace Urban Magazine, February 1988
“N”	The Face, November 1996
“O”	Sky Magazine, November 1995
“P”	Arena Homme Plus, Spring Summer 1999

Respondent-applicant, on the other hand, enclosed in its Compliance the following pieces of documentary evidence, to wit:

EXHIBITS	DESCRIPTION
“1”	Affidavit of Mr. Ramon Ong
“2”	Declaration of Actual Use filed 16 February 2005
“3”	Hangtags of “EVISU”

The issues presented to this Office for resolution are as follows:

Whether or not the Opposer with registration of its trademark “EVISU” in Japan and in other countries has the better right over respondent-applicant.

Whether or not “EVISU” is an internationally well-known mark and therefore, entitled to protection under the law.

Relative to the first issue posed, this Office resolves in the negative.

Opposer presented factual evidence that the contending marks are not only similar but clearly identical. Opposer's mark "EVISU" covers goods under class 18 and 25 of the Nice Classification. Respondent-applicant's mark "EVISU" likewise deals with the same class of goods. Moreover, Opposer presented several certificates of registration in Japan and in other countries of the world for its mark "EVISU" evidencing ownership over the subject mark, without however, presenting Philippine registration.

Opposer insinuates to this Office that considering the foregoing evidentiary matters, protection shall be accorded in its favor even though the subject mark is not registered here in the Philippines. This Office is not impressed.

The law governing the instant opposition case is Republic Act (RA) No. 8293, otherwise known as the Intellectual Property Code of the Philippines since the application for registration of the mark in question was filed during the effectivity of the said statute.

Section 122 of RA 8293 provides, to wit:

The rights in a mark shall be acquired through registration made validly in accordance with the provisions of this law. (Emphasis Ours)

Section 123 (d) of the same law likewise provides, to wit:

"A mark cannot be registered if it:

x x x

- (d) Is identical with a registered mark belonging to a different proprietor with an earlier filing or priority date, in respect of:
 - (i) The same goods or services, or
 - (ii) Closely related goods or services, or
 - (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion. (Emphasis Ours.)

It is a settled rule in both law and jurisprudence that the law on Trademarks adheres to the principle of nationality and territoriality. As aptly put, the registration in Japan and in other countries in the world is not registration in the Philippines

In the case of Sterling Products International, Incorporate vs. Farbenfabriken Bayer Aktiengesellschaft and Allied Manufacturing and Trading Co., Inc. GR No. L-19906, April 30, 1969, our Supreme Court has this to rule, to wit:

"Neither will the 1927 registration in the United States of the BAYEER trademark for insecticides serve plaintiff any. The United States is not the Philippines. Registration in the United States is not registration in the Philippines. At the time of the United States registration in 1927, we had our own Trademark Law, Act No. 666 aforesaid of the Philippine Commission, which provided for registration here of trademarks owned by persons domiciled in the United States.

x x x

There is nothing new in what we now say. Plaintiff itself concedes that the principle of territoriality of the Trademark Law has been recognized in the Philippines, citing Ingenohl vs. Walter E. Olsen, 71 L.

ed. 762. As Callman puts it, the law of trademarks “rests upon the doctrine of nationality or territoriality.”

Opposer further bolsters its right over the subject mark by arguing that it has several foreign and local promotional activities of “EVISU”, including advertisement in FHM Men’s Magazine, a locally-produced magazine in 1991.

In the case of Bata Industries, Ltd. vs. Court of Appeals, (114 SCRA 318) and Sterling Products Intl Inc vs. Farbenfabriken Bayer Aktiengesellschaft, (27 SCRA 1214), the use of the mark must be in the Philippines because foreign use creates no trademark right in the country, following the nationality principle upon which Philippine trademark law rests. x x x Adoption is not use. One may make advertisements, issue circulars, give out price lists on goods, but these would give exclusive right of use, unless the goods or services on which the mark or trade name is used are sold in the market. Trademark is a creation of use.

Further, in the case of Kabushiki Kaisha Isetan vs. The Intermediate Appellate Court, The Director of Patents and Isetan Department Store, Inc. (GR No. 75420, November 15, 1991), the Supreme Court ruled:

“The records show that the petitioner has never conducted any business in the Philippines. It has never promoted its tradename or trademark in the Philippines. It has absolutely no business goodwill in the Philippines. It has absolutely no business goodwill in the Philippines. It is unknown to Filipinos except the very few who may have noticed it while traveling abroad. It has never paid a single centavo of tax to the Philippine government. Under the law, it has no right to the remedy it seeks.”

In the instant case, opposer failed to produce evidence of use of the subject mark with the Intellectual Property Office. Thus, the right asserted by the opposer is negated by the fact that it is the respondent-applicant who has a pending application. The law accords protection to a proprietor or a mark with an earlier filing pr priority date.

And on the second issue of whether the mark EVISU is an internationally well-known mark, this Office had to resolve the same in the negative as herein opposer failed to establish and prove such fact in the case at hand.

Section 123.1 (e) of RA 8293 or the Intellectual Property Code provides that:

“Section 123. Registrability. 123.1. A mark cannot be registered if it:

x x x

(e) Is identical with or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark.”

The cited provision of the Code is crystal clear that a mark cannot be registered if it is identical with pr confusingly similar to or constitutes a translation of a mark, which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines.

It is settled that the onus probandi in establishing and proving that the mark is well-known internationally and in the Philippines lies on the opposer. However, with all the pieces of evidence presented by the latter, it failed to prove that its mark falls under the category of a well-known mark.

The Rules and Regulations on Trademark, Service Marks, Trade Names and Marked or Stamped Container of Goods, particularly Rule 102 thereof provides for the Criteria for Determining whether a mark is well-known:

“Rule 102. Criteria for determining whether a Mark is Well-Known. In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- (a) the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
- (b) the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applied

x x x”

In fine, the foregoing provision is clear that the protection accorded to a well-known mark should comply with the criteria mentioned above. Opposer in the case at bar did not meet the criteria nor any of the combinations of the cited criteria.

The evidence presented revealed that opposer has advertised or promoted its product in the Philippines only once in FHM magazine on 1991. It was not shown that it was followed by any other promotional activities or sale of its product. Yet, it argued of gaining goodwill and reputation. A lone advertisement cannot constitute a mark well-known. The law categorically states that the mark should also be well-known in this country for it to be recognized as well as a well-known mark.

Opposer also invoked the protective mantle of the Paris Convention to which the Philippines is a signatory. This Office views the said argument of opposer as clearly self-serving. As shown, there is nothing which we can discern as of this moment nor persuade us to believe that the opposer is entitled to the protection of the law. Opposer has not shown and proven actual use of its mark so to speak here in the Philippines.

WHEREFORE, in view of the foregoing, the Notice of Opposition filed by the Opposer is, as it is hereby, DENIED. Consequently, Application Serial No. 4-2002-001469 for the trademark “EVISU” filed on February 19, 2002 by Respondent-Applicant RAMON ONG is, as it is hereby, GIVEN DUE COURSE.

Let the filewrapper of the trademark “EVISU”, subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 6 November 2006.

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