



OFFICE OF THE DIRECTOR GENERAL

HANESBRANDSINC,
Applicant-Appellant,

- versus -

DIRECTOR OF THE BUREAU
OF TRADEMARKS,
Appellee.

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Appeal No. 04-2011-0001

Application No. 4-2007-010883
Date Filed: 28 September 2007

Trademark: HANESBRANDSINC

DECISION

HANESBRANDSINC ("Appellant"), appeals the Decision, dated 29 December 2010, of the Director of the Bureau of Trademarks ("Director") sustaining the final rejection of the Appellant's application to register the mark "HANESBRANDSINC" for various paper goods and printed matter under Class 16¹ and various clothing under Class 25².

Records show that the Appellant filed on 28 September 2007 the subject trademark application. The Examiner-in-Charge ("Examiner") issued an official action³ stating, among other things, that the Appellant must disclaim "INC." and "BRANDS" for having no trademark significance. The Appellant submitted a letter dated 04 June 2008, wherein it disclaimed the word "INC."

The Examiner then issued another official action⁴ wherein the issue of disclaiming the word "BRANDS" was reiterated. In a letter dated 22 August 2008, the Appellant argued that the word "BRANDS" is not a 'stand-alone' word but is part of the entire word HANESBRANDS, which is an arbitrary mark that is not generic nor descriptive of the goods under Classes 16 and 25. As proof of registrability, the Appellant enclosed copies of its registration certificates from the Dominican Republic and Honduras.

¹ (Paper goods and printed matter) paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artist's materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic material for packaging (not included in other classes); playing cards; printers' type; printing blocks.

² Clothing, footwear and headgear specifically, shirts, t-shirts, pants, shorts, socks, sweatshirts, sweat pants, bras, panties, girdles, slips, briefs, thigh shapers, shapewear, namely, crop tops, tank tops, tube tops hosiery, hats, caps.

³ Paper No. 02, mailed 28 February 2008.

⁴ Paper No. 06, mailed 26 June 2008.

In another official action⁵, the Examiner reiterated the requirement of disclaimer based on the finding that the presentation of the mark shows that "BRANDS" is written in different case from the other letters of the whole mark HANESBRANDS INC. The Appellant appealed the Examiner's findings to the Director, reiterating its argument that the word "BRANDS" is not a stand-alone word but is part of an arbitrarily coined word "HANESBRANDS". Nevertheless, the Director denied the appeal and sustained the final rejection of the trademark application.

On 25 February 2011, the Appellant filed an "APPEAL MEMORANDUM" again reiterating its arguments that the mark "HANESbrandsINC" is a unitary mark, as the words are physically connected and located side by side so as to form a single mark. Thus, being a unitary mark, it argued that a disclaimer of its components is not necessary. It further cited its foreign trademark registrations which it claims did not include a disclaimer of the words "brands" and "INC".

The Director filed on 20 March 2011 her "COMMENT" contending that as part of the mark, the word "BRANDS" does not function to indicate the source or origin of the goods. The Director argued that since the subject mark is the exact trade name of the applicant, without a disclaimer of both the terms "BRANDS" and "INC" from the mark, the same cannot be considered as a trademark with a source-indicating function, since the same may be considered merely as an indication of the name of its manufacturer rather than a mark that links the product to its source.

The issue in this appeal is whether the Director was correct in sustaining the final rejection of the Appellant's application to register the mark "HANESBRANDSINC" for paper products and clothing under Classes 16 and 25.

Under Section 126 of Republic Act No. 8293, or the Intellectual Property Code of the Philippines ("IP Code"), the IPOPHL may require that an applicant disclaim certain elements of its mark that are deemed unregistrable, to wit:

Section 126. Disclaimers. - The Office may allow or require the applicant to disclaim an unregistrable component of an otherwise registrable mark but such disclaimer shall not prejudice or affect the applicant's or owner's rights then existing or thereafter arising in the disclaimed matter, nor such shall disclaimer prejudice or affect the applicant's or owner's right on another application of later date if the disclaimed matter became distinctive of the applicant's or owner's goods, business or services. (Sec. 13, R.A. No. 166a)

Rule 608 of the IPOPHL Rules and Regulations on Trademarks provides the rationale behind the rule on disclaimers. Its purpose is to make of record, that a significant element of a composite mark is not being exclusively appropriated apart from the composite. Under the Rule, the following portions of a mark when forming part of the composite mark, must be disclaimed to permit registration, namely (a) a generic term; (b) a descriptive matter in the composite mark; (c) a matter which does not function as a trademark, or service mark or a trade name.

⁵ Paper No. 07, mailed 03 December 2008.

In the present case, the Examiner required the disclaimer of the word "BRANDS" on the ground that it does not function as a trademark. According to him, the word "BRANDS" means "a kind, grade, or make, as indicated by a stamp, trademark, or the like". The Examiner maintained that to give ownership of the word "BRANDS" for the goods under Classes 16 and 25 will definitely negate the very essence of brand name registration system in our country, that is to be able to distinguish the goods or services from other entities.

In this regard, below is the representation of the mark as submitted by the Appellant in its trademark application:

HANESbrandsINC

The Examiner's findings, as sustained by the Director, are well-taken. We agree that the pictorial representation of the mark submitted by the Appellant shows that the same is composed of three (3) distinct and separate terms that can be viewed easily and obviously. Through the kind of font used, the colors being claimed, the positions of the three words, the font size being used, as well as the over-all visual presentation of the entire mark, it would readily appear that BRANDS is a distinct and separate word from HANES and INC. The Appellant's claim that HANESBRANDSINC is considered as one word, and therefore is a unitary mark, is belied by reference to the representation of the mark itself. It is obvious and without doubt that the mark is composed of three (3) words that are independent elements. The creative use of colors and fonts would make each word in the subject mark intelligible to the general public, even if, as argued by the Appellant, there is no spacing between the words and that they are written in one continuous sequence.

The Appellant's argument that the home registration of the mark indicates no disclaimer on the words BRANDS and INC, is also unavailing. An established principle in the Law on Trademarks is the territorial applicability of trademark laws. As enunciated by the Supreme Court in the case of *Sterling Products International, Inc. vs. Farbenfabriken Bayer Aktienesellschaft*⁶:

Neither will the 1927 registration in the United States of the BAYER trademark for insecticides serve plaintiff any. **The United States is not the Philippines. Registration in the United States is not registration in the Philippines.** 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 Callmann puts it, **the law of trademarks "rests upon the doctrine of nationality or territoriality."**

⁶ G.R. No. L-19906, 30 April 1969,

Accordingly, the 1927 registration in the United States of the BAYER trademark would not of itself afford plaintiff protection for the use by defendants in the Philippines of the same trademark for the same or different products. (*Emphasis Supplied*)

While the Appellant has various registrations of its trademark in different countries around the world, registration of a trademark in another country cannot take precedence over Philippine laws and regulations on the registability of a mark. Protection under foreign registrations could not extend to the Philippines because the law on trademark rests on the principle of nationality or territoriality.

In any case, a perusal of the Appellant's Certificate of Registration No. 3,578,099 issued by the United States Patent and Trademark Office (USPTO)⁷ shows that the mark was described as follows:

The mark **consists of three words** the first being "Hanes" in all caps, **the second word following the first word with no space being "Brands" in lower case and italics** and the third word following the second word with no space being "Inc" in all caps. (*Emphasis Supplied*)


Having submitted the above document as part of its evidence, the Appellant is therefore bound by its contents. As stated, even the USPTO registration indicates that the mark is composed of three (3) separate and distinct words. This supports the Director's findings that the Appellant should claim no exclusive ownership of the word BRANDS, as this is a common and universal term, the use of which other trademark owners must not be deprived of. It cannot be registered for to do so would exclude others who are also engaged in commerce and using the same words in their trade or services.

WHEREFORE, premises considered, the appeal is hereby DISMISSED. Trademark Application No. 4-2007-010883 for goods under Class 16 and Class 25 is hereby rejected.

Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of the Bureau of Trademarks. Let a copy of this Decision be furnished also to the library of the Documentation, Information and Technology Transfer Bureau for its information and records purposes.

SO ORDERED.

SEP 19 2012 Taguig City.


RICARDO R. BLANCAFLOR
Director General

⁷ Annex "L" of the Appellant's Appeal Memorandum,