



OFFICE OF THE DIRECTOR GENERAL

MANOLO P. SAMSON,  
Opposer-Appellant,

-versus-

CATERPILLAR, INC.,  
Respondent-Appellee.

X-----X

Appeal No. 14-2013-0014

IPC No. 14-2002-00085

Opposition to:

Application No. 4-1997-116433

Date Filed: 07 May 1997

Trademark: CATERPILLAR & Design

DECISION

MANOLO P. SAMSON (“Appellant”) appeals the decision<sup>1</sup> of the Director of Bureau of Legal Affairs (“Director”) dismissing the Appellant’s opposition to the registration of the mark “CATERPILLAR & Design” in favor of CATERPILLAR, INC. (“Appellee”).

Records show that the Appellee filed on 07 May 1997 Trademark Application No. 4-1997-116433 for CATERPILLAR & Design for use on watches, clocks, cuff links, tie tacks, tie bars, bracelets, pendants, belt buckles, earrings, charms, key chains, stick pins, lapel pins, necklaces, watch fobs, alarm clocks, wall clocks, watch bands, belt buckles, bracelets, watch cases, jewelry chains, watch chains, charms, chronographs for use as watches, chronometers, cigarette holders, ear clips, tie clips, costume jewelry, jewelry, lighters, necktie fasteners, ornamental pins, pocket watches, rings, stop watches, watch straps, tie fasteners, tie pins, watch movements, parts for watches. The application was published in the Intellectual Property Office Official Gazette<sup>2</sup> on 12 November 2002.

On 11 December 2002, the Appellant filed a “VERIFIED NOTICE OF OPPOSITION” alleging that he is the registered owner of the trademark “CATERPILLAR WITH A TRIANGLE BENEATH THE LETTER A”<sup>3</sup> for use on shoes, sandals, slippers and boots and that he has other pending applications<sup>4</sup> for the registration of this mark for use on other goods. He claimed that the Appellee’s mark is identical and/or confusingly similar to his registered mark and, therefore, under Section 4(d) of Republic Act No. 166, as amended, the Appellee’s mark cannot be

<sup>1</sup> Decision No. 2013-46 dated 22 March 2013.

<sup>2</sup> Volume V, No. 8, page 28.

<sup>3</sup> Cert. of Reg. No. 64705 issued on 16 June 1997.

<sup>4</sup> Trademark Application No. 123893 filed on 22 August 1997 for use on coin purse, wallet, handbags, overnight bags, travel bags, school bags, attache case, luggages; and Trademark Application No. 123894 filed on 22 August 1997 for use on jeans, pants, polo, t-shirts, polo shirts, briefs, shorts, sandos, socks, belts, jogging pants, sweatshirts, suits, coats, overcoats, topcoats, jackets, neckties, caps, vests, dresses, skirts, blouses, suspenders.

Republic of the Philippines

INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center, 28 Upper McKinley Road, McKinley Hill Town Center  
Fort Bonifacio, Taguig City 1634 Philippines

T: +632-2386300 • F: +632-5539480 • www.ipophil.gov.ph

manolo v. caterpillar  
page 1 of 5

registered. He maintained that the Appellee's registration and use of the CATERPILLAR & Design will cause confusion, mistake, and deception on the purchasing public and will dilute the distinctiveness and erode the goodwill of his registered mark.

The Appellee filed on 04 February 2003 an "ANSWER" claiming that it is the owner by prior adoption and use of the mark CATERPILLAR & Design, an internationally famous or well-known trademark which it has long used and registered in many countries. CATERPILLAR & DESIGN is a derivative of its mark "CATERPILLAR" which it has used worldwide in its core business of manufacturing heavy machinery and equipment for construction, mining, road building and agricultural industries since 1925. According to the Appellee, CATERPILLAR has been registered in the Philippines since 1938 and that beginning 20 October 1988, it has introduced and commercially used CATERPILLAR & DESIGN in its business activities and has applied for and registered this mark in many countries for various classes of goods. The Appellee contended that assuming the validity of the Appellant's certificate of registration for the trademark CATERPILLAR WITH A TRIANGLE BENEATH THE LETTER A, this registration is only for shoes, slippers and boots and, thus, the Appellant's exclusive right under this registration is limited to these goods.

After the appropriate proceedings, the Director dismissed the opposition and held that while the Appellant's and Appellee's marks are identical, the goods covered by the Appellant's mark are different and unrelated from those covered by the Appellee's mark. According to the Director, the Appellee's mark satisfied the function of a trademark and that the Appellee was able to present evidence of prior use of CATERPILLAR & DESIGN.

Subsequently, on 15 May 2013, the Appellant filed his "APPEAL MEMORANDUM" maintaining that while the parties' goods fall under different classification of goods, this does not mean that the goods are not related. According to the Appellant, their goods flow through the same channels of trade, sold commercially in the same boutiques or malls with a likely or great chance that they will be placed or displayed side by side with common purchasers, and, thus, confusion among consumers is very likely.

The Appellee filed a "COMMENT ON APPEAL" dated 28 June 2013 citing the Appellee's certificates of registration and pending applications for registration of CATERPILLAR & DESIGN which the Office may take judicial notice and consider in the determination of the Appellee's preferential right over this mark. The Appellee reiterates its claim of being the prior user and first registrant of the mark CATERPILLAR in the world and in the Philippines and cites the decision of the then Philippine Patent Office sustaining the fame of this mark in favor of the Appellee.<sup>5</sup>

---

<sup>5</sup>COMMENT ON APPEAL dated 28 June 2013, page 13, citing the Philippine Patent Office Decision No. 728, 8 August 1973.

Pursuant to Office Order No. 154, Series of 2010, Rules of Procedure for IPO Mediation Proceedings, this case was referred to mediation on 16 August 2013. On 18 September 2013, this Office received a copy of the "MEDIATOR'S REPORT" stating the termination of the mediation proceedings because the parties refused to mediate the case. The IPOPHL Alternative Dispute Resolution (ADR) Services also informed this Office that the parties failed to submit a manifestation referring this case to arbitration.

In this regard, the issue in this case is whether the Director was correct in dismissing the Appellant's opposition to the registration of CATERPILLAR & DESIGN in favor of the Appellee.

The Appellee's application to register CATERPILLAR & DESIGN was filed on 07 May 1997 or before the Intellectual Property Code of the Philippines ("IP Code") took effect on 01 January 1998. Sec. 235.2 of the IP Code provides that:

235.2. 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 provisions of this Act. The prosecution of such applications so amended and the grant of registrations thereon shall be proceeded with in accordance with the provisions of this Act. If such amendments are not made, the prosecution of said applications shall be proceeded with and registrations thereon granted in accordance with the Acts under which said applications were filed and said Acts are hereby continued in force to this extent for this purpose only, notwithstanding the foregoing general repeal thereof.

The records<sup>6</sup> show that the Appellee filed with this Office a letter dated 28 March 1998 stating that it wants its trademark application to be prosecuted under Republic Act No. 166, as amended, ("RA 166")<sup>7</sup>, the governing law at the time the Appellee filed the application to register CATERPILLAR & DESIGN. In this regard, the provisions of RA 166 are applicable in this case.

Section 4(d) of RA 166 states that:

Sec. 4. Registration of trademarks, trade names and service marks 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 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 or 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 mistake or to deceive purchases: or

<sup>6</sup> File wrapper for Trademark Application No. 4-1997-116433.

<sup>7</sup> AN ACT TO PROVIDE FOR THE REGISTRATION AND PROTECTION OF TRADEMARKS, TRADE NAMES AND SERVICE MARKS, DEFINING UNFAIR COMPETITION AND FALSE MARKING AND PROVIDING REMEDIES AGAINST THE SAME, AND FOR OTHER PURPOSES.

Under this provision, it is the owner of a trademark that has the right to register it. Moreover, a mark cannot be registered - firstly, if it so resembles a mark or trade name registered or previously used in the Philippines by another and not abandoned; and, secondly, the registration of that mark would likely cause confusion, mistake or deception when applied to or used in connection with the goods, business or services of the applicant.

It is, thus, emphasized that the essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.<sup>8</sup>

In this case, the Appellee has adduced substantial evidence to prove that it is the owner of the mark CATERPILLAR & DESIGN which is a variation of its other marks like CATERPILLAR, "CAT", "CAT AND DESIGN", and "CATERPILLAR AND DESIGN". The Appellee maintained that it registered and had filed trademark applications for these marks here in the Philippines and in other countries.<sup>9</sup> The Appellee, therefore, being the owner of the mark CATERPILLAR is entitled to the registration of CATERPILLAR & DESIGN. There is also no dispute that "CATERPILLAR" forms part of the trade name of the Appellee further giving the Appellee the right to use CATERPILLAR. The Appellant, however, claims that he is the registered owner of the trademark CATERPILLAR WITH A TRIANGLE BENEATH THE LETTER A which is identical and/or confusingly similar with the Appellee's mark.

Below are the illustrations of the Appellant's and Appellee's marks:

*Appellant's mark*

*Appellee's mark*

At a glance, one can see the similarity of these marks which gives the impression that these marks are owned by the same person or entity. Sec. 4 (d) of RA 166 bars the registration of a mark that resembles a registered mark and which would likely cause confusion. Be that as it may, the pieces of evidence adduced in this case have convinced this Office that the Appellant is the owner of the mark

<sup>8</sup> Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

<sup>9</sup> Exhibits "1" to "8" as cited in the FORMAL OFFER OF DOCUMENTARY EVIDENCE dated 19 October 2010.

CATERPILLAR & DESIGN and to prevent it from registering its own mark is contrary to the rationale of registering a mark. Moreover, because the Appellee has clearly established its ownership of the mark CATERPILLAR, the Appellee's application to register a mark that is considered a variation of its existing marks on CATERPILLAR will not cause confusion, mistake or deception when applied to or used in connection with the goods, business or services of the Appellee.

The Appellee has proven that as early as 1938<sup>10</sup>, it has created, used and registered the mark CATERPILLAR. Through the years, it expanded the application of this mark to other products, business, and services and has developed variations of this mark including the subject mark CATERPILLAR & DESIGN. It is, therefore, only just and equitable that the Appellee be allowed registration of a variation of the mark CATERPILLAR.


On the other hand, other than the registration and applications for registration of a mark similar to those of the Appellee, the Appellant failed to explain how it arrived in using the mark CATERPILLAR. Between the Appellee, which has established prior and continuous use of the mark CATERPILLAR in its business operations, and the Appellant who uses CATERPILLAR much later than the Appellee, any doubt should be resolved in favor of the Appellee.

The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services. The registration of the Appellee's mark for CATERPILLAR & DESIGN has been delayed for several years now and it is but only fitting to give to the Appellee the registration of a mark where its ownership and use are clearly established.

Wherefore, premises considered, the appeal is hereby dismissed. 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 Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this decision for information, guidance, and records purposes.

SO ORDERED.

07 FEB 2014 Taguig City

  
RICARDO R. BLANCAFLOR  
Director General

---

<sup>10</sup> ANSWER dated 04 February 2003, page 9 and Affidavit of Pericles R. Casuela, marked as Exhibit "1".