



OFFICE OF THE DIRECTOR GENERAL

THE SMILEY COMPANY,
Opposer-Appellant,

-versus-

JOSIE MARIE GAQUIT,
Respondent-Appellee.

Appeal No. 14-2012-0051

IPC No. 14-2011-00484

Opposition to:

Application No. 4-2011-710084

Date Filed: 17 June 2011

Trademark: HAPPY, SINANDOMENG
PREMIUM WHITE RICE AND LABEL

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DECISION

THE SMILEY COMPANY (“Appellant”) appeals the decision¹ of the Director of the Bureau of Legal Affairs (“Director”) dismissing the Appellant’s opposition to the application for the registration of the mark “HAPPY, SINANDOMENG PREMIUM WHITE RICE AND LABEL” (“HAPPY SINANDOMENG”) filed by JOSIE MARIE GAQUIT (“Appellee”).

Records show that the Appellee filed on 17 June 2011 Trademark Application No. 4-2011-710084 for HAPPY SINANDOMENG for use on goods under Class 30 of the Nice Classification,² namely rice. The trademark application was published in the Intellectual Property Office Electronics Gazette for Trademarks on 26 September 2011. The Appellant filed on 27 December 2011 its opposition to the registration of the Appellee’s mark alleging that there is a likelihood of confusion between its mark and HAPPY SINANDOMENG. The Bureau of Legal Affairs (“BLA”), however, noticed that the documents submitted by the Appellant that indicated the authority of the signatory to the verification and certification of non-forum shopping are mere photocopies. Consequently, the BLA issued an Order³ requiring the Appellant to submit within five (5) days from receipt of the Order the originals of the documents.

The Appellant requested for extensions of time for compliance of the aforementioned Order.⁴ On 09 February 2012, the BLA directed the Appellant⁵ to submit within three (3) days from receipt of the Order, proof that the Special Power of

¹ Order No. 2012-114 (D) dated 28 June 2012.

²The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

³ Order No. 2012-71 dated 10 January 2012.

⁴ Urgent motions for extension of time to submit compliance dated 23 January 2012, 27 January 2012, and 06 February 2012.

⁵ Order No. 2012-258.

Attorney ("SPA") and Director's Certificate were already submitted for authentication abroad and are still in transit from London. On 20 February 2012, the Appellant submitted photocopies of notarized and legalized SPA and Director's Certificate and manifested that it is ready to present the original documents for comparison during the preliminary conference.

Subsequently, the Director issued the Order dismissing the opposition for failure by the Appellant to comply with the Orders of the BLA.

Hence, this appeal.⁶

The Appellant argues that this case should not be dismissed on a mere technicality but should be resolved based on substantive merits. The Appellant claims that the purpose of the Director's Certificate and the SPA is to reflect the authority delegated and that it filed last 27 December 2011 the scanned copies of these documents which is a substantial compliance to the requirements in filing an opposition to the registration of a mark. According to the Appellant, while the documents are not yet notarized and legalized on 27 December 2011, the documents show that it has given authority to its counsel to file the opposition and that the subsequent notarization and legalization cured its alleged failure to comply with the Order of the BLA. The Appellant asserts that substance should prevail over technicalities and that it is the owner, the first to register, adopt, and use the "SMILEY" trademarks that are well-known internationally. The Appellant contends that HAPPY SINANDOMENG would likely cause confusion and would influence the consumers to believe that this mark belongs to it.

The Appellee filed on 19 December 2012 a "COMMENT" claiming that the appeal failed to allege new matters and establish meritorious grounds to warrant reconsideration of the Order of the Director. The Appellee argues that it is mandatory to follow the rules and the requirements on execution and authentication of documents prior to the filing of the opposition. The appeal did not also show the authority of the Appellant to file this case.

In this regard, the main issue in this case is whether the Director was correct in dismissing the opposition for failure by the Appellant to comply with the orders issued by the BLA to submit the required notarized and authenticated SPA and Director's Certificate.

The appeal is not meritorious.

Sec. 134 of the Intellectual Property Code of the Philippines ("IP Code") states that:

SEC. 134. Opposition.- Any person who believes that he would be damaged by the registration of a mark may, upon payment of the required fee and within thirty

⁶ The Appellant filed on 05 September 2012 a "NOTICE TO APPEAL WITH MEMORANDUM OF APPEAL"

(30) days after the publication referred to in Subsection 133.2, file with the Office an opposition to the application. Such opposition shall be in writing and verified by the oppositor or by any person on his behalf who knows the facts, and shall specify the grounds on which it is based and include a statement of the facts relied upon. Copies of certificates of registration of marks registered in other countries or other supporting documents mentioned in the opposition shall be filed therewith, together with the translation in English, if not in the English language. For good cause shown and upon payment of the required surcharge, the time for filing an opposition may be extended by the Director of Legal Affairs, who shall notify the applicant of such extension. The Regulations shall fix the maximum period of time within which to file the opposition.

On the other hand, Rule 2 Section 7 (b) of the Rules and Regulations on Inter Partes Proceedings (“Regulations”) provides that:

RULE 2
GENERAL PROVISIONS; PROCEEDINGS

x x x

Section 7. Filing Requirements for Opposition and Petition. (a) x x x

(b) The opposer or petitioner shall attach to the opposition or petition the affidavits of witnesses, documentary or object evidence, which must be duly-marked starting from Exhibit “A”, and other supporting documents mentioned in the notice of opposition or petition together with the translation in English, if not in the English language. The verification and certification of non-forum shopping as well as the documents showing the authority of the signatory or signatories thereto, affidavits and other supporting documents, if executed and notarized abroad, must have been authenticated by the appropriate Philippine diplomatic or consular office. The execution and authentication of these documents must have been done before the filing of the opposition or petition.

In this regard, the IP Code and the Regulations expressly provided the requirements, including the timelines, in filing an opposition to the registration of a mark. In this instance, the Appellee’s application to register the mark HAPPY SINANDOMENG was published for opposition on 26 September 2011. The Appellant, therefore, has thirty (30) days from this date to file the opposition. For good cause shown, the time of filing the opposition may be extended.

The Director granted the Appellants’ requests for extensions of time to file the opposition to the registration of the Appellee’s mark. The Director granted the Appellant two motions for extension of time to file the verified notice of opposition with instructions to comply with the requirements of the Regulations. While the Appellant filed the opposition on 27 December 2011, it did not comply with the requirements of submitting the original copies of the duly executed and authenticated documents. Still, the BLA gave the Appellant another opportunity to comply with the requirements giving it five (5) days from receipt of Order No. 2012-71 to submit the required documents.

Instead of complying with the Order, the Appellant requested for extensions of time to submit compliance. The BLA again granted the Appellant another opportunity to prove its compliance with its Orders and the provisions of the

Regulations by issuing Order No. 2012-258 requiring the Appellant to show proof that the required documents have been authenticated and are still in transit.

However, the Appellant, instead of complying with the Orders by the BLA submitted on 20 February 2012 photocopies of the notarized and legalized documents referred in the opposition. In this regard, the Director did not err in dismissing the opposition. As correctly discussed by the Director:

This Bureau noticed that the Opposer failed to comply with the orders of this Bureau. Sec. 8 par (c) of Rule 2 of the Rules explicitly states, among other things, that the "Failure to complete or cure the defect shall cause the dismissal of the case". This was emphasized in this Bureau's Order No. 21212-71. The submissions made on 20 February 2012 can hardly be considered as compliance to this Bureau's orders. The documents submitted are merely photocopies. And even if the same were originals, there is still no compliance on the part of the Opposer. The purported notarizations and authentications of the Special Power of Attorney and the Director's Certificate by the Philippine Consular Office in London, United Kingdom of Great Britain and Northern Ireland, show that these were done or issued only on 07 February 2012 and 13 February 2012, respectively.⁷

While the proceedings for the registration or the opposition to the registration of a mark is not a game of technicalities, the proceedings must be conducted in accordance with the prescribed procedure to ensure an orderly and speedy administration of the system of registration for trademark applications. In an opposition proceeding, the right of the applicant is also recognized and will be protected by the implementation and observance of the timelines in the IP Code and the Regulations in order not to delay the registration of a trademark that has duly satisfied the requirements for registration.

In the case at hand, the Appellant is required to file its opposition to the Appellee's trademark application within 30 days from 26 September 2011. The extensions given by the Director to the Appellant is a liberality allowed by the law and the Regulations for the Appellant to obtain the necessary documents and to comply with the processes enunciated in the Regulations.

The Appellant must, therefore, suffer the consequences of its failure to comply with the Orders by the Director and the provisions of the Regulations. Procedural rules are not to be belittled or dismissed simply because their non-observance may have resulted in prejudice to a party's substantive rights. The bare invocation of the interest of substantive justice is not a magic wand that will automatically compel the suspension of procedural rules.⁸

While it is true that it may take some time to authenticate the documents to be presented by the Appellant, it is for these reasons that the Appellant has been given several extensions of time to file the opposition. The Appellant has not shown diligent efforts to secure the authentication at the earliest time possible in order to comply with the required timelines or deadlines. It did not even explain why it is

⁷ Order No. 2012-114 (D) dated 28 June 2012.

⁸ Lazaro v. Court of Appeals, G.R. No. 137761, 06 April 2000.


taking too long to submit the verified opposition. When the Appellant asked for extensions of time to file the opposition, it should have given utmost concern to the verification and authentication of the documents. A diligent party would have been able to secure the necessary documents within the time frame allotted for it to do so.

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.

DEC 16 2013

Taguig City


RICARDO R. BLANCAFLOR
Director General