



AMBER GOLDEN PLATE,
Petitioner,

-versus-

AMBER'S BEST RESTAURANT,
Respondent- Registrant.

X-----X

}
} IPC No. 14-2009-00250
} Cancellation of:
} Reg. No. 4-2008-012242
} Date Issued: 09 March 2009
} TM: "AMBER'S BEST"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 47 dated June 21, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 21, 2013.

For the Director:

ATTY. PAUSI U. SAPAK
Bureau of Legal Affairs



AMBER GOLDEN PLATE,
Petitioner,

- versus -

AMBER'S BEST RESTAURANT,
Respondent-Registrant.

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IPC NO. 14-2009-00250
Petition for Cancellation:

Reg. No. 4-2008-012242
Date Issued: 09 March 2009
TM: "AMBER'S BEST"

Decision No. 2013- 47

DECISION

This is a petition to cancel Trademark Registration No. 4-2008-012242. The registration, issued in favor of AMBER'S BEST RESTAURANT ("Respondent-Registrant")¹, covers the mark "AMBER'S BEST", for use on "*pork barbecue, chicken barbecue, fried chicken, garlic chicken, soy chicken, lumpiang shanghai, pancit malabon, pichi-pichi niyog and cheese*" under class 29, and "*restaurant services; catering services; food-to-go delivery services; cafeteria; bar; snack bar; canteens, rental of chairs, tables, table linen, glassware*" under Class 43.²

It is alleged in the petition that the first one to use and register the term "Amber" as a business name and as part and parcel of a commercial food enterprise is the AMBER GOLDEN PLATE RESTAURANT. According to the petition, the Respondent-Registrant's registration and use of Amber were made in bad faith, merely to ride and cash-in on the reputation already established by AMBER GOLDEN PLATE RESTAURANT, and to confuse and deceive its customers and the general public. Attached to the petition are the following:

1. certified copies of AMBER GOLDEN PLATE RESTAURANT CORPORATION'S registration with the Securities and Exchange Commission ("SEC") and its "By-Laws";
2. copy of a feature article on "AMBER" included in the 23 June 1993 issue of *Woman Today Magazine*;
3. affidavits of Manuel L. Espiritu and Editha M. Faustino;
4. copy of a trademark application and supporting documents filed on 29 October 2008;
5. copy of Registrability Report issued by the Bureau of Trademarks on 07 January 2009;
6. printout of the "google" search and internet and "blog" reviews for "AMBER"; and
7. sample advertisements.³

The Respondent-Registrant, through its President Frida Morelos Baldonado, filed on 15 March 2010 its Answer to the petition. It denies all the material allegations in the petition claiming that its adoption and use of the mark AMBER'S BEST are in good faith and in accordance with the law. According to the Respondent-Registrant, it has been using the mark

¹ With principal place of business at No. 1173 Chino Roces Avenue, San Antonio Village, Makati City.

² The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement concerning the International Classification of goods and services for the purpose of the Registration of marks concluded in 1957

³ Marked as Annexes "A" to "H", inclusive.

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since 2004 and such use was in fact allowed, with authorization and approval by the majority stockholder and founder of the AMBER GOLDEN PLATE RESTAURANT CORPORATION, Engr. Manuel L. Espiritu. The Respondent-Registrant also contends that the Petitioner could not have the exclusive use of the word or term AMBER, it being generic. It also points out that it is the prior applicant for the registration of AMBER.

In defense of its trademark registration, the Respondent-Registrant submitted evidence consisting of the following:

1. Trademark Reg. No. 4-2008-012242 for AMBER's BEST and the Notice of Allowance;
2. Affidavits of Engr. Manuel L. Espiritu, Imelda Espiritu Natividad, Rizalyn Jiongco Nuqui and Frida M. Baldonado;
3. original duplicate lease contracts;
4. copies of checks and petty cash vouchers;
5. registration data sheets;
6. certified copies of Amber's Best Restaurant Business and Sanitary permits; and
7. Articles of Incorporation issued by the SEC.⁴

On 13 April 2010, this Bureau received a "REPLY" which disputes the alleged authorization for the Respondent-Registrant to use the name or mark AMBER. The REPLY states, among other things, that there is no authorization as the Respondent-Registrant's use was merely tolerated and that Espiritu is not a majority stockholder of AMBER GOLDEN PLATE RESTAURANT CORPORATION. A "SUPPLEMENTAL REPLY" was received by this Bureau on 19 April 2010 submitting the affidavit of Espiritu dated 06 April 2010 which allegedly clarifies his earlier affidavit. This prompted the Respondent-Registrant to file on 22 April 2010 a "MOTION TO EXPUNGE (With Ad cautelam) cum REJOINER". The Respondent-Registrant sought to expunge the REPLY and SUPPLEMENTAL REPLY, and in the REJOINER submitted another affidavit executed by Espiritu on 20 April 2010 and certified copies of the Articles of Incorporation of Amber Trading and Supply, Inc. and Amber Machine, Shop to establish that the first use of Amber in the Amber Group occurred 20 years before the incorporation of Espiritu's "Amber Plate Restaurant".

During the preliminary conference on 17 May 2010, the Hearing Officer admitted the REPLY and SUPPLEMENTAL REPLY. The Respondent-Registrant then filed a motion for reconsideration on 25 May 2010, which was opposed through "COMMENT/OPPOSITION" filed on 02 June 2010. On 29 June 2010, the Hearing Officer issued Order No. 2010-761 terminating the preliminary conference and directing the parties to submit their respective position papers. The parties filed their respective position papers on 29 July 2010.

On 06 August 2010, however, this Bureau received a "MOTION TO ADMIT", subject of which the several documents attached to the petitioner's position paper. The Respondent-Registrant filed on 10 August 2010 an "URGENT EX-PARTE MANIFESTATION" followed by an "OMNIBUS COMMENT/OPPOSITION" asking that the documents in the position paper and MOTION TO ADMIT be disregarded as these are in the nature of prohibited pleadings and documents.

In compliance to Office Order No. 154, s. 2010 ("Rules of Procedure for IPO Mediation Proceedings") and Office Order No. 197, s. 2010 ("Mechanics for IPO Mediation Settlement Period"), the Hearing Officer issued on 25 January 2011 Order No. 2011-44 referring the case

⁴ Marked as Exhibits "1" to "39".

to mediation. The parties, however, failed to come to an amicable settlement, and the case was re-submitted for decision

This Bureau finds no cogent reason to disturb the earlier ruling of the Hearing Officer admitting the REPLY and SUPPLEMENTAL REPLY, and the documents attached thereto. Corollarily, the Respondent-Registrant's REJOINDER and the attachments thereto are likewise admitted.

However, with respect to the several documents subject of the abovementioned MOTION TO ADMIT, the admission of these as evidence to support the petition cannot be allowed. The rules in Inter Partes proceedings, as amended (promulgated through Office Order No.79, s. 2005), and which govern the instant petition, explicitly provide that the evidence for the petitioner shall only be the affidavits of witnesses and documents attached to the petition, answer, reply and rejoinder.

Now, should Trademark Reg. No. 4-2008-012242 be cancelled?

Sec. 138 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code", for brevity), provides that:

A certificate of registration of a mark shall be *prima facie* evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.

As a holder of a trademark registration, the Respondent-Registrant enjoys, among other things, the presumption of ownership of the mark AMBER'S BEST. Thus, the party who seeks the cancellation of this trademark registration has the burden to prove compliance with the requirements and existence of the grounds for the revocation as provided for in Sec. 151 of the IP Code, to wit:

Section 151. Cancellation. - 151.1. A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

- (a) Within five (5) years from the date of registration of the mark under this Act
x x x
- (b) At any time, if the registered mark becomes generic name for the goods or services, or a portion thereof, for which it is registered, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of this Act, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services or in connection with which the mark is used. x x x
- (c) At any time, if the registered owner of the mark without legitimate reason fails to use the mark within the Philippines, or to cause it to be used in the Philippines by virtue of a license during an uninterrupted period of three (3) years or longer.

Sec. 151 of the IP Code states that the party who has the legal standing, and thus may file a petition to cancel a trademark registration, is a person who believes that he/she/it will be damaged by the registration of the mark.

The instant petition for cancellation was filed allegedly on behalf or in representation of AMBER GOLDEN PLATE RESTAURANT CORPORATION. The petition is anchored on the allegation that the Respondent-Registrant fraudulently procured the assailed trademark

registration, as it was AMBER GOLDEN PLATE RESTAURANT CORPORATION that first used the name AMBER in the restaurant business. AMBER GOLDEN PLATE RESTAURANT therefore is supposedly a person (juridical) that is or would be damaged by the Respondent-Applicant's trademark registration.

Considering that AMBER GOLDEN PLATE RESTAURANT CORPORATION is a corporation, an authorization coming from its board of directors to file the instant Petition is indispensable. The Supreme Court has held:

A corporation has no power, except those expressly conferred on it by the Corporation Code and those that are implied or incidental to its existence. In turn, a corporation exercises said powers through its board of directors and/or its duly authorized officers and agents. Thus, it has been observed that the power of a corporation to sue and be sued in court is lodged with the board of directors that exercises its corporate powers. In turn, physical acts of the corporation, like the signing of documents, can be performed only by natural persons duly authorized for the purpose by corporate by-laws or by specific act of the board of directors.⁵

A scrutiny of the records shows that the petition was signed by Atty. Oliver B. San Antonio. Attached to the petition are two (2) documents signed by a certain Rhoda F. Fernandez. The first one is the Verification and Certification of Non-forum shopping and a Special Power of Attorney ("SPA") appointing and designating Atty. Antonio as "*my attorney-in-fact*" and to "*formally and officially represent AMBER and to appear for and in behalf of AMBER*". Rhoda F. Fernandez claims that she is an officer/owner AMBER GOLDEN PLATE RESTAURANT CORPORATION.

This Bureau, however, noticed that the records are bereft of authority or proof of authority of Rhoda F. Fernandez to file the instant petition on behalf of AMBER GOLDEN PLATE RESTAURANT CORPORATION. The Articles of Incorporation of AMBER GOLDEN PLATE RESTAURANT CORPORATION in fact, does not include Rhoda F. Fernandez as an owner or incorporator of the corporation. The incorporators or owners of the corporation named therein are Manuel Espiritu, Frida E. Morelos, Josefino E. Morelos, Editha M. Faustino, and Marian P. Jiongco.

Thus, there being no proof that Rhoda F. Fernandez is an owner or an officer of AMBER GOLDEN PLATE RESTAURANT CORPORATION, or a person authorized by the said corporation to file the instant petition, it has not been established that the said corporation is the one filing the instant petition.

Corollarily, Rhoda F. Fernandez has no authority to sign the verification and certification of non-forum shopping on behalf of AMBER GOLDEN PLATE RESTAURANT CORPORATION, much less give authority to Atty. Antonio to represent the corporation in this case. As can be gleaned from the SPA itself, Fernandez appointed and designated Atty. Antonio as "*my attorney-in-fact*". Hence, the Petition was not validly verified and that there was no compliance with the requirement of certification of non-forum shopping.

For the above reasons alone, the instant petition should be dismissed.

Also, while it may be true that AMBER GOLDEN PLATE RESTAURANT CORPORATION's use of the word AMBER in restaurant business preceded that of the

⁵ *Cosco Philippines Shipping, Inc. v. Kemper Insurance Company*, G.R. No. 179488 23 April 2012 citing *Republic v. Coalbrine International Philippines, Inc.*, G.R. No. 161838, 07 April 2010, 617 SCRA 491, 498.

Respondent-Registrant, it has not been established that the latter's use and registration thereof was in bad faith or tainted with fraud. The records in fact show that Frida E. Morelos (Baldonado), who is the President of the Respondent-Registrant corporation, is also an owner or incorporator of AMBER GOLDEN PLATE RESTAURANT CORPORATION.

The claim in the instant petition that the Respondent-Registrant was in bad faith leans on the affidavit of Manuel Espiritu executed on 09 June 2009. The affidavit avers among other things:

"7. Amber's Best is a separate entity formed in the late 1990s by our former Treasurer, Frida E. Morelos. Mrs. Morelos formed her own and separate business without seeking any permission or authority to use the 'Amber' name. She is a close relative.

"8. I surmise that the reason Mrs. Morelos used the 'Amber' name is her own business is to capitalize on the already-established reputation and name recall of AMBER Golden Plate Restaurant."

The same Manuel Espiritu, however, executed an Affidavit on 28 January 2010. The affidavit, attached to Respondent-Registrant's Answer, states, among other things:

"As the founding majority owner of AMBER GOLDEN PLATE, I do not interpose any objection, formal or otherwise, to my niece Frida Morelos Baldonado's use of the word 'AMBER' in her restaurant name, and I do not intend to register any opposition thereto. This permission/consent encompasses any and all initiatives by my niece Frida to apply for and register the word 'AMBER', singly or in combination with other word/s and/or devices, with any government or private agencies/entities, as she deems fit.

"6. To the extent that they are inconsistent with the declarations I have made in this Affidavit, I hereby renounce any and all affidavits/sworn declarations that I have previously executed."

Two (2) subsequent affidavits executed by the same Manuel Espiritu likewise contradicted each other. In Espiritu's affidavit attached to the "SUPPLEMENTAL REPLY" it is stated:

"3. Pangalawa, ako ay hindi na majority stockholder ng Amber Golden Plate Restaurant sa kasalukuyan. xxx "

"4. Pangatlo, hindi totoo na hayagan binigyang basbas ko ang paggamit ng 'Amber' na pangalan lalo nasa pagtayo ng hiwalay na mga kainan at restawran. x x x

x x x

"6. Samakatwid, ibang usapan na kung aangkinin at ipaparehistro pa ang pangalang 'Amber' na gawing 'exclusive' na para kay Frida lang. Kung may dapat man magmay-ari ng ngalang 'Amber' ay syempre iyong Amber Golden Plate na sinikap kong buuin at payabungin, at ito talaga ang original na Amber. Ako ay nalulungkot na aangkinin ni Frida ang pangalang 'Amber' na alam naman niyang hindi siya ang nagtatag at nagpalago. Kung papatituluhan niya para sa kanya lang ang 'Amber' ay hinding-hindi ito ang kagustuhan ko."

Espiritu, however, "repudiated" his third affidavit. In his affidavit executed on 20 April 2010 and which was attached to the Respondent-Registrant's REJOINDER, he states:

"2. The companies I have founded and named (bearing the word 'AMBER' in their respective corporate names), and of which I am the majority and controlling stockholder,

are the following:

- a. AMBER TRADING AND SUPPLY CO. INC. registered with the Securities and Exchange Commission (SEC) in December 1967;
- b. AMBER MACHINE SHOP INC., registered with the SEC in July 1971;
- c. AMBER GOLDEN PLATE RESTAURANT CORPORATION registered with the SEC in December 1987.

"3. As can be readily observed, the common denominator in the corporate names of the above-mentioned companies is the word 'AMBER'. As majority stockholder of each of these companies, I was responsible for coming up with their respective company names, evidencing the fact that I am the originator of the choice and use of the word 'AMBER' in the companies under the AMBER GROUP. Also, very clearly, the use of the word 'AMBER' in the names of the two companies mentioned above in items 2a and 2b predate by twenty (20) years the use of said word in my restaurant, Amber Golden Plate. Thus, the latter company cannot lay claim to it having originated and first used the word "AMBER".

"4. x x x a. When Frida asked my consent to use the word 'AMBER' in her company name, I did not think twice, giving her my full consent and authorization. As I have stated in my Affidavit of 28 January 2010, this permission/consent encompasses any and all initiatives by my niece Frida to apply for and register the word 'AMBER', singly or in combination with other word/s and/or devices, with any government or private agencies/entities, as she deems fit.

b. Ineluctably, therefore, the right to authorize Frida to use the word 'AMBER' resides in me as the originator thereof. Said right to authorize (and, parenthetically, to prevent/exclude) solely resides in me and cannot be exercised nor appropriated by any other person, natural or juridical.

"5. To the extent that they are inconsistent with the declarations I have made in this Affidavit dated 28 January 2010, I hereby renounce any and all other affidavits/sworn declarations that I have previously executed, on the foregoing subject. I categorically deny the contents of any other affidavits that I may have signed the contents of which are contrary to my declarations in this Affidavit and in my said affidavit of 28 January 2010. For the record, I only affirm and confirm the contents of the instant Affidavit and my 28 January 2010 Affidavit, xxx

"6. Finally, I am conversant with the English language and I have no difficulties with the same. I have read the foregoing Affidavit and fully comprehend, affirmed confirm the contents of the same."

These affidavits are in common with respect to the point that the origin of the contested word or mark AMBER can be traced to Manuel Espiritu. Espiritu has used the word AMBER as part of several commercial enterprises that preceded the "AMBER-denominated" restaurant businesses.

Succinctly, the fourth and last affidavit of Espiritu settled the issue as to whether he allowed the Respondent-Registrant, through its President, to appropriate the word AMBER in the restaurant business. Furthermore, the Respondent-Registrant submitted the affidavits of Imelda Espiritu Trinidad and Rizalyn Jiongco Nuqui, attesting that Manuel Espiritu gave consent and authorization to Frida Morelos Baldonado to use the word AMBER in the restaurant business. Significantly, Trinidad and Nuqui are a daughter and niece of Espiritu, respectively.

WHEREFORE, premises considered, the instant petition is hereby **DISMISSED**. Let the filewrapper of Trademark Registration No. 4-2008-012242 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 21 June 2013.



ATTY. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs