



BURLINGTON INDUSTRIES,
PHILIPPINES, INC.,

-versus-

BURLINGTON INDUSTRIES LLC.,
Respondent- Applicant.

x-----x

BURLINGTON INDUSTRIES,
PHILIPPINES, INC.,

-versus-

BURLINGTON INDUSTRIES LLC.,
Respondent- Applicant.

x-----x

BURLINGTON INDUSTRIES,
PHILIPPINES, INC.,

-versus-

BURLINGTON INDUSTRIES LLC.,
Respondent- Applicant.

x-----x

IPC No. 14-2006-00063

Opposition to:

Appln. Serial No. 4-2001-004065

Date Filed: 13 June 2001

TM: "BURLINGTON HOUSE"

IPC No. 14-2006-00075

Opposition to:

Appln. Serial No. 4-2001-004064

Date Filed: 13 June 2001

TM: "WEAVE LOGO"

IPC No. 14-2006-00076

Opposition to:

Appln. Serial No. 4-2001-004066

Date Filed: 13 June 2001

TM: "BURLINGTON"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 102 dated June 07, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 07, 2013.

For the Director:


ATTY. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



BURLINGTON INDUSTRIES, PHILIPPINES, INC.
Opposer,

IPC No. 14-2006-00063
Opposition to Trademark
Appln. No. 4-2001-004065
Date Filed: 13 June 2001
Trademark: BURLINGTON HOUSE

-versus-

BURLINGTON INDUSTRIES LLC.,
Respondent-Applicant.

X -----X

BURLINGTON INDUSTRIES, PHILIPPINES, INC.
Opposer,

IPC No. 14-2006-00075
Opposition to Trademark
Appln. No. 4-2001-004064
Date Filed: 13 June 2001
Trademark: WEAVE LOGO

-versus-

BURLINGTON INDUSTRIES LLC.,
Respondent-Applicant.

X ----- X

BURLINGTON INDUSTRIES, PHILIPPINES, INC.
Opposer,

IPC No. 14-2006-00076
Opposition to Trademark
Appln. No. 4-2001-00066
Date Filed: 13 June 2001
Trademark: BURLINGTON

-versus-

BURLINGTON INDUSTRIES, LLC.,
Respondent-Applicant.

X ----- X

Decision No. 2013- 102

DECISION

Burlington Industries Philippines, Inc.¹ ("Opposer") filed on 16 May 2006 its Verified Opposition to Application Nos. 4-2001-004064 and 4-2001-004065, respectively. On 18 May 2006, Opposer filed its Opposition for Application No. 4-2001-004066. The subject applications were filed by Burlington Industries, LLC.² ("Respondent-Applicant") to register respectively the marks "WEAVE LOGO", "BURLINGTON HOUSE" and "BURLINGTON" for *"textile fabrics for use in the manufacture of clothing; textile fabrics and consumer products for home furnishings namely bed spreads, comforters, bed skirts, bed throws, pillow shams, sheets,*

¹ A domestic corporation formed and existing under the laws of the Republic of the Philippines, with principal address at 7375 Bakawan Street, San Antonio Village, Makati City, Metro Manila.

² A limited liability company organized and existing under the laws of the State of Delaware, United States of America with principal address at 101 East 52nd Street, 19th Floor, Manhattan Tower, New York, NY 10033.

pillow cases, duvets, duvet covers, window curtains, draperies, fabric valances, shower curtains, fabric bath mats, table covers, table runners, textile napkins, textile place mats, mattress fabrics, upholstery fabrics”, “textile fabrics composed of synthetic fibers, cotton fibers or blends of cotton and synthetic fibers; curtains and draperies; bedspreads, blankets, sheets and pillowcases; towels, tablecloths and napkins” and *“fabric for use in the manufacture of goods”* all under Class 24 of the International Classification of Goods.

Opposer claims to be the true owner of the subject marks. Then known as Mil-Oro Manufacturing Corporation, it filed and was granted registrations thereof as follows:

1. On 15 May 1970, Opposer filed an application for the mark “BURLINGTON” with the then Philippine Patent Office (PPO). It was granted Certificate of Registration No. 17409 on 29 May 1972. However, Opposer claims to have actually used the mark as early as 01 January 1968.
2. On 25 September 1984, it sought registration of the mark “SQUARE DEVICE & FIVE HORIZONTAL LINES” with PPO. The same was registered under Certificate of Registration No. 33822 on 08 November 1984. Allegedly, its actual use of the mark dates back as early as 06 March 1974.
3. On 09 August 1991, it applied for registration of the mark “BURLINGTON & LOGO” with the then Bureau of Patents, Trademarks and Technology Transfer (BPTTT). Certificate of Registration No. 050527 covering the said mark was issued on 13 May 1991. It claims to have actually used the mark since 06 March 1974.

According to Opposer, Respondent-Applicant has repeatedly sought the cancellation of Opposer’s mark, albeit unsuccessfully. On 28 July 1972, Respondent-Applicant filed a petition for cancellation of Opposer’s trademark “BURLINGTON” with the PPO. The same was, however, dismissed on 23 April 1974. Thereafter, Respondent-Applicant filed another cancellation case. Again, this was dismissed by the PPO on 13 May 1974. No appeal was filed in both cases, thus rendering them final and executory.

Opposer furthered that Respondent-Applicant also sought the publication of a Notice of Warning with the Philippine Daily Inquirer claiming ownership over “BURLINGTON” and “BURLINGTON WEAVE LOGO”. To protect its rights, the

Opposer filed a case on 28 August 2000 for trademark infringement, unfair competition and false representation with damages with the Regional Trial Court of Makati City, Branch 56. The case is entitled "Burlington Industries Philippines vs. Burlington Industries, Inc." docketed as Civil Case No. 00930. In the same case, Respondent-Applicant included a prayer for cancellation in its Answer. Opposer questioned the propriety thereof with the Court of Appeals, which ruled that the previous PPO decisions dismissing the cancellation cases was a judgment on merits and cannot be overturned.

Maintaining ownership of "BURLINGTON", "BURLINGTON LOGO" and "SQUARE DEVICE & FIVE HORIZONTAL LINES", Opposer contends that Respondent-Applicant's applications should be denied given the obvious similarities of their marks. It asserts that unwary purchasers are likely to be deceived that Respondent-Applicant's goods originated from, or somehow endorsed by, Opposer. It further asseverates that as the registered owner of the marks, its exclusive rights thereto extend to related goods.

On the other hand, Respondent-Applicant also claims that it is true and lawful owner of the subject marks contending that Opposer obtained registrations thereof by means of false and fraudulent representations with the BPTTT and Intellectual Property Office (IPO). According to Respondent-Applicant, since the dismissal of the cancellation cases were based on mere technicalities, they are not decisions on merits. It boasts that it successfully caused the cancellation of Opposer's marks in other jurisdiction. Respondent-Applicant denied any connection Burlington Industries, Inc. (BII) except that under its former corporate name, WLR Burlington Finance Acquisition LLC, it was the BII's assignee of the subject marks.

Respondent-Applicant maintains that its assignor BII was the first to adopt, register and continuously use the mark "BURLINGTON" in the Philippines. The latter first used the same in commerce in the country since 1952 and on 24 October 1958, it was issued Certificate of Registration Serial No. 5736. This was later granted renewal in 26 July 1979, effective for twenty (20) years. Respondent-Applicant states that its predecessor used the trademark and tradename "BURLINGTON" in the USA since 22 April 1920. In the said country, it was granted registration on 28 December 1920 and this has been repeatedly renewed ever since. It likewise obtained registration in sixty (60) other countries.

Further, Respondent-Applicant explains that the origin of its mark can be traced from the city where its assignor was founded namely Burlington, North

California, which is the centre of textile manufacturing enterprises. It contends that it made considerable investment in product advertising and that enormous amount of goodwill attached to the trademarks. Insisting that Opposer acted in bad faith, Respondent-Applicant asks for dismissal of the Opposition and cancellation of Opposer's marks. It urges this Bureau to apply the doctrine in *Shangri-La International Hotel Ltd., et al. vs. Developers Group of Companies*³.

Opposer then submitted copies of its respective Reply. In response, Respondent-Applicant filed its respective Rejoinder. In a preliminary conference set on 09 October 2006, Opposer moved to declare Respondent-Applicant as having not appeared. It questioned the authority of the latter's counsel to represent its client in the conference. The Bureau gave the counsel specified period of time to submit the proper written authorization. During the next preliminary conference set on 26 October 2006, Opposer again questioned the counsel's authority claiming that the Special Power of Attorney (SPA) was not accompanied by a Secretary's Certificate or Board Resolution showing that the signatory thereto was authorized to execute the SPA. In the meantime, Opposer submitted Manifestations, which Respondent-Applicant moved to expunge. In an Order dated 23 January 2008, The Bureau upheld the validity of the SPA and admitted the Manifestations and their attachments. The parties were then required to submit their Position Papers. Thereafter, the cases are submitted for decision.

Essentially, the question to be resolved is whether Respondent-Applicant's mark should be allowed registration.

Section 123.1 (d) of the Intellectual Property Code ("IP Code") provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor with an earlier filing or priority date, with respect to the same or closely related goods or services, or has a near resemblance to such mark as to likely deceive or cause confusion.⁴ It is evident that the marks are identical. Now, the question is who between the two contending parties the BURLINGTON marks should be granted.

Records reveal that Certificate of Registration No. 17409 pertaining to the mark "BURLINGTON" was issued in favor of Opposer on 29 May 1972. This was last renewed on 27 January 2012. With respect to the trademark "BURLINGTON & LOGO", Opposer was granted Certificate of Registration No. 50527 on 13 May 1991,

³ G.R. No. 159938, 31 March 2006.

⁴ *Great White Shark Enterprises vs. Caralde*, G.R. No. 192294, 21 November 2012.

which was last renewed on 20 March 2011. As to the "SQUARE DEVICE & FIVE HORIZONTAL LINES", the Certificate of Registration No. 33822 was issued on 08 November 1984. The facts of these registrations are not questioned by Respondent-Applicant. However, the latter contends that the same were falsely and fraudulently acquired by the Opposer because it is the true and lawful owner of the contested marks.

In effect, Respondent-Applicant posits that it should not be denied registration because the Opposer's registrations were fraudulent and should be cancelled. This Bureau, however, is barred by *res judicata* to determine the issue. In the case of *Spouses Torres vs. Medina*⁵, the Supreme Court explained thus:

"Res judicata literally means 'a matter adjudged; a thing judicially acted upon or decided; a thing or matter settled by judgment.' Res judicata lays the rule that an existing final judgment or decree rendered on the merits, and without fraud or collusion, by a court of competent jurisdiction, upon any matter within its jurisdiction, is conclusive of the rights of the parties or their privies, in all other actions or suits in the same or any other judicial tribunal of concurrent jurisdiction on the points and matters in issue in the first suit.

The elements of res judicata are:

- (1) the judgment sought to bar the new action must be final;*
- (2) the decision must have been rendered by a court having jurisdiction over the subject matter and the parties;*
- (3) the disposition of the case must be a judgment on the merits; and*
- (4) there must be as between the first and second action identity of parties, subject matter, and causes of action."*

The instant case is not the first questioning Opposer's registrations. On 23 April 1973, the then PPO dismissed the petition for cancellation of Opposer's trademark "BURLINGTON" filed by the BII for failing to show that the latter's attorney-in-fact was authorized to sign the verification. No appeal was filed therefrom. Instead, BII filed another petition for cancellation. In the second cancellation case, Opposer raised the issue of *res judicata*. In a hearing set to determine the issue, no representative from BII appeared resulting to the dismissal of the case in a decision dated 13 May 1974. Again, no appeal was filed thereafter.

⁵ G.R. No. 166730, 10 March 2010.

After several years, another controversy sprouted between Opposer and BII when the latter sent letters and caused the publication of a notice claiming rights over the subject marks. This time, Opposer filed an action for infringement, unfair competition and false representation with damages with the RTC. As counterclaim, BII again prayed for cancellation of Opposer's registrations. When the trial court admitted the counterclaim, the Opposer filed a petition for certiorari with the Court of Appeals. In a decision dated 21 March 2003, the counterclaim was ordered dismissed on the ground of res judicata, as follows:

"Accordingly and inasmuch as the Philippine Patent Office did not order the dismissal to be without prejudice, it follows that it was an adjudication on the merits. The dismissal having become final, it bars the filing of another action by private respondent on the same cause of action which in the instant case was brought in the guise of a compulsory counterclaim.

In view of thereof, we do not hesitate to rule that the admission by public respondent of private respondent's amended answer with amended counterclaims exposing once more its sincere desire to cancel petitioner's certificates of registrations constitute grave abuse of discretion amounting to lack or in excess of jurisdiction the principle of res judicata bars the same. Consequently, with regard the other assigned errors insofar as this issue of admission is concerned, we find it no longer necessary to discuss the same."(Underscoring supplied.)

The decision became final and executory as no action was taken by the BII. A final decision binds the parties as well as its successors-in-interest. Therefore, Respondent-Applicant can no longer question whether the dismissal of the cancellation cases is a judgment of merits as this controversy has long been settled. Since the assignee, so to speak, merely steps into the shoes of the assignor, Respondent-Applicant is bound by the previous decisions and by its assignor's failure to perfect an appeal to question the same.

Finding all the elements of res judicata are present, this Bureau is constrained to respect the long settled decisions maintaining ownership of the registrations of the subject marks to the Opposer.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Nos. 4-2001-004064, 4-

2001-004065 and 4-2001-004066 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 07 June 2013.



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