



REPUBLIC CEMENT CORPORATION
(Formerly Lloyds Richfield Industrial Corp.)
Petitioner,

-versus-

EAGLE CEMENT CORPORATION,
Respondent -Registrant

X-----X

}
} IPC No. 14-2010-00156
} Cancellation of:
} Regn. No. 4-2008-006759
} Date Issued: 13 October 2008
} TM: "EAGLE CEMENT
} & DEVICE"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 34 dated February 10, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 10, 2014.

For the Director:


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



REPUBLIC CEMENT CORPORATION
(formerly LLOYDS RICHFIELD
INDUSTRIAL CORPORATION)
 Petitioner,

-versus-

EAGLE CEMENT CORPORATION,
 Respondent-Registrant.

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IPC No. 14-2010-00156

Cancellation of:

Regn. No. 4-2008-006759

Date Issued : 13 October 2008

Trademark: **"EAGLE CEMENT & DEVICE"**

Decision No. 2014 - 34

DECISION

REPUBLIC CEMENT CORPORATION ("Petitioner")¹ filed a petition for cancellation of Trademark Registration No. 4-2008-006759. The registration by Eagle Cement Corporation ("Respondent-Registrant")², issued on 13 October 2008, covers the trademark "EAGLE CEMENT & DEVICE" for use on cement under class 19 of the International Classification of Goods and Services³. The Opposer alleges among other things the following:

"3. It was LLOYDS RICHFIELD INDUSTRIAL CORPORATION ('LRIC,' for brevity) that first adopted and is the prior user of the 'Eagle Cement' mark. The Amended Articles of Incorporation of LRIC forms part of this Petition as Annex 'B'. Since 1992, LRIC had been using the 'Eagle Cement' mark on its cement products, which have been widely sold in the Philippines.

"4. Random samples of original sales invoices issued within LRIC's first year of operations (i.e., Year 1992) are attached to this Petition (Annex 'C'). The said invoices and the other sales invoices were issued by LRIC, Bronx Trading Corporation ('Bronx'), Anistar Trading and Brokerage Corporation ('Anistar'), and Elanstar Trading Corporation ('Elanstar'). Bronx, Anistar and Elanstar are distributors and/or dealers of LRIC. A copy of the Dealership Agreement between LRIC and Anistar is attached as Annex 'D'. The affidavit of Ms. Irish S. Villariba, a former officer of Bronx, that attests to the exclusive dealership agreement between LRIC and Bronx is attached as Annex 'E'. The affidavit of Ms. Jocelyn Amper that attests to the exclusive dealership agreement between LRIC and Elanstar is attached as Annex 'F'.

"5. It can be garnered from the sales invoices that, even on its initial year, 'Eagle Cement' products were already sold in various parts of the Philippines. From Pasig City to Cebu City to Lanao del Sur, LRIC's 'Eagle Cement' products were sold in numerous points scattered all over Luzon, Vizayas and Mindanao.

"6. In June 1997, LRIC, through an in-house company officer, filed an application for the 'Eagle Cement Brand' mark. The application was considered abandoned due to LRIC's failure to comply in time with the formal requirements for registration. A record containing details of the said application may be accessed at the trademark database of the IPO website and is attached to this Petition as Annex 'G'. Notwithstanding the abandonment of the application, LRIC (and

¹ A company organized under the laws of the Philippines, with principal place of business at 25th Flr., The Salcedo Tower, HV dela Costa St., Salcedo Village, Makati City.
² A company organized under the laws of the Philippines with principal place of business is at 153 EDSA, Mandaluyong City.
³ The Nice Classification of goods and services is for registering trademark and service marks, based on a Multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

subsequently, RCC) never stopped using the 'Eagle Cement Brand' mark in connection with cement its products.

"7. The Department of Trade and Industry ('DTI') Bureau of Product Standards granted Iligan Cement Corporation ('ICC') the license to use the Philippine Standard Quality Certification Mark. The certificates evidencing such license are attached to this Petition as Annex 'H'. LRIC and ICC are affiliated companies. LRIC had outsourced the production of 'Eagle Cement' products to ICC, and ICC continues to be a licensed manufacturer of 'Eagle Cement' products up to this very day. Financial statements showing that LRIC is an affiliate company of ICC are attached as Annex 'I'.

"8. The DTI Bureau of Product Standards likewise granted LRIC the license to use the Philippine Standard Quality Certification Mark. The certificate evidencing such license is attached to this Petition as Annex 'J'.

x x x

"9. On July 31, 2007, LRIC, along with two other companies, was merged with Petitioner RCC, with Petitioner as the surviving corporation. As a consequence of the approved Plan of Merger, all the rights, privileges and powers of LRIC arising out of its government licenses, permits and registrations were vested in Petitioner by operation of law. A copy of the Certificate of Filing of the Articles and Plan of Merger is attached as Annex 'K'.

"10. Random samples of original invoices issued for the sale of 'Eagle Cement' products from 1993 to 2009 are attached to this Petition (Annex 'L'). The 2009 original sales invoices were issued by Mindanao Portland Cement Corporation ('MPCC'), which is likewise a distributor and/or dealer of LRIC and/Petitioner's 'Eagle Cement' products. As can be culled from the 1992 samples of original invoices (see Annex 'C') and 1993 to 2009 samples of original invoices (see Annex 'L'), Petitioner and its predecessor-in-interest consistently sold 'Eagle Cement' products for at least eighteen (18) years. Petitioner's 'Eagle Cement' products were sold in several localities all throughout the Philippines. It was sold in Metro Manila, Mandaue City, Cagayan de Oro City, Davao City, Bacolod City, Camiguin, Bohol, Antique and numerous other areas in the country, in large quantities. A single sales transaction would sometimes yield revenues of more than Three Million Pesos (PhP 3,000,000.00). From the period covering 1992 up to the present day, the total amount of revenues earned from its sales is at least Two Billion Three Hundred Ninety-Four Million One Hundred Eighty-Three Thousand Five Hundred Sixty-One Pesos and Twenty-One Centavos (PhP 2,394,183,561.21).

"11. Due to the widespread sale of Petitioner's products for at least eighteen (18) years, Petitioner's 'Eagle Cement' mark has become well-known in the cement industry. Petitioner's 'Eagle Cement' products enjoy a name-recall status in the market due to its first-rate quality, which the Petitioner is known to ensure and provide.

"12. Samples of Petitioner's cement sacks that are actually used in commerce are attached to this Petition as Annex 'M'. The 'Eagle Cement' mark appears on the sacks of cement that are sold by Petitioner. x x x

"13. A copy of Respondent's Articles of Incorporation is attached to this Petition as Annex 'N'. x x x Clearly, Respondent is aimed to engage in the same line of business as that of Petitioner's, i.e. the manufacture and sale of cement products.

"14. On 10 June 2008, Respondent filed its trademark application with the Intellectual Property Office of the Philippines ('IPO') for the 'Eagle Cement and Device' mark. The mark was registered on October 13, 2008. A certified true copy of the certificate of trademark registration is attached to this Petition (Annex 'O'). The Mark is required for goods under Class 19 of the International Classification of Goods and services, viz:

building materials, natural and artificial stone, cement, lime, mortar, plaster and gravel; pipes of earthenware or cement; road-making materials; asphalt, pitch and bitumen; portable buildings; stone monuments; and chimney pots.

x x x

The description of the Mark in the certificate of trademark registration reads, to wit:

The mark consists of the words "Eagle Cement" in stylized form of an eagle with outstretched wings depicted inside two concentric oval-shaped devices wherein its wings extends outside the oval devices."

The Opposer's evidence consists of the following:

1. Exhibit "A"- certified true copy of General Information Sheet for the year 2009 of Eagle Cement Corporation;
2. Exhibit "B" - Amended Articles of Incorporation of LRIC;
3. Exhibit "C" - random samples of original sales invoices issued within LRIC's first year of operations;
4. Exhibit "D"- Dealership Agreement between LRIC and Anistar;
5. Exhibit "E" -Affidavit of Irish S. Villanueva on the exclusive dealership agreement between LRIC and Bronx;
6. Exhibit "F" -Affidavit of Jocelyn Amper on the exclusive dealership agreement between LRIC and Elanstar;
7. Exhibit "G"-IPO Trademark Database of Application No. 41997121161 for the mark Eagle Cement Brand;
8. Exhibit "H"-Department of Trade and Industry-Bureau of Product Standards granting Iligan cement Corporation the license to use the Philippine standard Quality Certification Mark;
9. Exhibit "I" - Financial Statements showing that LRIC is an affiliate company of ICC;
10. Exhibit "J" - Bureau of Product Standards granting LRIC the license to use the Philippine Standard Quality Certification Mark;
11. Exhibit "K"- Certificate of Filing of the Articles and Plan of Merger;
12. Exhibit "L" - random samples of original invoices issued for the sale of Eagle cement products from 1993 to 2009;
13. Exhibit "M"- samples of Opposer's cement sacks actually used in commerce;
14. Exhibit "N"- Respondent-Registrant's Articles of Incorporation;
15. Exhibit "O" - certified true copy of Trademark Application Serial No. 4-2009-012375 filed on 03 December 2009 for the mark "Eagle Cement Plus Label Mark";
16. Exhibit "P" - E-Gazette Publication for Serial/Application No. 42009012375; and,
17. Exhibits "Q" & "Q-1"-Secretary's Certificate and Special Power of Attorney of Ma. Ruby Sarah S. Nitorreda.

The Respondent-Registrant filed its Verified Answer on 21 December 2010 alleging among other things the following:

"6. The Respondent is engaged in the manufacturing and selling of cement products bearing, among others, the 'EAGLE CEMENT & DEVICE' mark.

"7. On 10 June 2008, Respondent filed an application for the registration of its mark 'EAGLE CEMENT & DEVICE' under Class 19 of the ICGS and was subsequently granted registration. Trademark Certificate of Registration No. 4-2008-006759, was issued in favor of the Registrant.

"8. Consistent with its earlier registration of its 'EAGLE CEMENT & DEVICE' mark, Respondent also filed applications for the registration of the following marks:

- a) EAGLE CEMENT EAGLE PLUS LABEL MARK (appl. serial no. 4-2009-012375);
- b) EAGLE CEMENT ADVANCE LABEL MARK (appl. serial no. 4-2009-012376);
- c) EAGLE CEMENT STRONG CEM LABEL MARK (appl. serial no. 4-2009-012381);
- d) EAGLE CEMENT PREMIUM PLUS LABEL MARK (app. serial no. 4-2009-12380);
- e) EAGLE CEMENT EXCEED LABEL (appl. serial no. 4-2009-012374).

"9. Since its inception, the Respondent had been using its registered mark 'EAGLE CEMENT & DEVICE' in commerce up to the present day. To strengthen its brand the abovementioned marks were developed for its other cement products and applied for trademark registration as well.

"10. Almost two (2) years after its registration on 13 October 2008, the Petitioner belatedly filed this Petition for Cancellation as well as oppositions to the Registrant's aforementioned applications.

Respondent-Applicant stated the following affirmative defenses:

"A. The Petitioner's 'EAGLE CEMENT' mark is not registered with the Bureau of Trademarks in accordance with R.A., 8293, otherwise known as the Intellectual Property Code. It does not have the right to cause the cancellation of this registration.

"11. The Petitioner expressly admitted that its alleged predecessor-in-interest, Lloyds Richfield Industrial Corporation ('LRIC'), failed to accomplish the registration of its 'EAGLE CEMENT' mark back in June 1997. Since then and until now, neither LRIC nor the Petitioner exerted efforts at reviving the application. For over thirteen years, the Petitioner did not even attempt to register its 'EAGLE CEMENT' mark or give any explanation for its failure to do so. For all intents and purposes, the petitioner is, thus, not a registered owner and as such has no rights under the provisions of R.A. 8293 specifically Section 122 thereof.

x x x

"B. Contrary to the Petitioner's bare assertions, the Registrant has an existing and valid registration over the mark 'EAGLE CEMENT & DEVICE'.

"15. It bears stressing that the Registrant validly holds Trademark Certificate of Registration No. 4-2008-006759 for its 'EAGLE CEMENT & DEVICE' mark. Upon Respondent's filing of its application for the aforesaid registered mark, the Bureau of Trademarks declared that the same was registrable, and allowed it for publication. If Petitioner's claim of ownership and use over its mark 'EAGLE CEMENT' is true, it could have filed its opposition thereto, but it did not. Upon registration of Registrant's 'EAGLE CEMENT & DEVICE' on 13 October 2008, the Petitioner could have immediately pursued a cancellation thereof, but it did not. It took the Petitioner almost two years from the Registrant's registration before it acted. Such inaction by the Petitioner for a considerable amount of time highlights its lack of interest over claiming exclusivity over its mark which renders this Petition as a mere afterthought.

"16. The Petitioner's mere reference to its alleged Philippine Standard Quality Certification Mark issued by the DTI Bureau of Product Standards could not confer to it rights pertaining under R.A. 8293. The DTI-BPS' concern is consumer protection from substandard products and not the protection of intellectual property rights. The said Certification does not even

directly belong to the Petitioner as it has admitted that it was issued in favor of Iligan Cement Corporation, an entity distinct from it or from its alleged predecessor-in-interest LRIC.

“17. Thus, it is the Registrant who now has the exclusive right to prevent third parties from using its “EAGLE CEMENT & DEVICE” mark and other similar marks thereto, being the legitimate registrant. The provisions of R.A. 8293 are not subject to any interpretation. Only owners of registered marks shall have the exclusive right to prevent others from using marks which are identical or similar to the registered mark.

x x x

“C. The Petitioner’s claim that it is allegedly a prior user and thus, has supposedly made its mark well-known in the local industry, is evidently self-serving.

“19. The Petitioner has devoted a significant portion of its Petition to allegedly show that its ‘EAGLE CEMENT’ brand is already well-known in the local industry through its usage. Hence, on this basis alone, the Registrant’s current registration should be cancelled. This holds no water. Petitioner has the burden of proving that ‘Eagle Cement’ has in fact, reached such status taking into consideration the knowledge of the relevant public. The mere issuance of invoices and the use of such mark on its cement bags do not constitute evidence of the relevant public’s view.

“D. Section 123(g) of R.A. 8293 invoked by the Petitioner is inapplicable. The same goes for the law on human relations.

“25. The Petitioner invokes Section 123(g) of R.A. 8293 as basis to cancel the instant registration. Rule 101(g) of the Implementing Rules of the IP Code provides a more definitive application of Section 123 (g), x x x

“28. The Petitioner’s reliance on Section 123(g) of the IP Code is therefore, wrong. Registrant’s mark/s do not contain any false declaration as to its country of origin or territory. There is even no allegation to that effect. The Registrant has precisely applied for registration to establish itself in the Philippines and obtain all rights granted to holders of certificates of registration. To reiterate, it was already successful in doing so with its ‘EAGLE CEMENT & DEVICE’ mark.

“29. The Petitioner also cannot rely on the Human Relations provisions of the Civil Code and ‘basic principles of equity and logic.’ They can be relied upon only in the absence of a specific provision of law that is applicable in a case. Here, R.A. 8293 governs.

x x x

“E. The Petitioner cannot use the instant Petition to remedy its failure to register and acquire the rights accorded by law.

“35. The Petitioner’s theory is that since it has alleged prior use, it owns the ‘EAGLE CEMENT’ mark and has the right to cause the cancellation of the Registrant’s registration. However, it did not even consider registering such mark under the law to protect its claim of exclusivity. It belatedly does so now using this Petition to unilaterally accord itself with the protective rights under the law, as if it were registered.

“36. On the other hand, the Registrant, in good faith, followed the procedure in R.A. 8293 and was lawfully granted registration for its ‘EAGLE CEMENT & DEVICE’ mark and has pursued the same process for its other marks. It is obvious who should be afforded protection under the law.

"37. This Honorable Office by accepting the Petitioner's theory will reward inaction to the prejudice of those who complied with the law. More importantly, it will degrade faith in the system of trademark registration and render the entire registration process useless. As discussed elsewhere, it bears emphasizing that it took the Petitioner almost two (2) years from the Registrant's registration before it showed any interest in the mark by filing this Petition. It should not escape the attention of this Honorable Bureau that for a total of thirteen (13) years that passed since the Petitioner's abandonment of its prior application in 1997, it has made no attempt to file and complete its registration. The glaring fact that the Petitioner slept on its alleged rights over the mark cannot just be sidestepped.

"F. The Petitioner has not proved that it is the owner of the 'EAGLE CEMENT' mark.

"38. The Petitioner avers that it outsourced the production of 'EAGLE CEMENT' products to ICC and that ICC continued to be a licensed manufacturer of 'EAGLE CEMENT' products. However, the Petitioner has not presented any manufacturing agreement or licensing agreement between it and ICC. Only financial statements (Annex 'I' of the Petition) showing allegedly that LRIC is an affiliate company of ICC. Assuming but only *arguendo* that LRIC is indeed an affiliate of ICC, such affiliation does not prove that the Petitioner or LRIC is/was the owner of the 'EAGLE CEMENT' mark. Again, even assuming that there is such a relationship between these two companies, there is no proof of a manufacturing or licensing agreement other than the bare allegation by the Petitioner. Even sister companies document any agreement between them by entering into contracts. There is no such contract presented by the Petitioner.

"39. In addition, the bottom portion of the Petitioner's sample cement sack on page 8 of the Opposition contains the following:

'A QUALITY PRODUCT OF: ILIGAN CEMENT CORPORATION.'

Nowhere is it shown in the said cement sack that the product or the EAGLE brand is owned by the Petitioner. If indeed there is a manufacturing or licensing agreement, the said cement sack should have stated that the product is manufactured by ICC for the Petitioner or words to that effect. There is no mention of the Petitioner at all.

"40. The foregoing, coupled with its failure to pursue the registration, demonstrates the Petitioner's lack of interest in monopolizing the 'EAGLE CEMENT & DEVICE' mark.

Should the Respondent-Registrant's trademark registration for "Eagle Cement & Device" be cancelled?

The Respondent-Registrant may have registered the mark "Eagle Cement & Device" in its name. Sec. 138 of the IP Code 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*". Under this provision, however, it is clear that the ownership of the mark is only a presumption, and therefore may be overcome by an adverse superior claim and evidence of ownership. Corollarily, Sec. 151.1 of the IP Code provides among other things that:

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:

(b) Anytime, if the registered mark xxx 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 on or in connection with which the mark is used.

It is 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 out 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.⁴ This purpose will not be served by the co-existence in the market of the competing marks, shown below:



Petitioner's Trademark



Respondent-Registrant's Trademark

⁴ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91, of the Trade Related Aspect of Intellectual Property (TRIPS Agreement).

It is likely that the consumers will have the impression that the parties' cement products originate from a single source or the sources thereof are connected or associated with one another. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins.

Succinctly, the Petitioner raises the issue of ownership of the contested mark. According to the Petitioner, the Respondent-Registrant has no right to the registration of its mark because the latter is not the owner thereof. In contrast, the Respondent-Registrant argued:

"15. It bears stressing that the Registrant validly holds Trademark Certificate of Registration No. 4-2008-006759 for its 'EAGLE CEMENT & DEVICE' mark. Upon Registrant's filing of its application for the aforesaid registered mark, the Bureau of Trademarks declared that the same was registrable, and allowed it for publication. If Petitioner's claim of ownership and use over its mark 'EAGLE CEMENT' is true, it could have filed its opposition thereto, but it did not. Upon registration of Registrant's 'EAGLE CEMENT & DEVICE' on 13 October 2008, the Petitioner could have immediately pursued a cancellation thereof, but it did not. It took the Petitioner almost two (2) years from the Registrant's registration before it acted. Such inaction by the Petitioner for a considerable amount of time highlights its lack of interest over claiming exclusivity over its mark which renders this Petition as a mere afterthought."

In this regard, it is not the application or the registration that confers ownership of a mark, but it is the ownership of the mark that confers the right to registration. While the country's legal regime on trademarks shifted to a registration system, it is not the intention of the legislators not to recognize the preservation of existing rights of trademark owners at the time the IP Code took into effect.⁵ The registration system is not to be used in committing or perpetrating an unjust and unfair claim. A trademark is an industrial property and the owner thereof has property rights over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership. The IP Code implements the TRIPS Agreement and therefore, the idea of "registered owner" does not mean that ownership is established by mere registration but that registration establishes merely a presumptive right of ownership. That presumption of ownership yields to superior evidence of actual and real ownership of the trademark and to the TRIPS Agreement requirement that no existing prior rights shall be prejudiced. In *Berris v. Norvy Abyadang*⁶, the Supreme Court held:

The ownership of a trademark is acquired by its registration and its actual use by the manufacturer or distributor of the goods made available to the purchasing public. Section 122 of R.A. No. 8293 provides that the rights in a mark shall be acquired by means of its valid registration with the IPO. A certificate of registration of a mark, once issued, constitutes *prima facie* evidence of the validity of the registration, of 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. R.A. No. 8293, however, requires the applicant for registration or the registrant to file a declaration of actual use (DAU) of the mark, with evidence to that effect, within three (3) years from the filing of the application for registration; otherwise, the application shall be refused or the mark shall be removed from the register. In other words, the *prima facie* presumption brought about by the registration of a mark may be challenged and overcome, in an appropriate action, by proof of the nullity of the registration or of non-use of the mark, except when excused. Moreover, the presumption may likewise be defeated by evidence of prior use by another person, *i.e.*, it will controvert a claim of legal appropriation or of ownership based on registration by a subsequent user. This is because a trademark is a creation of use and belongs to one who first used it in trade or commerce.

Records and evidence show that goods, particularly cement, bearing the mark "Eagle Cement" are sold in many places in the Philippines since 1992. There were sales invoices for transactions involving the said goods and trademark in Cebu City, Iligan City, Danao del Sur, Mandaue City, Pasig City,

⁵ See Sec. 236 of the IP Code.

⁶ G.R. No. 183404, 13 Oct. 2010.

Zamboanga City, Camiguin, Iloilo City, Dumaguete City, Davao City, Cagayan de Oro, and Ormoc City⁷. These invoices were issued by Lloyds Richfield Industrial Corporation ("LRIC") and its exclusive distributors and/or dealers.⁸ LRIC merged with the Opposer, as shown by the filing of the Articles and Plan of Merger with the Securities and Exchange Commission.⁹ In fact, in 1997, LRIC applied for the registration of the mark "Eagle Cement". While the said application was declared abandoned and that the trademark was canceled, "Eagle Cement" continues to be sold in the market.

The Respondent-Registrant pointed out in its Answer:

"38. The Petitioner avers that it outsourced the production of 'EAGLE CEMENT' products to ICC and that ICC continued to be a licensed manufacturer of 'EAGLE CEMENT' products. However, the Petitioner has not presented any manufacturing agreement or licensing agreement between it and ICC. Only financial statements (Annex 'I' of the Petition) showing allegedly that LRIC is an affiliate company of ICC. Assuming but only arguendo that LRIC is indeed an affiliate of ICC, such affiliation does not prove that the Petitioner or LRIC is/was the owner of the 'EAGLE CEMENT' mark. Again, even assuming that there is such a relationship between these two companies, there is no proof of a manufacturing or licensing agreement other than the bare allegation by the Opposer. Even sister companies document any agreement between them by entering into companies. There is no such contract presented by the Opposer.

"39. In addition, the bottom portion of the Petitioner's sample cement sack on page 8 of the Petition contains the following:

'A QUALITY PRODUCT OF: ILIGAN CEMENT CORPORATION.'

Nowhere is it shown in the said cement sack that the product or the EAGLE brand is owned by the Petitioner. If indeed there is a manufacturing or licensing agreement, the said cement sack should have stated that the product is manufactured by ICC for the Petitioner or words to that effect. There is no mention of the Petitioner at all."

However, the issue to be resolved in this opposition is not necessarily a contest between the two parties as to who has the better right over the contested mark. The real issue is whether the Respondent-Registrant is the owner of the mark. If it owns the mark then it is entitled to register the mark and obtain exclusive right thereto. In this case, records and evidence clearly show that somebody else has coined, appropriated and been using the contested mark on cement products prior to the Respondent-Registrant's adoption and filing of applications for the registration of exactly the same mark for use also on cement.

The contested mark, consisting of the word "Eagle" coupled with a depiction of which depicts a figure of the avian creature is a unique and highly distinctive mark for cement. It is inconceivable therefore for the Respondent-Registrant to have come up with exactly the same mark without having been inspired or motivated by an intention to imitate the Petitioner's mark. It is highly improbable for another person to come up with an identical or nearly identical mark, for use on the same or closely related goods purely by coincidence. The field from which a person may select a trademark is practically unlimited. As in all cases of colorable imitation, the unanswered riddle in why, of the millions of terms and combination of letters that are available, the Respondent-Registrant had come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark¹⁰.

⁷ Exhibits "C" and "L" of Petitioner.

⁸ Exhibits "D", "E" and "F" of Petitioner.

⁹ Exhibit "K" of Petitioner.


¹⁰ See *American Wire and Cable Co. v. Director of Patents et al.*, SCRA 544 G.R. No. L-26557, 18 Feb. 1970.

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.

WHEREFORE, the instant Petition is hereby **GRANTED** on the grounds stated above. Let the file wrapper of Trademark Application No. 4-2008-006759 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 February 2014.



NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs