



**JOHN RICH & SONS INVESTMENT
HOLDING COMPANY,**
Opposer,

IPC No. 14-2012-00239
Opposition to:
Appln. Serial No. 4-2011-012919
Date Filed: October 26, 2011
TM: "WOOLRICH"

-versus-

RAMON ONG,
Respondent-Applicant.

X-----X

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 210 dated August 14, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, August 14, 2014.

For the Director:

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



**JOHN RICH & SONS INVESTMENT
HOLDING COMPANY,**

Opposer,

-versus-

IPC No. 14-2012-00239

Opposition to Trademark

Application No. 4-2011-012919

Date Filed: 26 October 2011

RAMON ONG,

Respondent-Applicant.

Trademark: **"WOOLRICH"**

x ----- x Decision No. 2014- 210

DECISION

John Rich & Sons Investment Holding Company¹ (Opposers) filed an opposition to Trademark Application Serial No. 4-2011-012919. The contested application, filed by Ramon Ong² (Respondent-Applicant), covers the mark "WOOLRICH" for use on *"leather goods namely, belts, bags, wallets"* and *"t-shirts, polo shirts, sandos, blouses, pants, skirts, underwear, sweaters, shoes, socks"* under Classes 18 and 25, respectively, of the International Classification of Goods³.

The Opposer asserts that it is the prior adopter, user and true owner of the trademark "WOOLRICH", which it has registered in various countries worldwide. According to Opposer, its company started in 1830 when John Rich, an immigrant from England, built his first woolen mill in Plum Run, Pennsylvania. Over the years, it has allegedly grown and expanded to a worldwide lifestyle company with a full range of outdoor-inspired products, from jackets to outdoor furniture. It contends that as early as 1997, it has filed trademark applications with the Intellectual Property Office of the Philippines (IPOP HL) for its "WOOLRICH" marks for Classes 18 and 25. Also, it claims to own trademark registrations abroad of the mark in Classes 18, 25, 42 and other goods related thereto

The Opposer further avers that the "WOOLRICH" marks have been widely advertised and promoted worldwide through its various licensees. It maintains that its website, <http://woolrich.com>, contain links that will direct a visitor to its other websites created for its specific product. In sum, it opposes Respondent-Applicant's application on the ground that the latter's mark is confusingly similar to its allegedly well-known mark.

¹A corporation organized and existing under the laws of Delaware, USA, with principal address at 103 Foulk Road, Suite 200, Wilmington, Delaware, 19083, USA.

²With address at Panalturan Street, Banawe Ave., Quezon City.

³The 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.

In support of their Opposition, the Opposers submitted the following as evidence:

1. duly notarized affidavit-direct testimony of Atty. Chrissie Ann L. Barredo;
2. printouts from Opposer's official website;
3. printouts of Opposer's trademark applications from the IPOPHL website;
4. printouts from the search results returned by the online data bases of Office for the Harmonization of the Internal Market (OHIM);
5. documents obtained from the TM view of OHIM showing Opposer's trademark registrations for the mark "WOOLRICH" in different countries;
6. affidavit-direct testimony of Pamela A. Jasinski; and,
7. sample advertisements and promotions of the "WOOLRICH" mark and its variants.⁴

A Notice to Answer was issued and served upon the Respondent-Applicant on 26 July 2012. The Respondent-Applicant filed a Motion for Extension of Time to file Answer on 12 December 2012 but failed to pay the correct or full amount of the prescribed fee. Accordingly, this Bureau issued Order No. 2013-037 which was issued requiring the Respondent-Applicant to complete the amount within five days from receipt of the said Order. The Respondent-Applicant did not comply. Hence, the Hearing Officer issued Order No. 2014-98 on 20 January 2014 declaring Respondent-Applicant in default and the case deemed submitted for decision.

The issue to be resolved is whether Respondent-Applicant should be allowed to register the trademark "WOOLRICH".

It can be readily gleaned from available records and the submitted evidence that the contending marks are identical. Moreover, the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's, particularly goods under Classes 18 and 25. Thus, it is likely that the consumers will have the impression that these goods or products originate from a single source or origin. The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court in **Converse Rubber Corporation vs. Universal Rubber Products Inc.**, to wit:

"Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Hence, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist."

⁴ Marked as Exhibits "B" to "O", inclusive.

The public interest, therefore, requires that the two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. It is emphasized that the function of 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.⁵

It is stressed that the Philippines implemented the TRIPS Agreement when the RA No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") took into force and effect on 01 January 1998. Art. 15 of the TRIPS Agreement reads:

Section 2: Trademarks
Article 15
Protectable subject Matter

1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words, including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, members may make registrability depend on distinctiveness acquired through use. Members may require, as a condition of registration, that signs be visually perceptible.
2. Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provision of the Paris Convention (1967).
3. Members may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. An application shall not be refused solely on the ground that intended use has not taken place before the expiry of a period of three years from the date of application.
4. The nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark.
5. Members shall publish each trademark either before it is registered or promptly after it is registered and shall afford a reasonable opportunity for petitions to

⁵ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999.

cancel the registration. In addition, Members may afford an opportunity for the registration of a trademark to be opposed.

Further, Article 16 (1) of the TRIPS Agreement states:

1. The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, not shall they affect the possibility of Members making rights available on the basis of use.

Significantly, Section 121.1 of the IP Code adopted the definition of the mark under the old Law on Trademarks (Rep. Act No. 166), to wit:

"121.1. 'Mark' means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a)"

Section 122 of the IP Code states:

"Sec. 122. How Marks are Acquired. – The rights in a mark shall be acquired through registration made validly in accordance with the provisions of this law. (Sec. 2-A, R.A. No. 166a)"

There is nothing in Section 122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in a mark shall be acquired through registration, which must be made validly in accordance with the provisions of the law.

Corollarily, Section 138 of the IP Code provides:

"Sec. 138. Certificates of Registration. – 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 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." (Emphasis supplied)

Clearly, it is not the application or the registration that confers ownership of a mark, but it is 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.⁶ The registration system is not to be used in committing or perpetrating an unjust and unfair claim. A

⁶ See Section 236 of the IP Code.

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 **E.Y. Industrial Sales, Inc. vs. Shen Dar Electricity and Machinery Co., Ltd.**⁷, the Supreme Court held:

"RA 8293 espouses the "first-to-file" rule as stated under Sec. 123.1(d) which states:

x x x

Under this provision, the registration of a mark is prevented with the filing of an earlier application for registration. This must not, however, be interpreted to mean that ownership should be based upon an earlier filing date. While RA 8293 removed the previous requirement of proof of actual use prior to the filing of an application for registration of a mark, proof of prior and continuous use is necessary to establish ownership of a mark. Such ownership constitutes sufficient evidence to oppose the registration of a mark.

Sec. 134 of the IP Code provides that 'any person who believes that he would be damaged by the registration of a mark x x x' may file an opposition to the application. The term 'any person' encompasses the true owner of the mark, the prior and continuous user.

Notably, the Court has ruled that the prior and continuous use of a mark may even overcome the presumptive ownership of the registrant and be held as the owner of the mark. As aptly stated by the Court in *Shangri-la International Hotel Management, Ltd. v. Developers Group of Companies, Inc.*:

Registration, without more, does not confer upon the registrant an absolute right to the registered mark. The certificate of registration is merely a prima facie proof that the registrant is the owner of the registered mark or trade name. Evidence of prior and continuous use of the mark or trade name by another can overcome the presumptive ownership of the registrant and may very well entitle the former to be declared owner in an appropriate case.

x x x x

Ownership of a mark or trade name may be acquired not necessarily by registration but by adoption and use in trade or commerce. As between actual use of a mark without registration, and registration of the mark without actual use thereof, the former prevails over the latter. For a rule widely accepted and firmly entrenched, because it has come down through the years, is that actual use in commerce or business is a pre-requisite to the acquisition of the right of ownership.

x x x x

⁷ G.R. No. 184850, 20 October 2010.

By itself, registration is not a mode of acquiring ownership. When the applicant is not the owner of the trademark being applied for, he has no right to apply for registration of the same. Registration merely creates a prima facie presumption of the validity of the registration, of the registrant's ownership of the trademark and of the exclusive right to the use thereof. Such presumption, just like the presumptive regularity in the performance of official functions, is rebuttable and must give way to evidence to the contrary." (Emphases supplied.)

In the instant case, the Opposer has proven its prior adoption and continuous usage of the mark "WOOLRICH" even before Respondent-Applicant filed the contested application evidenced by the samples of the advertisement of the Opposer's mark⁸. Its website www.woolrich.com⁹ likewise supports its claim for prior and continuous adoption of the said mark since 1830. Noteworthy, the Opposer filed on 26 September 1997, applications for its marks in "WOOLRICH (SCRIPT) and "WOOLRICH (TYPED, BLOCK LETTERS)"¹⁰. Although none of the marks were allowed as of date for the Opposer's failure to complete the requirements for registration, the applications corroborate Opposer's claim that it has been appropriating the contested mark earlier than Respondent-Applicant.

"WOOLRICH" is a unique and highly distinctive trademark. Thus, that it is mere coincidence that the Respondent-Applicant came up with exactly the same mark for use on similar and related goods without the intention or at least the inspiration to copy the Opposer's trademark is an assumption too good to be true.

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, premises considered, the instant Opposition to Trademark Application No. 4-2012-012919 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 14 August 2014.


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

⁸ Exhibits "M" to "N" of the Opposer.

⁹ Exhibits "C" to "C-25" of the Opposer.

¹⁰ Exhibits "J" to "K".