



OFFICE OF THE DIRECTOR GENERAL

THE WORLD OF TILES, INC.,
Appellant,

APPEAL NO. 14-2013-0027
IPC No. 14-2010-00240
Opposition to:

-versus-

Application No. 4-2009-500615
Date Filed; 1 September 2009
Trademark: FC LOGO

GALLERIA FLOOR CENTER, INC.,
Appellee.

x-----x

NOTICE

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NATHANIEL S. AREVALO
Director, Bureau of Legal Affairs
Intellectual Property Office
Taguig City

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GREETINGS:

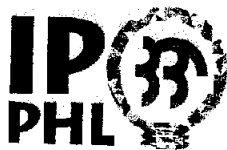
Please be informed that on 15 December 2014, the Office of the Director General issued a Decision in this case (copy attached).

Taguig City, 15 December 2014.

Very truly yours,

[Signature]
ROBERT NEREO B. SAMSON
Attorney V

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ROBERT NEREO B. SAMSON
ATTORNEY V
Office of the Director General



OFFICE OF THE DIRECTOR GENERAL

THE WORLD OF TILES, INC.

Appellant,

- versus -

GALLERIA FLOOR CENTER, INC.

Appellee.

X-----X

Appeal No. 14-2013-0027

IPC No. 14-2010-00240

Opposition To:

Application No. 4-2009-500615

Date Filed: 1 September 2009

Trademark: FC LOGO

DECISION

THE WORLD OF TILES, INC. ("Appellant") appeals Decision No. 2013-97, dated 31 May 2013, of the Director of the Bureau of Legal Affairs ("Director") sustaining the opposition to Trademark Application No. 4-2009-500615 filed by GALLERIA FLOOR CENTER, INC. ("Appellee").

Records show that on 1 September 2009, the Appellant filed an application for the registration of the mark "FC LOGO" for use on "tile products" under Class 19 of the Nice International Classification.¹ After publication of the subject application on 29 March 2010, the Appellee filed on 26 July 2010 an Opposition to the same, essentially alleging that it is the actual owner, prior adopter, and user of the trade name/trademark "Floor Center".

According to the Appellee, it was incorporated and registered with the Securities and Exchange Commission (SEC) on 16 October 1996, and used the FC Logo as a trade name in its business establishment. On the other hand, the Appellant was only registered with the SEC on 28 August 2001. The Appellee contended that it had used the FC logo as early as 1996, long before the Appellant acquired legal personality to become a corporation which used in its business "Floor Center" and the FC Logo allegedly as a tradename.

In its Answer, the Appellant claims that contrary to the allegations of the Appellee, the "Floor Center" trademark from which the "FC Logo" trademark was derived, was conceptualized, created and coined sometime in the 1990's by the Appellant's incorporator and major stockholder, Dr. Rebecca W. Halabisaz Zanjani. It claims that



The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service 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 Registration of Marks, and was concluded in 1957.

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DATE: [Signature]

ROBERT NERO B. SAMSON ATTORNEY V Office of the Director General

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Dr. Halabisaz Zanjani was one of the incorporators and major stockholders of the Appellant's predecessor company, Floor Center (SM City), Inc., which was incorporated on 22 April 1997. Incidentally, she is also one of the incorporators of the Appellee.

The Appellant further questioned the claims of a certain Teresita Maherolnaghsh and Sarah Maherolnaghsh that the latter drew the subject logo in order to comply with a Bureau of Internal Revenue (BIR) requirement to submit a logo. According to the Appellant, the foregoing affiants failed to establish their capacity, qualifications, and authority to execute the Affidavit laying down such claims. Moreover, the capacity and authority of Sarah Maherolnaghsh to "draw" the subject mark were noticeably without proof, rendering the Appellee's alleged ownership of the subject tradename baseless and unfounded.

After the appropriate proceedings, the Director rendered the subject Decision, granting the Appellee's Opposition. The Director found that the records and evidence showed that the Appellee has been using the mark FC on goods that are indicated in the Appellant's trademark application. He also noted that the Appellee had filed on 3 March 2009 Trademark Application Serial No. 4-2009-002245, and that there is no doubt that the Appellee's mark is similar to the mark being applied for by the Appellant.

The Director further held that by stating that one of the incorporators of the Appellee, Dr. Halabisaz Zanjani, conceptualized and created the mark, the Appellant had conceded that the Appellee is the originator and prior user of the FC Logo. According to the Director, the evidence shows that the Appellee registered the tradename "Galleria Floor Center" with the Securities and Exchange Commission (SEC) as early as 16 October 1996. Meanwhile, the Appellant was registered with the SEC only on 28 August 2001. As to the Appellant's contention that it is the holder of an existing prior registration for "Tile Depot and FC Logo", the Director emphasized that it is not the application or registration that confers ownership of the mark, but it is the ownership of the mark that confers the right to registration.

Dissatisfied, the Appellant filed the subject appeal, seeking the reversal of the Director's Decision and praying that its trademark application be given due course. The Appellant reiterated that by sufficient and convincing evidence, it successfully proved that it was the true owner and first adopter of the "FC Logo" trademark along with the mark "Floor Center", from which the former mark was derived. The Appellant maintained that the Appellee's claim that it was a certain Sarah Maherolnaghsh who allegedly drew the subject mark to comply with the requirements of the BIR, was without basis and erroneous.

On the other hand, according to the Appellant, it has a valid and existing registration over "Tile Depot and FC Logo" for tile products under Registration No. 42008014356 filed on 24 November 2008 and issued on 12 November 2009. The Appellant argued that its existing registration incorporates the FC Logo, which entitles it to registration such logo alone. The Appellant further maintained that the Appellee failed to present evidence that will prove its claim that it has been using the "FC Logo" as a tradename prior to the use and registration of the FC Logo trademark by the

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Appellant. It argued that the registration of the company name "Galleria FLOOR CENTER" with the SEC is different from the use of the "FC Logo".

In its Comment to the Appeal, the Appellee countered that it has sufficiently presented evidence to show that it first and actually used "Floor Center & Logo" from which the "FC Logo" was derived. According to the Appellee, since ownership of the mark may be acquired by actual use thereof in trade or commerce with or without registration, it belongs to the person who first used and gave it value. The Appellee emphasized that it had used the FC Logo as early as 1996, long before the Appellant acquired legal personality to become a corporation capable of ownership of a trade name, which used in its business the "FC Logo".

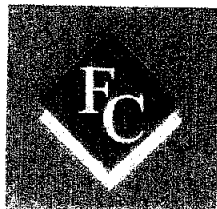
The main issue to be resolved in this appeal is whether the Director was correct in granting the opposition on the ground that the Appellant is not entitled to the registration of the mark "FC LOGO".

In this regard, it should be noted that a trademark must be a visible sign capable of distinguishing the goods of an enterprise.² The essence of trademark registration is, therefore, 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 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.³

Thus under Sec. 134 of the IP Code, 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 (30) days after the publication of the trademark application, file an opposition to the application. In the present case, the Appellee, as the opposer, must show that it would be damaged by the registration of "FC LOGO" in favor of the Appellant.

The Appellant's and Appellee's marks are reproduced below for comparison:

*Appellant The World of Tiles, Inc.'s
Trademark Being Applied For
(App. No. 42009500615).*



*Appellant The World of Tiles, Inc.'s
Registered Trademark under
Registration No. 42008014356:*



Sec. 121.1 of the IP Code.

Philippine J. Mirpuri vs. Court of Appeals G.R. No. 114508, 19 November 1999.

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Appellee/Opposer Galleria Floor Center's
SEC Registration issued on 16 October 1996:

Appellee/Opposer Galleria Floor Center's
Trademark Application No. 420092245
filed on March 3, 2009:

GALLERIA FLOOR CENTER, INC.



At issue in this case is the entitlement of the Appellant to the registration of the trademark "FC Logo", for which it applied for with this office on 1 September 2009 for tile products. On one hand, the Appellee claims that it is the prior user and owner of the mark, by virtue of its use of the tradename "Galleria Floor Center", which, it alleges, the trademark being applied for by the Appellant was derived from. As evidence, the Appellee submitted its corporate registration with the SEC dated 16 October 1996.⁴ On the other hand, the Appellant assails the Appellee's claims, and contends that the Appellee's use of the "Galleria Floor Center" tradename does not mean that it is entitled to the registration of the mark "FC Logo", which is a mark distinct from such tradename. The Appellant cites its prior registration for "Tile Depot and FC Logo", which contains the FC Logo currently being applied for.

A comparison of the above marks reveals that the parties in this case hinge their arguments on two separate matters: the Floor Center tradename and the FC Logo trademark. The Appellee's evidence, including its SEC Certificate dated 16 October 1996, shows that it had adopted the tradename "Galleria Floor Center, Inc." since 1996. Meanwhile, the Appellant was only incorporated on 28 August 2001, as shown by its SEC Certificate of Incorporation, which it submitted as its own evidence.⁵

On the other hand, the subject matter of this opposition is the registration of the "FC Logo", which is the trademark being applied for by the Appellant. It would appear that although the Appellee had filed an application therefor on 3 March 2009, it remains undisputed that the Appellant has a valid and existing prior registration for "Tile Depot and FC Logo", which was issued by this Office on 12 November 2009. Notably, the Appellant's registered mark includes the FC Logo as a significant element thereof.

This Office further notes the evidence presented by the Appellee, consisting of the Joint Affidavit of one Teresita Maherolnaghsh and one Sarah Maherolnaghsh⁶, which claims that it was the latter who drew the logo for the Appellee as part of its compliance with a BIR requirement to submit a logo. We note that nowhere is the relationship of such Sarah Maherolnaghsh with the parties to this case, or even her standing or personality, or even her capacity for that matter, to have been able to undertake such act being claimed by the Appellee to have occurred in 1996, indicated in the various pieces of evidence submitted by the Appellee. Records show that Teresita Maherolnaghsh is an incorporator and majority stockholder of the Appellee, while Rebecca W. Halabisaz Zanjani is likewise an incorporator and

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Appellee's Exhibit "B".
Appellant's Exhibit "4".
Appellee's Exhibit "A".

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stockholder of both the Appellant and the Appellee. On the other hand, there is nothing in the record that indicates the interest of Sarah Maherolnaghsh in the corporations or enterprises involved. This Office finds that the Appellee's allegation that she was the creator and originator of the subject trademark, remains unsubstantiated.

The Appellant meanwhile has in its favor an existing registration for the "Tile Depot & FC Logo" under Certificate of Registration No. 42008014356 issued on 12 November 2009, which contains the following:

[A] logo consisting of the red, capital letters "F" and "C" inside a white diamond-figure, all of which are written and drawn inside a red rectangle.

The above description of the FC Logo, and the pictorial representation of the registered mark itself, precisely depicts the mark currently being applied for by the Appellant. Hence, between the Appellant who has a prior valid and existing registration for a mark that features the subject trademark as a significant component thereof, and the Appellee who was not able to establish its claimed ownership of the FC Logo, this Office is constrained to rule in favor of the Appellant.

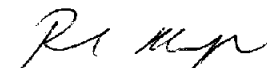
Having been issued the concomitant Certificate of Registration, the presumptive value of ownership and exclusive use applies in favor of the Appellant. Under the IP Code:


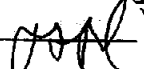
SEC. 138. Certificates of Registration. – A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate. (Sec. 20, R.A. No. 165)

WHEREFORE, premises considered, the appeal is hereby **GRANTED**. Let a copy of this Decision and the records of this case be furnished and returned to the Director of 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-15 2014 Taguig City.


RICARDO R. BLANCAFLOR
Director General


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