



**PHIL. ALLIANCE UMBRELLA,**  
Opposer,

**-versus-**

**HUI HUANG WANG,**  
Respondent-Applicant.

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**IPC No. 14-2012-00441**  
Opposition to:  
Appln No. 4-2012-007437  
Date Filed: 21 June 2012  
TM: "PEACOCK & DESIGN"

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### NOTICE OF DECISION

**ATTY. CLAIRE B. CORRAL**  
Counsel for the Opposer  
c/o Suite 1002-B Fort Legend Towers  
3<sup>rd</sup> Avenue corner 31<sup>st</sup> Street  
Bonifacio Global City  
Taguig City

**HUI HUANG WANG**  
Respondent-Applicant  
19<sup>th</sup> Floor C, City Place Residence  
Felipe Street, Binondo  
Manila

#### GREETINGS:

Please be informed that Decision No. 2015 - /// dated June 17, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 17, 2015.

For the Director:

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



PHIL. ALLIANCE UMBRELLA,  
*Opposer,*  
 -versus-  
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*Respondent-Applicant.*  
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IPC No. 14-2012-00441  
 Opposition to:  
 Application No. 4-2012-007437  
 Date Filed: 21 June 2012  
 Trademark: "PEACOCK  
 & DESIGN"  
 Decision No. 2015- III

**DECISION**

PHIL. ALLIANCE UMBRELLA<sup>1</sup> ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-007437. The application, filed by Hui Huang Wang<sup>2</sup> ("Respondent-Applicant"), covers the mark "PEACOCK & DESIGN" for use on "umbrellas" under Class 18 of the International Classification of Goods and Services.<sup>3</sup>

The Opposer alleges:

x x x

**"GROUNDS FOR OPPOSITION"**

"3. The Opposer will be damaged by the registration of the Application and respectfully submits that the Application should be denied for the reasons set forth below.

"4. The registration of the Application violates Section 123.1 (a) of the IP Code which expressly prohibit the registration of a mark if it:  
 x x x

"5. The registration of the Application is made in bad faith as it is the Opposer who is the true and first adopter and user of the mark.

**"FACTS"**

6. The Opposer started in 29 February 1988 as a Partnership under the name Phil-Alliance Marketing Co. The Partnership was registered with the Securities and Exchange Commission ("SEC") on 2 March 1988. x x x

<sup>1</sup> A domestic corporation organized and existing under the laws of the Republic of the Philippines with address at 67 Kaingin Road, Balintawak, Quezon City, Philippines.

<sup>2</sup> With address on record at 19<sup>th</sup> Floor, City Place Residence, Felipe St., Binondo, Manila, Philippines.

<sup>3</sup> The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a 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 Purposes of the Registration of Marks concluded in 1957.

"7. On 5 April 1994, Phil-Alliance Marketing Co. reorganized the partnership into a corporation. The Opposer Phil-Alliance Umbrella Co., Inc. was therefore created and was duly registered with the SEC on 6 April 1994. x x x

"8. The Opposer is one of the leading umbrella manufacturers in the Philippines. It prides itself of having the most modern umbrella manufacturing plant in the country located in Quezon City. It employs hundreds of highly skilled workers as well as factory machineries and equipment. x x x

"9. The Opposer is also one of the first and oldest umbrella companies in the Philippines. For twenty four (24) years now, the Opposer prides itself with excellent quality and workmanship on its products. It has continuously evolved through the years and today, it is a trendsetter in umbrella designs and innovations.

"10. The Opposer has developed several umbrella brands through the years. Some of these brands are as follows:

x x x

"11. The Opposer's umbrella products are wide-ranged. Its products cover children's umbrellas, specialty umbrellas and beach umbrellas. The Opposer's latest products and designs include super light weight umbrellas, duomatic umbrellas and windproof umbrellas.

x x x

"12. One of Opposer's well-known trademark for umbrellas is the mark PEACOCK AND DEVICE. The trademark was conceptualized in 1989. The trademark PEACOCK AND DEVICE symbolizes the Opposer's high quality and beautiful umbrella designs similar to a peacock's majestic feathers. Since then, the mark PEACOCK AND DEVICE has been the Opposer's leading umbrella brand.

"13. The mark was used in the Philippines by the Opposer since 10 February 1989 or for twenty three (23) years now. This use has never stopped. In fact the Opposer has continuously improved its products. Representative samples of the Opposer's sales invoices for PEACOCK AND DEVICE umbrellas as early as 1989 showing the use of the mark for over twenty three (23) years are attached as Annexes "C" to "C-7" to the Co Affidavit.

"14. The Opposer has also maintained loyal customers who have been buying PEACOCK AND DEVICE umbrellas since the Opposer launched the products in 1989 until now. Some of these customers are Jetsetter's Enterprise, C & C Marketing, and La Tabora Commercial.

"15. The long and exclusive use by the Opposer of the mark PEACOCK AND DEVICE has earned the Opposer reputation and goodwill over the mark. Today, the trademark is synonymous to quality and innovative umbrellas. PEACOCK AND DEVICE umbrellas are available nationwide in the following outlets:

x x x

"16. The Opposer has also filed an application for the registration of the trademark PEACOCK AND DEVICE on 6 September 1989 with the Intellectual Property Office (IPO). The mark was then registered with the IPO on 7 August 1992 under registration number 53187.

x x x

"17. The Opposer has invested not only in facilities and workers to be able to produce high quality and innovative PEACOCK AND DEVICE umbrellas. It has also invested in building a good reputation over the mark PEACOCK AND DEVICE through the years through regular advertisements in newspapers, magazines, and other print media. For the last 23 years, the Opposer has regularly advertised in the Philippines Telephone Directories. Attached hereto as Annex "E" is a sample of the Opposer's advertisement in the Manila Bulletin dated 24 September 1993 showing how the Opposer has promoted its mark and goods nationwide and established goodwill and reputation.

"18. Over the years, the Opposer's PEACOCK AND DEVICE umbrellas has also been the umbrella of choice by several reputable companies in the Philippines such as Triumph, Boysen, Sun-Life of Canada, Oriental Battery, Good Year, GMA Network, Shakey's, PLDT, Coca-Cola, Avon, Westinghouse, PNB, Goodwill Bookstore and Puerto Azul

"19. The Opposer has also established reputation with regards the placement of its trademark PEACOCK AND DEVICE in the umbrellas. It is the first to emboss it's trademark in the open button of the umbrella. Customers immediately recognize the Opposer's products because of the placement of the trademark to this particular location, in addition to other markings in the products packaging. x x x

"20. Undoubtedly, the Opposer's goodwill and reputation for PEACOCK AND DEVICE umbrellas have been clearly established throughout the years.

#### "ARGUMENTS

x x x

"21. The Respondent-Applicant's mark is identical with the Opposer's trade mark PEACOCK AND DEVICE, hence, should not be allowed registration under Section 123.1 (a) of the IP Code. The word mark used by Respondent-Applicant is identical to the Opposer's wordmark. The device used the Respondent-Applicant is also similar to the Opposer's device, namely, a representation of a peacock. A side-by-side comparison of the marks is shown below:

x x x

"22. In McDonald's Corporation, et al. vs. L.C. Big Mak Burger, the Supreme Court said:

x x x

"23. Whichever test is applied, the existence of confusing similarity in this case is unmistakable. The risk of confusion is aggravated by the fact that Opposer's PEACOCK AND DEVICE mark and products have been in the market for 23 years and has established a strong reputation in the umbrella industry, as shown by the following:

- 23.1 The Opposer has used the mark since 1989 or for about 23 years now;
- 23.2 The Opposer's trademark was registered as early as 7 August 1992.
- 23.3 The Opposer's goods are available nationwide;
- 23.4 The Opposer possesses the most modern umbrella manufacturing plant in the country.

23.5 The Opposer has established goodwill and reputation over the mark through long and exclusive use of the mark as well as advertisements and promotions nationwide.

"24. The Respondent-Applicant has appropriated the reputation associated with the Opposer's trade mark which has been used for more than 23 years for umbrellas and falsely suggests to the consumers a connection with the Opposer when it has no relation with the Opposer whatsoever.

"25. The Respondent-Applicant takes unfair and dishonest advantage of the reputation and recognition of the Opposer's trade mark PEACOCK AND DEVICE. This creates confusion among the public into believing that Respondent-Applicant's PEACOCK & DESIGN mark and goods is related to Opposer's PEACOCK AND DEVICE mark and goods.

x x x

"26. The Opposer is the prior adopter and user of the mark PEACOCK AND DEVICE for umbrellas. It has continuously used the mark since 1989 or for 23 years now.

"27. Further, it can be seen from the trademark records of the Intellectual Property Office ("IPO") that the Opposer has registered the trade mark PEACOCK AND DEVICE as early as 1992 under registration number 53187. The registration was cancelled due to negligence of the agent and not because of the fact that the mark is not used.

"28. The Respondent-Applicant on the other hand filed the application for the registration of the mark PEACOCK & DESIGN only on 21 June 2012 or almost 23 years after the launching of the Opposer's mark.

"29. The prior use by the Opposer as evidenced by invoices and affidavits defeats the Respondent-Applicant's right to register a mark which he does not own. As trademarks are creation of use and belongs to the one who first use it in trade or commerce, it the Opposer who owns the mark PEACOCK AND DEVICE in the Philippines.

"30. As the prior user and owner of the PEACOCK AND DEVICE mark, Opposer has the right to be protected against identical and similar marks.

"31. It must be emphasized that Opposer's PEACOCK AND DEVICE brand traces its history as far back as 1989 and has enjoyed continuous goodwill throughout the years. In contrast, Respondent-Applicant only filed the application for the PEACOCK & DESIGN mark in 2012. As the prior user and owner of the trade mark PEACOCK AND DEVICE, the Opposer is entitled to protection against registration and use by the third parties of identical marks such as Respondent-Applicant's PEACOCK & DESIGN mark.

"32. Laws on trademarks and trade names are meant to protect its owners from unfair business practices of third parties who, by adopting a mark that is similar to the trademark owner's, take advantage of and unfairly benefit from the prior mark's goodwill. In *La Chemise Lacoste, S.A. vs. Fernandez*, the Supreme Court stated:

x x x

"33. The Opposer's PEACOCK AND DEVICE umbrellas are available nationwide. Advertisements are also nationwide through promotions and print media. Products bearing the mark PEACOCK AND DEVICE are also featured in telephone directories circulated nationwide.

"34. The Opposer has already established goodwill and reputation over the mark PEACOCK AND DEVICE long before the Respondent-Applicant's application. This goodwill and reputation has been earned through continuous and exclusive use of the mark for 23 years now.

"35. With millions of terms and combination of letters available, it is difficult to understand why the Respondent-Applicant chose to use an identical mark if there was no intent to take advantage of the goodwill of the Opposer and its trademark.

"36. For the reasons set forth above, the Application should therefore not be allowed registration.

The Opposer's evidence consists of the verified notice of opposition; special power of attorney confirming the appointment of Atty. Claire B. Corral; copy of the articles of partnership of Phil-Alliance Marketing Co. registered with the SEC; copy of the amended articles of incorporation of Phil. Alliance Umbrella Co., Inc. registered with the SEC; affidavit of Ellen B. Co; copy of the articles of incorporation printed from the SEC website; Opposer's product catalogue showing its comprehensive menu for products; Phil. Alliance Marketing Co. invoice nos. 209, 219, 3317, 3909, 4558, 4593, 146, 206; affidavit executed by Conchita Lui of C & C Marketing; affidavit of Antonio Uy Lao of La Tabora Commercial; affidavit executed by Julie Chua Ong of Jetsetter's Enterprises; Opposer's trademark registration no. 053187 for PEACOCK; advertisement in telephone directories (1990-1991), (1993-1994), (1994-1995), (1995-1996), (1996-1997), (1998-1999), (1999-2000), (2000-2001), (2003-2004), (2002-2003), (2004-2005), (2006-2007), (2008-2009), (2010-2011) and (2011-2012); advertisement showing the list of companies who have been ordering PEACOCK AND DEVICE umbrellas from the Opposer; a photo of the Opposer's PEACOCK AND DEVICE umbrella; sample of the Opposer's advertisement in the Manila Bulletin dated 24 September 1993; and, sample of the Opposer's packaging and labels.<sup>4</sup>

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 13 December 2012. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark PEACOCK & DESIGN?

The mark applied for registration by the Respondent-Applicant is practically identical to the Opposer's, as shown below:

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<sup>4</sup> Marked as Exhibits "A" to "LL", inclusive.



Opposer's trademark

Respondent-Applicant's mark

The Respondent-Applicant's application covers goods that are similar to the Opposer's, particularly, umbrellas. Thus, it is likely that the consumers will have the impression that these goods 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, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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. Here, 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.<sup>5</sup>

Public interest therefore requires, that 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 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.<sup>6</sup>

Succintly, it is evident that one of the parties is a copycat. As to which one is the copycat is established by the evidence as to who appropriated and used first the mark in business. Respondent-Applicant's trademark application covers "umbrellas" under Class 18, same goods which the Opposer deals in under the mark PEACOCK since 1989. The registration of the trademark PEACOCK & DESIGN in the name of Respondent-

<sup>5</sup> *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.

<sup>6</sup> *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepe v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

Applicant will likely mislead a purchaser so as to make him or her believe or assume that the mark or brand is sponsored by or is affiliated with the Opposer's.

Records show that the Opposer filed a trademark application for PEACOCK on 06 September 1989. The application covers umbrellas and parts under Class 18. The Opposer was issued Certificate of Registration No. 53187. However, the registration was cancelled, which according to the Opposer in its Verified Notice of Opposition "due to negligence of the agent and not because of the fact that the mark is not used". On 16 July 2012, Opposer re-filed the same trademark. This Bureau noticed that the Respondent-Applicant filed the trademark application subject of the opposition on 21 June 2012.

The Opposer has shown that it is the originator and owner of the contested mark. Opposer submitted the Affidavits of Ellen B. Co, Conchita Lui of C & C Marketing, Antonio Uy Lao of La Tabora Commercial and Julie Chua Ong of Jetsetter's Enterprises detailing the history of the mark, confirming the Opposer's ownership and stating the Opposer's use of the mark since 1989. The Opposer solidifies its claim of ownership by corroborating Co's, Lui's, Lao's and Ong's with documentary evidence (such as sales invoices, advertisements in telephone directories etc.) showing the mark's use since 1989, specifically for umbrellas. The Opposer, notwithstanding the cancellation of Certificate of Registration No. 53187 on account of technicality, has no intention to abandon or discontinue its use of the mark.

In this regard, this Bureau emphasizes that 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 of registration. The Philippines implemented the World Trade Organization Agreement "TRIPS Agreement" when the IP Code took into force and effect on 01 January 1998. Art 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, nor shall they affect the possibility of Members making rights available on the basis of use.

Significantly, Sec. 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)



Sec. 122 of the IP Code also 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 Sec. 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, Sec. 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 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. (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.<sup>7</sup> 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*<sup>8</sup>, 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 the R.A. 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, 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. 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

<sup>7</sup> See Sec. 236 of the IP Code.

<sup>8</sup> G.R. No. 183404, 13 Oct. 2010.

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. (*Emphasis supplied*)

On pain of redundancy, this Bureau underscores that the Opposer proved that it is the originator and true owner of the contested mark. In contrast, the Respondent-Applicant despite the opportunity given, did not file an Answer to defend his trademark application and to explain how he arrived at using the mark PEACOCK & DESIGN which is exactly the same as the Opposer's. The mark PEACOCK or the word mark PEACOCK is unique and distinctive with respect to the goods it is attached with. It is incredible for the Respondent-Applicant to have come up with exactly the same mark for use on similar goods by pure coincidence.


Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitations, the unanswered riddle is why of the millions of terms and combinations of letters and designs available, the Respondent-Applicant had to 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 mark.<sup>9</sup>

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. 4-2012-007437 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, 17 June 2015.

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

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<sup>9</sup> *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.