

**NEW YORKER S.H.K. JEANS
GMBH & Co. KG,**
Opposer,

-versus-

LAM YIK LEE,
Respondent-Applicant.

X-----X

} **IPC No. 14-2010-00103**
} Opposition to:
} Appln. No. 4-2009-009390
} Date Filed: 17 September 2009
} **TM: "FISHBONE AND LOGO"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2016 - 38 dated February 04, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 04, 2016.

For the Director:

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

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LAM YIK LEE,

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IPC No. 14-2010-00103

Opposition to:

Application No. 4-2009-009390

Date Filed: 17 September 2009

Trademark: "FISHBONE
AND LOGO"

Decision No. 2016- 38

DECISION

NEW YORKER S.H.K. JEANS GMBH & Co. KG¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2009-009390. The application, filed by Lam Yik Lee² ("Respondent-Applicant"), covers the mark "FISHBONE AND LOGO" for use on "t-shirt, shirts, blouses, pants, slacks, jeans, polo, polo shirts, shorts, skirts, jackets, socks, brassieres, panties and briefs" under Class 25 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"The grounds for this Opposition are as follows:

"1. Opposer NEW YORKER S.H.K. JEANS GMBH & Co. KG is the registered owner of the mark 'FISHBONE & DESIGN' in Germany for goods in classes 3, 9, 14, 18, 25, 28 and 32 under Certificate of Registration No. 398 26 089 issued on August 10, 1998.

"2. Opposer has registered the trademark 'FISHBONE & DESIGN' in many other countries of the world.

"3. Opposer has likewise applied for registration of the trademark 'FISHBONE & DESIGN' for goods in Classes 3, 9, 14, 18, 25 and 28 in the Philippines under Application Serial No. 4-1999-005927 dated August 16, 1999, which was cancelled due to the failure to file the third year Declaration of Actual Use.

"4. Opposer has widely used the mark 'FISHBONE & DESIGN' on its products throughout the world and the same is widely known around the world to be exclusively owned by the opposer. Hence, registration of the mark 'FISHBONE AND

¹ A foreign corporation duly organized and existing under the laws of Germany with principal office located at Hansestrasse 48 38112 Braunschweig Germany.

² With address on record at No. 2412 R. Fernandez St., Gagalangin, Tondo, Manila, Philippines.

³ 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.

LOGO' in the name of respondent-applicant is contrary to the clear provisions of Article 6bis of the Paris Convention for the Protection of Industrial Property (Lisbon Revision) and the pertinent provisions of the GATT-TRIPS Agreement both of which the Philippines is a signatory, and which are being enforced in this jurisdiction by virtue of Section 123 (e) and (f) of the Intellectual Property Code (R.A. No. 8293), which provide that:

x x x

"5. The respondent-applicant's mark 'FISHBONE AND LOGO' is identical and/or confusingly similar to the mark 'FISHBONE & DESIGN' owned by opposer as to be likely, when applied to or used in connection with respondent-applicant's goods, to cause confusion or mistake and deceive the public or the public may be led to believe that the goods of respondent-applicant is owned by opposer or originated from or sponsored by the opposer. Thus, the application for registration of the mark 'FISHBONE AND LOGO' in the name of respondent-applicant should not have been given due course and rejected outright not only because respondent-applicant's Application No. 4-2009-009390 has already been proscribed by opposer's prior application for registration for the same mark under Section 123.1 (d) but also because opposer's mark 'FISHBONE & DESIGN' is a world famous mark which is protected by Section 123.1 (e) and (f) of the Intellectual Property Code.

"6. The registration of the mark 'FISHBONE AND LOGO' in the name of respondent-applicant will cause grave and irreparable injury and damages to the opposer within the meaning of Section 134 of R.A. No. 8293.

"THE OPPOSER HEREIN WILL RELY ON THE FOLLOWING FACTS TO SUPPORT ITS OPPOSITION, RESERVING THE RIGHT TO PRESENT ADDITIONAL EVIDENCE AS TO OTHER FACTS AS MAY BE NECESSARY IN THE COURSE OF THIS PROCEEDING DEPENDING UPON THE EVIDENCE THAT MAY BE ADDUCED BY RESPONDENT-APPLICANT.

"a) Opposer NEW YORKER S.H.K. JEANS GMBH & Co. KG is the registered owner and proprietor of the world renowned trademark 'FISHBONE & DESIGN'.

"b) Opposer is the registered owner of the mark 'FISHBONE & DESIGN' in Germany for goods in Classes 3, 9, 14, 18, 25, 28 and 32 under Certificate of Registration No. 39826089 issued on August 10, 1998.

"c) Opposer has registered the trademark 'FISHBONE & DESIGN' in many other countries of the world.

"d) Opposer has international registrations for the mark 'FISHBONE & DESIGN' for goods in Classes 3, 9, 14, 18, 25, and 32 in the International Register under Registration No. 702660 issued on August 10, 1998; for goods in Classes 3, 9, 12, 14, 16, 18, 25, 28, 32, 33, 38 and 42 under Registration No. 726283 issued on August 9, 1999; and for goods in Classes 3, 9, 14, 18, 25, 28 and 32 under Registration No. 702991 issued on September 24, 1998 with claimed protection in various countries under the Madrid Agreement and the Madrid Protocol.

"e) Opposer has likewise applied for registration of the trademark 'FISHBONE & DESIGN' for goods in Classes 3, 9, 14, 18, 25 and 28 in the Philippines

under Application Serial No. 4-1999-005927 dated August 16, 1999, which was cancelled due to the failure to file the third year Declaration of Actual Use.

"f) Opposer has used the mark 'FISHBONE & DESIGN' for its products throughout the world making the mark 'FISHBONE & DESIGN' well known around the world.

"g) The respondent-applicant's mark 'FISHBONE AND LOGO' is identical or confusingly similar to opposer's mark 'FISHBONE & DESIGN' because respondent-applicant conveniently copied both the word mark 'FISHBONE' and the FISHBONE DESIGN mark and made them the dominant and essential elements of its mark 'FISHBONE AND LOGO' and merely reversed the position of the FISHBONE DESIGN.

"f) Moreover, respondent-applicant's mark 'FISHBONE AND LOGO' is used on goods similar or closely related to the goods covered by the opposer's mark 'FISHBONE & DESIGN'.

"g) The uncanny similarity in the marks and the use of respondent-applicant's mark on similar or closely related goods make it very obvious that the respondent-applicant is riding on the international popularity of opposer's mark 'FISHBONE & DESIGN', and is passing off its services as those of the opposer or the public maybe misled to believe that respondent-applicant's mark is connected with or sponsored by opposer herein.

"h) Opposer has spent large sums of money for advertising and popularizing its products using the mark 'FISHBONE & DESIGN', which coupled with opposer's long use and unblemished and esteemed public reputation as a producer, manufacturer and distributor of high quality products, has generated and established an immense and valuable goodwill for its mark 'FISHBONE & DESIGN' the world over.

"i) Clearly, the use and registration of the mark 'FISHBONE AND LOGO' by respondent-applicant will likely cause the business reputation of opposer to be confused with and put at the mercy of the respondent-applicant because of the gradual whittling away or dispersion of the identity and hold upon the public of the mark 'FISHBONE & DESIGN' created by herein opposer.

"j) Under the circumstances, the use and registration of the mark 'FISHBONE AND LOGO' by respondent-applicant will amount to a violation of opposer's proprietary rights over the mark 'FISHBONE & DESIGN', will cause great and irreparable injury to opposer and will likely prejudice the public who might mistakenly believe that respondent-applicant's products are those of the opposer's or sponsored by opposer, or originated from or are related to opposer herein.

The Opposer's evidence consists of a certified true copy of german certificate of registration no. 398 26 089; the list of the registrations and applications for registration of the mark "FISHBONE & DESIGN"; copies of the international registration details of registration nos. 702660, 726283 and 702991; the certified true copy of application serial no. 4-1999-005927; and a catalogue of "FISHBONE & DESIGN" products.⁴

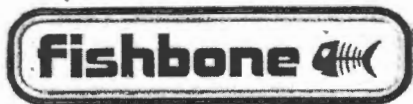
⁴ Marked as Exhibits "A" to "G", inclusive.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 15 June 2010. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark FISHBONE AND LOGO?

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.⁵

The marks are shown below:



Opposer's trademark



Respondent-Applicant's mark

As can be readily observed with a side-by-side comparison of the competing marks, Respondent-Applicant's mark FISHBONE AND LOGO is not only similar, but is identical with Opposer's FISHBONE & DESIGN trademark. Except with the direction or position of the fishbone device and the use of the capital letter "F", the two marks are perfectly identical. Also, the Respondent-Applicant uses or will use the mark on goods that are exactly the same as the goods the Opposer deals in, namely: "clothing, footwear, headgear, outerwear for gentlemen and ladies; children's fashion; clothing for babies, underwear; undergarment; corsetry; hosiery; belts, suspenders, fabrics, scarves, gloves,, headbands; bathing fashion for gentlemen and ladies; clothing for hiking, trekking, outdoor sports and climbing, leisure and city shoes for gentlemen and ladies, children's shoes; shoes for hiking, trekking, outdoor sports and climbing; clothing, footwear and headgear for soccer, basketball, handball and volleyball; clothing for jogging, fitness training and gymnastics; clothing, footwear and headgear for tennis, squash and badminton, clothing, footwear and headgear for horseback-riding; clothing, footwear and headgear for golfing; clothing, footwear and headgear for water sports, particularly for surfing, sailing, rowing, canoeing and diving; clothing, footwear and headgear for skiing, cross-country skiing and snowboarding; clothing, footwear and headgear for ice-

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

skating and ice-hockey" under Class 25. 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.⁶

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.⁷

Records show that Opposer's filing of their Philippine trademark application for FISHBONE & DESIGN on 16 August 1999 preceded the Respondent-Applicant's trademark application by more than 10 years (17 September 2009). However, the application was cancelled due to Opposer's failure to file the 3rd Year Declaration of Actual Use. This Bureau noticed that the goods covered by Respondent-Applicant's trademark application are similar and/or closely related to the Opposer's, particularly, clothing apparel.

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:

⁶ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.

⁷ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Eithea 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).

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.

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.⁸ 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. Noroy Abyadang*⁹, 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 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.

In this instance, the Opposer proved that it is the originator and owner of the contested mark. In contrast, the Respondent-Applicant despite the opportunity given,

⁸ See Sec. 236 of the IP Code.

⁹ G.R. No. 183404, 13 Oct. 2010.

did not file an Answer to defend their trademark application and to explain how he arrived at using the mark FISHBONE AND LOGO which is exactly the same as the Opposer's. 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.¹⁰

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. 4-2009-009390 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, 04 February 2016.



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

¹⁰ *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.