

TRUMP MARKS PHILIPPINES LLC, and
DONALD TRUMP,
Opposer,

-versus-

ESTRELITA LUSANCO,
Respondent- Applicant.

x-----x

}
} **IPC No. 14-2011-00127**
} Opposition to:
} Appln. Serial No. 4-2010-009199
} Date Filed: 20 August 2010
} **TM: "TRUMP"**

NOTICE OF DECISION

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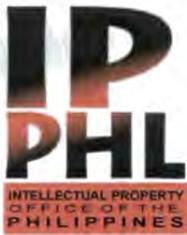
GREETINGS:

Please be informed that Decision No. 2016 - 221 dated June 30, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 01, 2016.

For the Director:

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



TRUMP MARKS PHILIPPINES LLC, and }
DONALD TRUMP, }
} *Opposer,* }
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-*versus-* }
} }
ESTRELITA LUSANCO, }
} *Respondent-Applicant.* }
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IPC No. 14-2011-00127
Opposition to:
Application No. 4-2010-009199
Date Filed: 20 August 2010
Trademark: "TRUMP"

Decision No. 2016- 221

DECISION

TRUMP MARKS PHILIPPINES LLC¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2010-009199. The application, filed by Estrelita Lusanco² ("Respondent-Applicant"), covers the mark "TRUMP" for use on "clothing namely: shirts, pants, jeans, polos, jackets and shorts, footwear namely: shoes, slippers, sandals, headwear namely: hats, caps" under Class 25 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"GROUNDS RELIED UPON FOR THIS OPPOSITION"

"9. The allowance for registration of the mark 'TRUMP' bearing the aforestated details, contravenes Section 123.1 (d) and (f) of Republic Act No. 8293 ('R.A. No. 8293' or the 'IP Code').

"10. The mark 'TRUMP' is identical to and so resembles the Opposer's TRUMP Marks, as to be likely when applied to or used in connection with the Respondent-Applicant's sought-to-be-covered Class 25 goods, to likely deceive or cause confusion with Opposer's goods and/or services bearing its TRUMP Marks.

"11. The use by Respondent-Applicant of the mark 'TRUMP' on goods that are similar, identical or related to the goods/services that are produced by, originate from, offered by, or under the sponsorship of Opposers bearing the latter's TRUMP Marks, will greatly mislead the purchasing/consumer public into believing that Respondent-Applicant's goods are produced by, originate from, or are under the sponsorship of herein Opposers.

"12. Opposers have not abandoned the use of their TRUMP Marks.

¹A corporation duly organized and existing under the laws of the State of Delaware of the USA. Donald J. Trump is a citizen of the U.S.A.

²With address at No. 162 Northwest Ipil Street, Marikina Heights, Marikina City.

³The 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.

"13. Opposers submit that their TRUMP Marks are well-known marks which are entitled to broad protection under Article 6bis of the Paris Convention for the Protection of Industrial Property (the 'Paris Convention') and Article 16 of the Trade-Related Aspects of Intellectual Property (the 'TRIPS Agreement'), to which the Philippines and the USA are signatories. The Opposers' TRUMP Marks meet the criteria laid down under Rule 102 of this Office's Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Container of Goods for determining whether a mark is a well-known one.

"14. The registration of Respondent-Applicant's 'TRUMP' mark contravenes the provisions of R.A. No. 8293, the Paris Convention and the TRIPS Agreement, hence is subject to non-allowance for registration under the pertinent provisions of said laws.

"15. Respondent-Applicant's misappropriation of the 'TRUMP' mark was done in bad faith and is meant to ride on the goodwill and popularity already gained by the Opposer's TRUMP Marks.

"16. In support of this Opposition, Opposers shall prove and rely upon, among others, the following:

"(a) The Opposers are the true owners of the mark 'TRUMP' and its variations all bearing the name/surname 'TRUMP', which have been registered in the Opposer's names and/or are the subjects of applications for registration. A representative list of said worldwide registrations as well as selected copies thereof are marked and attached hereto as Exhibits 'D' and 'I' which are identified as parts of Opposer Trump's Affidavit (Annexes 'C' and 'E' thereof), that is marked as Exhibit 'A' to form an integral part hereof. Certified copies of some selected representative examples of the Opposer Trump's registrations for the TRUMP Marks duly issued by the Trademark Offices in the United States, Canada, South Korea and the Office for Harmonization in the Internal Market (CTM Register) are marked and attached hereto as Exhibits 'E' to 'G' to form integral parts hereof.

"(b) The following are the details of the Philippine registrations issued in Opposer's names by this Honorable Office's Bureau of Trademarks:

x x x

"(c) Apart from the foregoing, Opposers also filed applications for registration with this Office, bearing the following details:

x x x

"(d) Opposer Trump has been commercially using the TRUMP Marks in the United States and elsewhere around the world since as early as approximately 1972, which use antedates the use, if any, made of Respondent-Applicant of her 'TRUMP' mark.

"(e) The Opposers are the originators of the TRUMP Marks and have distributed, offered for sale and/or sold diverse products/services bearing the TRUMP Marks in many jurisdictions around the world for a number of years. The Opposers' extensive worldwide use of their TRUMP Marks is further detailed in Opposer Trump's duly executed,

notarized and legalized Affidavit that is marked and attached hereto as Exhibit 'A' to form an integral part hereof. By way of example of Opposer Trump's worldwide reputation in respect of a diverse range of TRUMP-branded goods, Opposer Trump's worldwide sales of various TRUMP-branded goods (including clothing, eyewear, furniture, etc.) in 2010 exceeded US \$29 million, in 2009 exceeded US\$28 million, in 2008 exceeded US\$30 million, and in 2007 exceeded US\$27 million.

"(f) In further support of Opposer's claim that their TRUMP Marks have gained international notoriety, they assert that they have spent hundreds of thousands of dollars marketing and advertising their various TRUMP-branded goods, including TRUMP-branded apparel. For example, Opposer Trump has undertaken and made extensive publicity and promotions of the TRUMP Marks in numerous internationally-circulated publications. Selected sample original promotional materials as well as copies of just a few selected representative advertisements and promotional materials, are marked and attached herewith as Opposers' Exhibits 'B' to 'C', to form integral parts hereof. The duly executed, notarized and legalized Affidavit of Opposer Trump as a witness in this case that is identified as Opposers' Exhibit 'A' in sub-paragraph 16 (a) supra, includes copies/webpage print-outs of sample advertisements featured in various publications/Opposers' website made around the world.

"(g) With particular respect to Class 25 goods bearing the TRUMP Marks, Opposer Trump has had strong sales of such goods in the USA and elsewhere around the world, and has invested a considerable amount in advertising/promoting such goods, including hundreds of thousands of dollars spent on marketing and advertising TRUMP-branded apparel. Further, worldwide sales of TRUMP-branded apparel have exceeded the following approximate amounts:

x x x

"(h) By virtue of the prior and continued use of the TRUMP Marks around the globe made by herein Opposers, said Marks have become popular and internationally well-known and have established valuable goodwill for Opposers with the general purchasing/consumer public, which have identified Opposers as the owners and the sources of goods and services bearing said TRUMP Marks.

"(i) In connection with Opposers' policy to protect their rights over their TRUMP Marks, Opposer Trump has successfully prevailed before various international authorities, in relation to the said Opposer Trump's protection and enforcement of the TRUMP Marks, including for example in trademark opposition proceedings in Costa Rica and Taiwan as well as in numerous Uniform Domain-Name Dispute-Resolution Policy proceedings and National Arbitration Forum decisions. In support of this assertion, attached and marked hereto collectively as Opposers' Exhibit 'J' to form integral parts hereof, are true copies of these decisions wherein Opposer Trump has prevailed.

x x x

The Opposer's evidence consists of the Affidavit of Opposer Donald J. Trump; a brochure for Trump Ocean Club, International Hotel & Tower, Punta Pacifica, Panama; a brochure entitled "Welcome Home", TRUMP Toronto; a brochure for TRUMP TOWERS Istanbul-Sisli, Bulten, Kasim 2009, a brochure entitled "TRUMP WAIKIKI LIFE" for TRUMP INTERNATIONAL HOTEL & TOWER WAIKIKI BEACH WALK; a brochure for TRUMP INTERNATIONAL HOTEL LAS VEGAS; a brochure for TRUMP INTERNATIONAL GOLF CLUB; the Affidavit of Ieva Rozens; list of applications filed/registrations obtained by the Opposers for the "TRUMP" name and marks; a copy of United States Trademark Reg. No. 3, 687, 022 for the "TRUMP" mark in Class 25 issued in Opposer Trump's name by the United States Patent and Trademark Office; a copy of Canadian Trade Mark Reg. No. TMDA54846 for the "TRUMP" mark in Class 25 issued in Opposer Trump's name by the Canadian Intellectual Property Office; a copy of Canadian Trade Mark Reg. No. TMA 732, 086 for the "TRUMP" mark issued in Opposer's Trump's name by the Canadian Intellectual Property Office; copies of Service Mark Reg. No. 0159306 for the "TRUMP" mark together with the English translation thereof issued in Opposer Trump's name by the Korean Intellectual Property Office; a copy of Trademark Reg. No. 4-2008-005580 for "TRUMP INTERNATIONAL HOTEL" issued in Opposer Trump's name by the Intellectual Property Office of the Philippines; a copy of Trademark Reg. No. 4-2008-001033 for "TRUMP TOWER" issued in Opposer Trump Marks Philippines LLC's name by the IPOPHL; a copy of Trademark Reg. No. 4-2008-006069 for "TRUMP RESIDENCES" issued in Opposer Trump Marks Philippines LLC's name by the IPOPHL; a copy of Trademark Reg. No. 4-2008-006070 for "TRUMP PLAZA" issued in Opposer Trump Marks Philippines LLC's name by the IPOPHL; a copy of Trademark Reg. No. 4-2008-006071 for "TRUMP PLACE" issued in Opposer Trump Marks Philippines LLC's name by the IPOPHL; a copy of Trademark Reg. No. 4-2008-006072 for "TRUMP WORLD" issued in Opposer Trump Marks Philippines LLC's name by the IPOPHL; a copy of Trademark Reg. No. 4-2008-006073 for "TRUMP MAKATI" issued in Opposer Trump Marks Philippines LLC's name by the IPOPHL; application documents for Trademark Application No. 4-2010-007726 for "TRUMP" filed with the IPOPHL in the name of Opposer Trump Marks Philippines LLC; application documents for IPOPHL Trademark Application NO. 4-2011-001220 for "DONALD J. TRUMP SIGNATURE COLLECTION" in Class 25 filed in Opposer Trump's name; the Affidavit of Ieva Rozens to which are attached copies of selected registration certificates for the "TRUMP" marks; and the Affidavit of Ieva Rozens to which are attached copies of selected Decisions rendered by various international authorities concerning oppositions, and other enforcement actions taken against infringing third party marks.⁴

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

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 13 May 2011. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark TRUMP?

Sec. 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides:

Sec. 123. Registrability. - 123.1. A mark cannot be registered if it:

x x x

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of :

- (i) The same goods or services, or
- (ii) Closely related goods or services, or
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;"

A comparison of the competing marks reproduced below:

DONALD J. TRUMP
SIGNATURE COLLECTION

TRUMP

TRUMP

Opposer's trademark

Respondent-Applicant's mark

shows that confusion is likely to occur. What draws the eyes and the ears with respect to Opposers' marks is the word "TRUMP". Respondent-Applicant's mark TRUMP adopted the dominant feature of Opposers' trademarks, which is the word or Opposer's DONALD J. TRUMP surname, "TRUMP". "TRUMP" is the prominent, in fact, the definitive feature of the Opposers' trademarks "DONALD J. TRUMP SIGNATURE COLLECTION" and "TRUMP" covered under Trademark Registration No. 4-2011-001220 and Trademark Registration No. 4-2010-007226 respectively. Trademark Application No. 4-2010-009199 covers "*clothing namely: shirts, pants, jeans, polos, jackets and shorts, footwear namely: shoes, slippers, sandals, headwear namely: hats, caps*" under Class 25, product or goods which the Opposer deals in under its TRUMP trademarks, namely, clothing, namely, men's suits and suit separates, dress shirts, t-shirts, collared shirts, long sleeved shirts, jerseys, polo shirts, casual shirts, tuxedo shirts, tank tops, nightwear, night shirts, pajamas, robes, underwear, undergarments, boxer shorts, sweaters, cardigans, pullovers, sweatshirts, vests, coats, jackets, blazers, outerwear, trench coats, rain coats, anoraks, parkas, overcoats, swimsuits, beachwear, bathing suits, neckwear, ties, neckties, neckerchiefs, bow ties, ascots, pocket squares, handkerchiefs,

pants, trousers, shorts, sport pants, jeans, slacks; articles of sports clothing, namely, jumpsuits jogging suits, tennis wear, gym shorts, gym shirts, baseball jackets, golf shirts, golf pants, golf shorts, tennis shirts, tennis pants, tennis shorts, ski suits, ski bibs, ski pants; footwear, namely, shoes, sneakers, sandals, boots, sports shoes, slippers, running shoes, espadrilles; headgear, namely, hats, caps, visors, turbans, berets, headbands; suspenders, belts, scarves, gloves, mittens, socks, shawls, cummerbunds, all in Class 25. It is likely therefore, that a consumer who wishes to buy clothing or apparel and is confronted with the mark TRUMP, will think or assume that the mark or brand is just a variation of or is affiliated with the Opposers' TRUMP trademarks.

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.⁵

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.⁶

The Respondent-Applicant's filing of their trademark application in the Philippines for Class 25 may be earlier than the Opposer's, but the latter raises the issues of trademark ownership, fraud and bad faith on the part of the Respondent-Applicant.

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

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

⁶ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepta 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).

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.

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.⁷ 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 *Shen Dar Electricity Machinery Co., Ltd. v. E.Y. Industrial Sales Inc., Engracio Yap, et. al.*,⁸, the Director General held:

The IP Code adheres to the existing rationale of trademark registration. That is, certificates of registration should be granted only to the real owners of trademarks. While the 'First-to-File' rule is the general rule for trademark applications filed under and governed by RA 8293, it is not to be applied if there is a determination in appropriate proceedings:

1. That the 'first-filer' is not the owner of the trademark or is not authorized by the owner to procure registration of the trademark in his, her, or its favor; or
2. That the adoption and/or use by the 'first-filer' of the trademark, even in good faith, is preceded by an actual use by another, also in good faith, prior to the taking into force and effect of RA. 8293.'

In this instance, the Opposer proved that he is the originator and owner of the contested mark. As stated, "Opposer Donald J. Trump operates a world-renowned

⁷ See Sec. 236 of the IP Code.

⁸ Appeal No. 14-06-09 dated 28 May 2007.

international business of real estate development...These high-profile real estate development projects all bear the "TRUMP" name/mark and are developed, maintained and/or operated by Opposer Trump's company and affiliates, not only in the USA, but in countries around the world..."⁹ It is underscored that Opposers' mark is being used not only for real estate development, but also on goods under Class 25 long before the Respondent-Applicant filed a trademark application. The Respondent-Applicant despite the opportunity given, did not file an Answer to defend her trademark application and to explain how she arrived at using the mark TRUMP which is exactly the same as the Opposer's. In fact, TRUMP is not only as a trademark but also part of the Opposers' trade name or business name. Trade names or business names are protected under Section 165 of the IP Code. 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. 4-2010-009199 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, 30 JUN 2016


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

⁹ Paragraph 2 of the Opposition.

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