

EL GRECO LEATHER PRODUCTS CO., INC. and IP HOLDINGS LLC, Petitioner.

-versus-

ZENCO SALES, INC., Respondent-Registrant. IPC No. 4307

Petition for Cancellation of: Reg. No. 59718 Date Issued: 10 January 1995

TM: CANDIE'S

NOTICE OF DECISION

}

}

AGCAOILI AND ASSOCIATES

Counsel for Petitioner 7th Floor, Citibank Center Paseo de Roxas, Makati City

O.M. MANAHAN AND ASSOCIATES

Counsel for Respondent- Registrant Unit 709, 7th Floor Globe Telecom Plaza II Pioneer Street, Mandaluyong City

GREETINGS:

Please be informed that Decision No. 2016 - 467 dated 16 December 2016 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 20 December 2016.

hitryd

MARÍLYN F. RETUTAL IPRS IV Bureau of Legal Affairs



-versus-

EL GRECO LEATHER PRODUCTS CO., INC. and IP HOLDINGS LLC,

Respondent-Registrant.

ZENCO SALES, INC., Petitioner,

Х-

-versus-

EL GRECO LEATHER PRODUCTS CO., INC. and IP HOLDINGS LLC,

Respondent-Registrant.

IPC No. 14-2014-00001 Petition for Cancellation of: Reg. No. 4-1980-043019 Date Issued: 16 December 2005

TM: CANDIE'S

IPC No. 14-2014-00002 Petition for Cancellation of: Reg. No. 4-1981-043932 Date Issued: 05 August 2004

TM: CANDIE'S

NOTICE OF DECISION

}

}

}

O.M. MANAHAN AND ASSOCIATES

Counsel for Petitioner Unit 709, 7th Floor Globe Telecom Plaza II Pioneer Street, Mandaluyong City

AGCAOILI AND ASSOCIATES

Counsel for Respondent- Registrants 7th Floor, Citibank Center Paseo de Roxas, Makati City

GREETINGS:

Please be informed that Decision No. 2016 - $\frac{467}{16}$ dated 16 December 2016 (copy enclosed) was promulgated in the above entitled case.

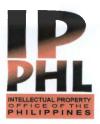
Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 20 December 2016

MARILYN F. RETUTAL

IPRS IV Bureau of Legal Affairs

Republic of the Philippines INTELLECTUAL PROPERTY OFFICE Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio, Taguig City 1634 Philippines •www.ipophil.gov.ph T: +632-2386300 • F: +632-5539480 •mail@ipophil.gov.ph



EL GRECO LEATHER PRODUCTS CO., INC.	}IPC NO. 4307
	Cancellation of :
Petitioner,	Registration No. 59718
	}Date of Reg.: 10 January 1995
-versus-	} Trademark: CANDIE'S
	}
ZENCO SALES, INC.,	}
Respondent.	}
XX	}
	}
) }
ZENCO SALES, INC.,	} IPC NO. 14-2014-00001
	Cancellation of:
	Registration No. 4-1980-043019
-versus-	} Date of Reg. 16 December 2005
	Trademark: CANDIE'S
EL GRECO LEATHER PRODUCTS CO., INC.	}
And IP HOLDINGS LLC.,	} }
Respondent.	}
Xx	}
	}
ZENCO SALES, INC.,	} IPC NO. 14-2014-00002
	Cancellation of:
-	Registration No. 4-1981-043932
	} Date of Reg. 5 August 2004
	Trademark: CANDIE'S
EL GRECO LEATHER PRODUCTS CO., INC.	
And IP HOLDINGS LLC.,	}
XX	Decision No. 2016 447
··	100131011 NO. 2010- <u>TV /</u>

DECISION

IP HOLDINGS LLC (Petitioner)¹and/EL GRECO LEATHER PRODUCTS CO., INC. filed an Amended Petition for Cancellation of Registration No. 59718, pursuant to Resolution No. 2008-09 dated 17 September 2008, which ordered the Petitioner to file amend its Petition if necessary. The registration, in the name of ZENCO SALES, INC., (Respondent-Registrant)², covers the mark "CANDIES", for

¹ A limited liability company organized and existing under the laws of the State of Delaware, with address at 103 Foulk Road, Wilmington, Delaware 19803² A corporation organized and existing under the laws of the Philippines with address at 6th Floor, King's

Court Bldg., Pasong Tamo, Makati City

use on "rubber shoes, sandals" under Class 25 of the International Classification of $Goods^3$.

Based on records, a Verified Petition for Cancellation and/or Compulsory Assignment was filed by Petitioner on 1 July 1997. A Notice to Answer was issued and in the meantime, the Respondent requested to be furnished copies of the verified petition for cancellation. Order No. 97-572 dated 16 October 1997 granted Respondent's request and Order No. 97-545 dated 23 October 1997 required the Petitioner to furnish the Respondent copies of the annexes of its petition. BPTTT Order No. 99-349 dated 7 July 1999 admitted the Respondent's Motion to Admit Answer. The Notice of Pre-Trial dated 22 September 1999 set the pre-trial on 17 November 1999 at 2:00 pm. For failure of the parties to appear, Order No. 99-625 dated 1 December 1999 was issued requiring the parties to explain why the case should not be dismissed for failure to prosecute. Order No. 2000-132 dated 16 February 2000 dismissed the case for failure to prosecute. A Motion for Reconsideration of said order was filed on 9 March 2000. The Petitioner filed a request for reconstitution of the records of the subject case as the same could no longer be located. In said Resolution No. 2008-09 dated 17 September 2008, the Bureau granted the Motion for Reconsideration of Order No. 2000-132, which dismissed the petition for cancellation filed by EL GRECO LEATHER PRODUCTS CO., INC. against ZENCO SALES, INC. for failure to prosecute. In said Resolution, the Petitioner was allowed to amend its petition for cancellation, pursuant to Section 7 of Office Order No. 79, Series of 2005 and submit, as necessary, affidavits of witnesses, supporting documents and evidences.

The Petitioner relied on the following grounds in support of its Amended Petition for Cancellation dated 30 October 2008:

- "A. The registration of Respondent's trademark was obtained fraudulently and/or misrepresentation.
- "B. The Respondent does not have the right to register its trademark under Section 4 (d) of Republic Act 166 and under Section 4 (d) Republic Act 166 and under Section 123 and 123.1 (par. (d), (i), (ii) and (iii) of the Intellectual Property Code.
- "C. The Respondent's continued use in commerce of the trademark CANDIE'S amounts to an infringement of Petitioner's intellectual property rights.
- "D. The Petitioner's goods are identical or related to those of Respondent and the latter's use of the marks thereon will likely mislead the buying public into believing that its goods are produced by, originate from, or are under the sponsorship of the Petitioner.

The Petitioner alleges, among other things, the following:

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

"1. The Petitioner is the registered owner of the trademark CANDIE'S used on 'CLOTHING, NAMELY: SHIRTS, UNDERWEAR, SWEATERS AND SPORTSWEAR FOR CHILDREN, WOMEN AND MEN, INCLUDING BOOTS, SHOES AND SLIPPERS, covered by Certificate of Registration No. 4-1980-043019 dated October 23, 2005, issued by the Intellectual Property Office of the Philippines ('IPO').

Petitioner's other Application No. 4-1981-043932 for the trademark CANDIE'S dated February 6, 1981 was recently found allowable for issuance of a certificate of registration by the IPO as evidenced by the Notice of Issuance and Publication Fee bearing mailing date September 29, 2008, Petitioner subsequently paid in full the required issuance and publication fee on October 2, 2008.

"2. The trademark CANDIE'S was originally filed for registration in the Philippines on October 30, 1980 and February 6, 1981 by El Greco Leather Products Co., Inc. ('El Greco', for brevity), a corporation organized and existing under the laws of the State of New York, U.S.A., with business address at No. 2 Harbor park Drive, Port Washington, new York, U.S.A. xxx

"3. El Greco assigned its rights, title and interest over Application Serial Nos. 43019 and 43932 in favor of Candie's Inc. under Separate Assignments of Application for Registration of Trademark both September 14, 1999 xxx

Both Assignments of Application for Registration of Trademark were duly registered with then Bureau of Patents, Trademarks and Technology Transfer on 22 October 1999 as indicated therein.

"4. Application Serial Nos. 43019 and 43932 were subsequently assigned by Candie's Inc. in favor of the Petitioner in 2002 under a Trademark Assignment Agreement which was duly registered with the IPO. Xxx

"5. As successor-in-interest particularly of the original applicant El Greco, the Petitioner acquired the latter's prior rights over the trademark CANDIE'S. xxx

"6. Petitioner's predecessor-in-interest El Greco is the first owner and user of the trademark CANDIE'S used on 'clothing, including boots, shoes and slippers'.

"7. The trademark CANDIE'S has been continuously used by El Greco on goods covered by the cited registrations/applications and has become known throughout the world in relation to and in association with the name of El Greco. xxx"

To support its petition, the Petitioner submitted as evidence the following:

- Copies of Certificate of Registration No. 4-1980-043019 dated October 23, 2005 and Notice of Issuance and Publication Fee with mailing date of 29 September 2008;
- 2. Copies of Application Serial Nos. 43019 and 43932;
- 3. Copies of Assignments of Application for Registration of Trademark registered with the Bureau of Patent Trademark and Technology and Transfer dated 22 October 1999;
- 4. Copy of Trademark Assignment Agreement executed by Candie's Inc. in favor of Petitioner;
- 5. Copy of Response to Official Action Paper dated 13 August 2013;
- 6. Copies of Official Action dated 7 August 1996 and Compliance;
- 7. Specimen of trademark CANDIE'S; and
- 8. Sworn Statement of Andrew R. Tarshis dated 30 October 2008⁴

The Respondent-Registrant filed its Verified Answer (To the Verified Petition for Cancellation dated July 1, 1997) and Petition for Cancellation of Trademark Registrations (CANDIE'S Registration No. 4-1980-043019 and CANDIE'S Registration No. 4-1981-043932) on 19 June 2013, alleging among other things, the following affirmative allegations and defenses:

"9. Under the law, ownership of a mark shall be acquired through actual use of the mark in commerce in the Philippines. Under this first-to-use' system of trademark ownership, actual use of the mark in the Philippines shall be the basis of ownership and exclusive rights to the mark.

"10. Respondent Zenco Sales, Inc. is the owner of the trademark 'CANDIE'S' covered by Trademark Registration No. 59718 for goods falling under Class 25 Specifically for rubber shoes and sandals based on its application filed last December 2, 1991 and registered for 20 years from January 10, 1995. Xxx

"11. Respondent Zenco Sales, Inc. used the trademark 'CANDIE'S' since June 2, 1976 and had consequently established the trademark's reputation and its business goodwill as the manufacturer of its own designs and brand of footwear products through hard and honest work.

"12. Respondent Zenco Sales, Inc. has Copyright Registration No. 08570 for CANDIE'S for the copyrighted work first published in the Philippines on February 2, 1979. Xxx

"13. The trademark examiner had ascertained the prior use by Respondent Zenco Sales, Inc. of CANDIE'S since June 2, 1976 as its date of first use and such is stated in Certificate of Registration No. 59718 which are findings of facts falling

⁴ Annexes "A" to "N"

under her exclusive jurisdiction made by a trademark examiner during the substantive examination and are consequently accorded great respect. $x \times x$

"15. The Trademark Examiner, applying her expertise in the technical evaluation, had recommended the grant of the application because the Respondent Zenco Sales, Inc. complied with the requirement of 'first-to-use' in the Philippines which is the basis for acquiring trademark ownership and the acquisition of exclusive trademark rights having used the trademark CANDIE'S since June 2, 1976. xxx

"17. IP Holdings LLC had admitted in paragraph 16 thereof that they had used the mark CANDIE'S in the Philippines only on August 14, 1980 or after the Respondent Zenco Sales, Inc. date of first use last June 2, 1976. xxx

"19. Respondent Zenco Sales, Inc. is the first user and the first registrant of the trademark CANDIE'S under Class 25.

"20. Petitioner alleged that the first sale of goods bearing the mark CANDIE'S in international commerce was September 1, 1965. However, the alleged foreign sale is of no moment because Act No. 166 requires the actual use in commerce in the Philippines.

"21. Petitioner is not a foreign trademark registrant of 'CANDIE'S' under Section 37, Republic Act. No. 166. Petitioner's claimed use of the mark in international commerce on September 1, 1965 cannot ripen into trademark ownership because Petitioner has not acquired any right under Republic Act No. 166 because Petitioner has no foreign application and/or foreign trademark registration. xxx

Respondent-Registrant alleged the following in support of its petition for cancellation:

"32. Respondents El Greco Leather Products, Inc. and IP Holdings LLC cannot legally be issued their trademark registrations because their 'CANDIE'S' mark resemble a mark or trade-name already previously registered to Petitioner in the Philippines.

"33. Petitioner Zenco Sales, Inc. trademark CANDIE'S covered by Registration No. 59718 registered last January 10, 1995 while Petitioner's confusingly similar trademark CANDIE'S with Registration No. 4-1980-043019 and CANDIE'S with Registration No. 4-1981-043932 were registered last December 16, 2005 and August 5, 2004, respectively.

"34. Respondents El Greco Leather Products Co., Inc. and IP Holdings, LLC cannot legally be issued the trademark registrations for 'CANDIE'S' because their 'CANDIE'S' mark resemble a mark or trade-name already previously used in the Philippines by Petitioner Zenco Sales, Inc.;

"35. Petitioner Zenco Sales, Inc. trademark CANDIE'S with Registration No. 59718 was first used in the Philippines on June 2, 1976 while Respondent's confusingly similar trademark Candie's with Registration No. 4-1980-043019 and Registration No. 4-1981-013932 were used only in the Philippines on August 14, 1980 as admitted in Paragraph 16 of their Amended Petition.

Petitioner Zenco Sales, Inc. trademark CANDIE'S with Registration No. 59718 was not abandoned nor cancelled and in fact it is still very active the 15th Year Affidavit of Use having been filed last January 10, 2011.

"36. Petitioner's Zenco Sales, Inc. is the first user and the first registrant of the trademark CANDIE'S in the Philippines. Therefore it has the absolute and exclusive right to have herein Respondent's above registrations ancelled pursuant to Republic Act No. 166, as amended.xxx"

The Respondent-Registrant submitted as evidence, the following:

- 1. Certified true copy of Certificate of Registration No. 59718 for the mark "CANDIE'S" issued on 10 January 1995;
- 2. Copy of Certificate of Copyright Registration issued on 19 July 1989;
- 3. Certification issued by the IPO on 10 June 2013 regarding the mark "CANDIE'S (Registrant: Zenco Sales, Inc.);
- 4. Certification issued by the IPO on 10 June 2013 regarding the mark "CANDIE'S (Registrant: IP Holdings LLC);
- 5. Affidavit of Victoriano T. Brito dated 17 June 2013; and
- 6. Affidavit of Rufino Go dated 17 June 2013.⁵

On 14 February 2014, IP Holdings LLC (Respondent in the Petition for Cancellation of Registration No. 4-1980-043019 and Registration No. 4-1981-043932) filed its Answer *Ad Cautelam*, which is admitted herein, for IPC No. 14-2014-0001 and IPC No. 14-2014-00002. It raised the following special and affirmative defenses:

"2. Respondent's predecessor –in-interest, El Greco Leather Products Co., Inc. ('El Greco') is the first owner, user and originator of the trademark CANDIE'S used on 'clothing, including boots, shoes and slippers'. El Greco has continuously owned and used the said trademark worldwide. As successor-in-interest of El Greco, Respondent acquired the latter's prior rights over said trademark.

"3. Petitioner Zenco had no right to register its confusingly similar, if not identical CANDIE'S trademark, since it is not the owner thereof. Petitioner Zenco may have been in bad faith in registering its trademark having knowledge of the prior creation, use and/or registration worldwide of Respondent's trademark. Furthermore, fraud may have been committed by Petitioner Zenco by making false claims in connection with its trademark application and registration."

⁵ Exhibits "1" – "7" with submarkings

The Respondent IP Holdings LLC submitted as evidence, the Affidavit of Neil Cole dated 17 December 2013⁶.

At the Preliminary Conference, the parties requested for the consolidation of IPC Case No. 14-2014-0001 and IPC Case No. 14-2014-0002 which was granted under Order No. 2015-803 dated 21 May 2015. In view of the termination of the preliminary conferences in IPC Case No. 4307; IPC Case No. 14-2014-0001 and IPC Case No. 14-2014-0002 on December 3, 2015, the parties were directed to submit position papers. In IPC Case No. 4307, the Petitioner and Respondent filed their position papers on 22 January 2016 and 17 December 2015, respectively. In IPC Case No. 14-2014-0001 and IPC Case No. 14-2014-0002, the Petitioner (ZENCO SALES) and Respondent (IP HOLDINGS) filed their position papers on 17 December 2015 and 27 January 2016, respectively.

Should the Respondent-Registrant's, (ZENCO SALES, INC.) trademark registration for CANDIE'S be cancelled? Should the Petitioner/Respondent's (EL GRECO LEATHER PRODUCTS CO., INC./ IP HOLDINGS LLC) trademark registrations for the mark CANDIE'S be cancelled? The issues in the cases will be discussed simultaneously.

The competing marks, depicted below, are identical:

Petitioner/Respondent's marks (LLP HOLDINGS LLC)

Registration No. 4-1981-043932

Registration No. 4-1980-043019



andie's

Respondent-Registrant's mark (ZENCO) Registration No. 59718

andie's

The law at the time the contending marks were filed is Republic Act No. 166, as amended. The system of trademark registration under the old law is based on the first-touse. Respondent-Registrant's (ZENCO SALES, INC.) mark application for the mark CANDIE'S was filed and registered issued under the old trademark law regime. Section 2-A Republic Act 166, provides:

⁶ Exhibit "1" with submarkings

Sec. 2. A. Ownership of trade- marks, trade- names, and service-marks, how acquired.- Anyone who lawfully produces or deals in merchandise of any kind or who engages in lawful business, or who renders any lawful service in commerce, by actual use thereof in manufacture or trade, in business and in the service rendered, may appropriate to his exclusive use a trade-mark, a trade name or a service mark not so appropriated by another, to distinguish his merchandise, business, or service from the merchandise, business of others. The ownership or possession of a trade-mark or a trade-name, service-mark heretofore or hereafter appropriated, as in this section provided, shall be protected in the same manner and the same extent as are other property rights known to the laws.

Respondent-Registrant having adopted and used the mark CANDIE'S as early as 2 June 1976, is the rightful owner of the mark CANDIE'S for goods under class 24, particularly "rubber shoes, sandals". Its witnesses, Rufino Go⁷ and Victoriano Brito⁸, attested to the continued manufacture and sale of footwear bearing the CANDIE'S mark. On the other hand, Petitioner first used the CANDIE'S marks in the Philippines on 14 August 1980. Petitioner/Respondent, (IP HOLDINGS LLC) showed registrations obtained from various countries abroad and the history of the mark, advertisements in magazines and promotional activities in New York.⁹ The Supreme Court in Kabusihiki Kaisha v. Intermediate Appellate Court explains:

"The mere origination or adoption of a particular tradename without actual use thereof in the market is insufficient to give any exclusive right to its use (Johnson Mfg. Co. v. Leader Filing Stations)

As between the parties, Respondent-Registrant, ZENCO SALES, INC. first used the mark CANDIE'S in commerce in the Philippines. Admittedly, Petitioner's first use in the Philippines was only in 1980.

Moreover, Respondent-Registrant is qualified to register its mark under Section 2 of R.A. 166, which states:

Sec. 2. What are registrable. - Trade-marks, trade-names and service-marks owned by persons, corporations, partnership or associations domiciled in the Philippines and by persons, corporations, partnerships or associations domiciled in any foreign country may be registered in accordance with the provisions of this Act: Provided, That said trade-marks, trade-names and service-marks are actually in use in commerce and services not later than two months in the Philippines before the time of the applications for registrations are filed: And provided, further, That the country of which the applicant for registration is a citizen grants by law substantially same privileges to citizens of the Philippines, and such fact is officially certified , with a certified true copy of the foreign law translated into the English language, by the Government of the foreign country to the government of the Republic of the Philippines.

⁷ Exhibit "7"

⁸ Exhibt "6"

⁹ Exhibit "1"- Annexes 2-6; 9-15; 25-37

The approval by the trademark examiner of Respondent-Registrant's application necessarily implies the sufficiency on the finding of Respondent-Registrant's first use. In the case of Amigo Manufacturing, Inc. v. Cluett Peabody Co.¹⁰

As to the actual date of first use by respondent of the four marks it registered, the seeming confusion may have stemmed from the fact that the marks have different dates of first use. Clearly, however, these dates are indicated in the Certificates of Registration.

In any case, absent any clear showing to the contrary, this Court accepts the finding of the Bureau of Patents that it was respondent which had prior use of its trademark, as shown in the various Certificates of Registration issued in its favor. Verily, administrative agencies' findings of fact in matters falling under their jurisdiction are generally accorded great respect, if not finality. Thus, the Court has held:

"x x x. By reason of the special knowledge and expertise of said administrative agencies over matters falling under their jurisdiction, they are in a better position to pass judgment thereon; thus, their findings of fact in that regard are generally accorded great respect, if not finality, by the courts. The findings of fact of an administrative agency must be respected as long as they are supported by substantial evidence, even if such evidence might not be overwhelming or even preponderant. It is not the task of an appellate court to weigh once more the evidence submitted before the administrative body and to substitute its own judgment for that of the administrative agency in respect of sufficiency of evidence."

Evidently, Respondent-Registrant's Certificate of Registration No. 59718¹¹ was granted under R.A. 166. Thus, trademark rights acquired under R.A. 166 are preserved notwithstanding the passage of Republic Act. No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"). Accordingly, Section 236 of the IP Code states:

Sec. 236. Preservation of Existing Rights. Nothing herein shall adversely affect the rights on the enforcement of rights in patents, utility models, industrial designs, marks and work, acquired in good faith prior to the effective date of the Act.

The Petitioner alleges that at the time the Respondent-Registrant filed its application, its own trademark applications namely, Application Serial Nos. 43019 and 43932 were already pending approval. It asserts that the Respondent-Registrant mislead the trademark examiner that Petitioner's applications have been abandoned.¹² This deserves scant consideration because the actions of trademark examiners are accorded the presumption of correctness. They possess the qualifications and expertise to examine marks and have at their disposal, the records to verify the allegations of trademark applicants. While it is true, that the Petitioner was the first to file applications for its mark CANDIE'S on 30 October 1980 and 6 February 1981, the governing law at the time grants registration on the basis of priority in use.

¹⁰ G.R. No. 139300, 14 March 2001

¹¹ Exhibit "1"

¹² Exhibit "I"

Respondent-Registrant (ZENCO SALES) contends that the CANDIE'S marks of Petitioner under Certificate of Registration No. 4-1981-043932 issued on 5 August 2005 under and Certificate of Registration No. 4-1980-043019 issued on 16 December 2005 should be cancelled being contrary to Section 4(d) of R.A. 166.

In this regard, the governing law is the IP Code, under which Petitioner's marks were registered. Section 4(d) of the IP Code states:

Sec. 123.1 (d) of the IP Code provides that a mark cannot be registered if it:

(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.

Corollarily, Section 138 of the IP Code states:

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 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.

Since Registration No. 59718 for the mark "CANDIE'S" dated 10 January 1995 precedes Petitioner's registration, Respondent-Registrant is entitled to exclusive proprietary rights over the mark CANDIES for goods under Class 25 particularly, "rubber shoes and sandals". This notwithstanding, the registrations of the Petitioner includes goods which are not specified in Respondent-Registrant's certificate. Thus, the Petitioner's Registration No. 4-1980-043019 dated 16 December 2005¹³ for "Clothing, namely: shirts, underwear, sweaters and sportswear for children, women and men" remain valid. Likewise, Petitioner's Registration No.4-1981-04392 issued 5 August 2004¹⁴ for the following goods: "Clothing", which are not specified in Respondent-Registrant's certificate remain valid. Since the evidence show that Respondent (ZENCO SALES, INC.) has not included "CLOTHING" in the goods specified in its registration, Petitioner (IP HOLDINGS LLC) may continue to exercise rights to the mark CANDIE'S for these type of goods, excluding boots, shoes and slippers.

WHEREFORE, premises considered, the instant Petition for Cancellation of Trademark Registration No. 59718 is hereby **DISMISSED**. Trademark Registration No. 59718 remains **VALID**. The Petition for Cancellation of Trademark Registration Nos. 4-1980-043019 and 4-1981-043932 is hereby **PARTLY GRANTED**. Registration No. 4-1980-043019 for the following goods: "BOOTS, SHOES AND SLIPPERS" are **CANCELLED**. Registration No. 4-1981-043932 for the goods: "BOOTS" is

¹³ Annex "A"

14 Exhibit "5"

CANCELLED. Let the filewrapper of the subject trademark registration be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 16 DEC 2016

advain Zare

Atty. ADORACION U. ZARE, LL.M. Adjudication Officer Bureau of Legal Affairs