



INTELLECTUAL PROPERTY
OFFICE OF THE PHILIPPINES

ELIZER M. MEDINA,
Petitioner,

-versus-

LUDINA SANCHEZ,
Respondent-Registrant.

IPC No. 14-2011-00109
Cancellation of:

Registration No. 4-2004-00813
Date of Reg. 26 May 2006

**TM: ELLINE INSIDE A
RIBBON DEVICE**

X-----X

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 368 dated 09 November 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPPL 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, 10 November 2017.

MARILYN F. RETUAL
IPRS IV

Bureau of Legal Affairs

ELIZER M. MEDINA,
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-versus-

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x-----x

} **IPC NO. 14-2011-00109**
 } Cancellation of :
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 } Registration No. 4-2004-00813
 } Date of Registration: 26 May 2006
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 } Trademark: **ELLINE INSIDE**
 } **A RIBBON DEVICE**
 }
 }
 } Decision No. 2017- 368

DECISION

ELIZER M. MEDINA (Petitioner)¹ a Petition for Cancellation of Registration No. 4-2004-00813. The registration, in the name of LUDINA SANCHEZ (Respondent-Registrant)², covers the mark “ELLINE INSIDE A RIBBON DEVICE”, for use on “vinegar, soy sauce, patis, catsup, tomato sauce and hot sauce” under Class 30 of the International Classification of Goods³.

Petitioner anchors this petition for cancellation on the following grounds:

"1. Respondent-Registrant is not the owner (of) the trademark ELLINE INSIDE A RIBBON DEVICE at the time she filed her application on January 29, 2004 and register it with the Bureau of Trademarks on May 26, 2006.

1.1. The trademark ELLINE INSIDE A RIBBON DEVICE is both owned by Petitioner Elizer Medina and respondent Ludina Sanchez, they being business partners and co-owners as they have a common law husband and wife relationship at the time it was filed by respondent Ludivina Sanchez with the Bureau of Trademarks under her own name on January 29, 2004 and register it on May 26, 2006 which is during the existence of petitioner's common law husband and wife relationship with respondent.

"2. E.L. Food Products which was registered with the Department of Trade and Industry as a sole proprietorship in the name of Ludina Sanchez was actually a business partnership between petitioner Elizer Medina and respondent Ludina Sanchez who are business partners and their

¹ Filipino with address at 1 McAllen Apartments Vanessa Homes Bucat, Calamba City

² Filipino with address at 116 del Rosario Street, Olivarez 7 Santo Tomas (Calabuso), Binan, Laguna

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.



relationship as common law husband and wife which started sometime in 1990 up to mid 2009. As common law husband and wife, their relationship is governed by the Rules of Co-ownership in the Civil Code.

Art. 147. When a man and a woman, who are capacitated to marry each other, live exclusively with each other as husband and wife without the benefit of marriage or under a void marriage, their wages and salaries shall be owned by them in equal shares and the property acquired by both of them through their work or industry shall be governed by the rules on co-ownership.

In the absence of proof to the contrary, properties acquired while they lived together shall be presumed to have been obtained by their joint efforts, work or industry and shall be owned by them in equal shares."

"3. The trademark ELLINE INSIDE A RIBBON DEVICE which is an intellectual property recognized and protected in the same manner and to the same extent as are property rights known to the law (R.A. 166 as amended by Republic Act No. 8293) derived from the name of their first born child and used in their business E.L. Food Products during their common law husband and wife relationship as well as business partnership is both owned by petitioner Elizer M. Medina and respondent Ludina Sanchez in accordance with the above quoted provision of the civil code.

"3.1. The fact that they are business partners and the relationship is a common law husband and wife has been categorically admitted by respondent Ludina Sanchez in her Affidavit which she executed on October 14, 2010 and submitted in the case she filed against petitioner Elizer M. Medina with the Bureau of Legal Affairs for Trademark Infringement, docketed as IPV 2010-00015. xxx

"3.2. This relationship was further admitted by Respondent Ludina Sanchez during the hearing of the case on November 9, 2011 in answer to the cross-examination of Counsel for Elizer Medina, as appearing on pp. 35-39 of the transcript of stenographic notes (TSN) of November 9, 2010. xxx

"3.3. The mark ELLINE INSIDE A RIBBON DEVICE is both owned by Petitioner Elizer M. Medina and respondent Ludina Sanchez as it was created and used by the business E.L. Food Products during their common law husband and wife relationship from 1990 up to mid 2009 which was also admitted by Respondent Ludina Sanchez herself in her Affidavit.xxx

"4. Respondent Ludina Sanchez was not the owner of the trademark ELLINE LABEL AND DEVICE bearing Registration No. 420107867 issued on December 9, 2010 by the Bureau of Trademarks to respondent



LUDINA SANCHEZ which she managed to fraudulently register with the Bureau of Trademarks after Petitioner's own applications for registration of the following marks were abandoned due to Elizer M. Medina's inability to file a response to the official actions of Trademark Examiner and, after the common law husband and wife relationship and business partnership between petitioner Elizer M. Medina and Ludina Sanchez was terminated.

"4.1. Petitioner Elizer M. Medina is the owner of the following trademarks as they were his own original concept and creations:

"4.1.1. ELLINE MASARAP NA PINASARAP PA! ENJOY YOUR HEALTH which petitioner filed with the Bureau of Trademarks on 20 July 2009 bearing Serial No. 4-20097141.

"4.1.2. ELLIMED MASARAP NA PINASARAP PA ENJOY YOUR HEALTH which petitioner filed with the Bureau of Trademarks on 16 December 2009 bearing Serial No. 4-2009-12859 under his name.

"4.1.3. ELLIE which he filed with the Bureau of Trademarks on 21 December 2009 bearing Serial No. 4-2009-13085 under his name.

"4.2. Petitioner later found out that the official actions of the Trademark Examiner in the above enumerated were mailed to applicant Elizer Medina at Baker Street, Filinvest, Binan, Laguna where he was formerly residing but which were never forwarded to him by respondent Ludina Sanchez hence, the applications were abandoned for his failure to respond to said official actions.

"5. The trademark ELLINE LABEL & DEVICE which was the original concept or creation of Petitioner was fraudulently applied for and registered by Respondent Ludina Sanchez after Petitioner's own application for the same trademark was abandoned with finality by the Bureau of Trademarks due to non-filing of the required response to Trademark Examiner's official action.

"6. The trademark ELLINE LABEL AND DEVICE is an original concept and creation of Petitioner, which proofing, layout and digital was done by Print Dream Enterprises, which sales invoice was issued on August 30, 2008, upon his approval.

"6.1. The printing of the ELLINE LABEL AND DEVICE done by Print Dream Enterprises was caused by petitioner Elizer Medina, as shown by its Sales Invoice No. 351 dated August 30, 2008 xxx

"6.2. The fact that ELINE LABEL AND DEVICE was printed by Print Dream Enterprise was affirmed by Luzviminda Celestial, the owner of the Print Dream Enterprise, when she was summoned by the Counsel

for Ludina Sanchez to testify at the hearing of the IPV case before the Bureau of Legal Affairs on January 20, 2011.xxx

"7. The trademark ELLINE LABEL & DEVICE which is petitioner's original concept or creation, was fraudulently applied for and registered by Respondent Ludina Sanchez after Petitioner's own application for the same trademark was abandoned with finality by the Bureau of Trademarks due to non-filing of response to Trademark Examiner's official action and after petitioner and respondent's common law husband and wife relationship was terminated."

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

1. Affidavit of Elizer Medina dated 24 March 2011;
2. Copy of Trademark Registration No. 4-2004-00813 issued on 26 May 2006 for the mark "ELLINE INSIDE A RIBBON DEVICE";
3. Affidavit of Ludina Sanchez dated 14 October 2010;
4. Transcript of stenographic notes (TSN) dated 9 November 2010 conducted in IPV Case no. 2010-00015;
5. Copy of Trademark Registration No. 4-2010-7867 issued on 9 December 2010 for the mark "ELLINE LABEL AND DEVICE";
6. Trademark application for the mark "ELLINE MASARAP NA PINASARAP PA! ENJOY YOUR HEALTH" filed by Elizer Medina;
7. Trademark application for the mark "ELLIMED MASARAP NA PINASARAP PA ENJOY YOUR HEALTH" filed by Elizer Medina;
8. Trademark application for the mark "ELLIE" filed by Elizer Medina;
9. Sales Invoice No. 351 dated 30 August 2008 issued by Print Dream Enterprises; and
10. Transcript of stenographic notes of IPV Case No. 19-2010-00015 of the hearing dated 20 January 2011.⁴

The Respondent filed her Answer on 27 July 2011, alleging among other things the following affirmative allegations:

"111.1. While admittedly, Respondent and Petitioner engaged in a common-law relationship until mid-2009, the trademark ELLINE INSIDE A RIBBON DEVICE, hereafter the 'subject mark', is exclusively owned by Respondent to the exclusion of Petitioner and/or any other party.

"111.2. The best evidence is the Certificate of Trademark Registration of the subject mark which is plainly and exclusively under the name of Respondent Ludina N. Sanchez.

"111.3. The same best-evidence has been issued by the BOT-IPPhils in the year 2006, more or less, five (5) years ago since the institution of this Cancellation case.

⁴ Exhibits "A" to "J"

"111.4. For all those years, Petitioner has known and acknowledged that Respondent was the sole and exclusive registrant of the ELLINE INSIDE A RIBBON DEVICE mark in the BOT registry to the exclusion of his person.

"111.5. With such knowledge over a long period of time, Petitioner through the equitable rules of laches, acquiescence, and estoppel, is thus barred to question the exclusive ownership of Respondent over the ELLINE INSIDE A RIBBON DEVICE mark.

"111.6. Respondent applied and sought the registration of the subject mark to the exclusion of Petitioner, to protect her interests, since she suspected that their common - law relationship may not last as alleged in IPV No. 10-2010-00015 pending with this Honorable Office.

"111.7. Indeed, said common law relationship ended around mid-2009.

"111.8. Petitioner never owned and/or co-owned the ELLINE INSIDE A RIBBON DEVICE trademark. The best evidence is Petitioner's underhanded and scheming acts of applying for himself the following marks with the BOT: (a) ELLINE MASARAP NA PINASARAP PA! ENJOY YOUR HEALTH; (b) ELLIMED MASARAP NA PINASARAP PA ENJOY YOUR HEALTH; and ELLIE without the knowledge, consent and/or approval of the Respondent.

"111.9. If Petitioner actually regarded himself as an owner and/or co-owner of the ELLINE INSIDE A RIBBON DEVICE mark, why did he have to apply for the above marks behind the back of Respondent?

"111.10. Said applied marks were also abandoned due to the inattention and slackness of Petitioner towards his own trademark applications with the BOT. Respondent have no responsibility over these applications and cannot be held liable for their eventual abandonment as childishly claimed by Petitioner.

"111.11. The equitable rule of laches, acquiescence, and estoppel would prevent Petitioner for claiming any right over the subject mark- ELLINE INSIDE A RIBBON DEVICE- in addition to the legal adage that 'he who comes to court must do so with clean hands.'

"111.12. Petitioner is now claiming co-ownership of the subject mark since his own 'Elline' trademark applications have been abandoned and he being a defendant in IPV No. 10-2010-00015.

"111.13. This Cancellation case is merely an afterthought, a counter-suit to feign co-ownership of the ELLINE INSIDE A RIBBON DEVICE trademark.

"111.14. While admittedly, Respondent and Petitioner engaged in a common-law relationship until mid-2009, the business name E.L. Food Products, up until its eventual expiration, was a Sole Proprietorship business exclusively under the name of the Respondent to the exclusion of Petitioner and/or any other party.

"111.15. The best evidence is the Department of Trade and Industry (DTI) Certificate of Business Name Registration of said sole proprietorship. xxx

"111.16. Exhibit 1 states the name of the Respondent as the 'sole proprietor' of E.L. Food Products to the exclusion of Petitioner and/or any other party.

"111.17. The same best evidence has been issued by the DTI in the year 2005, more or less, six (6) years ago since the institution of this Cancellation case.

"111.18. For all those years, Petitioner has known and acknowledged that Respondent was the sole and exclusive registrant of the business name E.L. Food Products to the exclusion of his person.

"111.19. Petitioner himself applied for and is using his own sole proprietorship business under the name E.L. Food Manufacturing as shown in his own label.

"111.20. With such knowledge over a long period of time and his subsequent actions, Petitioner through the equitable rules of laches, acquiescence and estoppel, is thus barred to question the exclusive ownership of Respondent over her sole proprietorship business.

"111.21. It is the Respondent, not the Petitioner, who is the owner of the ELLINE LABEL AND DEVICE under Certificate of Registration No. 4-2010-7867.

"111.22. The ELLINE LABEL AND DEVICE is but an off-shoot mark of the previously registered ELLINE INSIDE A RIBBON DEVICE mark which now incorporates the whole label and its features and devices such as the *Masarap na, Pinasarap pa*, New improved with Bitamin B tag lines; Crown device, Export Quality *Tamis Anghang* tag lines; Banana Ketchup label; Banana devic; Enjoy Your Health tag line etc.

"111.23. Thus, on 9 December 2010, the BOT issued the Certificate of Trademark Registration for the ELLINE LABEL AND DEVICE under the name of Respondent.

"111.24. Sales Invoice No. 351 and the Transcripts of Stenographic Notes (TSN) marked as Exhibits 'I' and 'J' respectively, in the Petition neither prove that the Petitioner is the owner-creator of the ELLINE LABEL AND DEVICE trademark.

"111.25. The subject Sales Invoice only proves that it was Petitioner who procured and paid for the printing of the ELLINE LABEL AND DEVICE trademark c/o printing company, Print Dream Enterprises. It does not prove that Petitioner designed the subject label nor was it owner of it.

"111.26. In an Affidavit executed by Print Dream Enterprises owner-proprietor, Ms. Luzviminda A. Celestia dated 12 January 2011, she stated under oath that she was made to understand by Mr. Elizer M. Medina, Petitioner herein that the Job Order for the production and printing of the ELLINE labels had the consent and approval' of the Respondent, Ms. Ludina N. Sanchez.

"111.27. In the said Affidavit, she further stated that around the last quarter of 2010, she found out that Mr. Elizer M. Medina has started his own catsup business.xxx"

The Respondent-Registrant submitted as evidence the following:

1. Copy of Department of Trade and Industry Certificate of Business name Registration No. 00236306;
2. Actual labels of "ELLI" Banana Ketchup;
3. Affidavit of Luzviminda A. Celestial dated 12 January 2011;
4. Transcript of Stenographic Notes taken during the hearing on 20 January 2011 in IPV Case No. 10-2010-00015; and
5. Affidavit of Ludina N. Sanchez dated 26 May 2006.⁵

On 10 January 2012, the Preliminary Conference was terminated and the parties were directed to file their respective position papers. The Petitioner and Respondent-Registrant filed their respective position papers on 27 January 2012 and 19 January 2012, respectively.

The issue raised is whether Respondent-Registrant's trademark registration for ELLINE INSIDE A RIBBON DEVICE be cancelled?

A perusal of the evidence, particularly, the transcript of stenographic notes⁶ in Intellectual Property Violation (IPV) Case No. 10-2010-00015 reveals that the same

⁵ Exhibits "1" to "5"

parties are involved in an administrative complaint which was filed earlier than this instant case. The Bureau takes notice that IPV Case No. 10-2010-00015 filed on 14 October 2010 between Ludina N. Sanchez v. Elizer M. Medina, for trademark infringement, unfair competition and false designation, is a suit that excludes this Hearing Officer to assume jurisdiction over this instant petition for cancellation in accordance with Sec. 151.2 of Republic Act. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"). The IP Code states:

Section 151. Cancellation – 151.1. A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

- (a) Within five (5) years from the date of registration of the mark under this Act.
- (b) At any time if the registered mark becomes the generic name for the goods or services or a portion thereof, for which it is registered or has been abandoned, or its registration obtained fraudulently, or contrary to the provisions of this Act, or if the registered mark is used by, or with the permission of the registrant so as to misrepresent the source of the goods or services or in connection with which the mark is used.

x x x

151.2. Notwithstanding the foregoing provisions, the court or the administrative agency vested with jurisdiction to hear and adjudicate any action to enforce the rights to a registered mark shall likewise exercise jurisdiction to determine whether the registration of said mark may be cancelled in accordance with this Act. **The filing of a suit to enforce the registered mark with the proper court or agency shall exclude any other court or agency from assuming jurisdiction over a subsequently filed petition to cancel the same mark.** (Emphasis supplied)

Thus, Section 4, Rule 8 of the Regulations of *Inter Partes* Proceedings⁷ provide:

Section 4. Effect of Filing of A Suit Before the Bureau or With the Proper Court. - The filing of a suit to enforce a registered with the proper Court or Bureau shall exclude any other court or agency from assuming jurisdiction over a subsequently petition to cancel the same mark. On the other hand, the earlier filing of petition to cancel the mark with the Bureau shall not constitute a prejudicial question that must be resolved before an action to enforce the rights to the same registered mark may be decided.

Therefore, the merits of whether the mark ELLINE INSIDE A RIBBON DEVICE may be cancelled should be properly litigated in the earlier filed IPV case.


⁶ Exhibit "4"

⁷ 5 October 1998.

WHEREFORE, premises considered, the instant Petition for Cancellation of Trademark Registration No. 4-2004-00813 is hereby **DISMISSED**. 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, 09 NOV 2017.


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