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| SASSON LICENSING CORPORATION, | ) | INTER PARTES CASE NO. 3437 |
| Opposer, | ) | OPPOSITION TO: |
| | ) | Application Serial No. 42181 |
| | ) | Filed : August 11, 1980 |
| | ) | Applicant : Restituto de Guzman |
| - versus - | ) | Trademark : HAND DEVICE |
| | ) | Used on : Garments such as pants, polo shirts, t-shirts and jackets |
| | ) | DECISION NO. 93-16 (TM) |
| RESTITUTO DE GUZMAN, Respondent-Applicant. | ) | December 15, 1993 |

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DECISION

On August 4, 1989, Sasson Licensing Corporation, a corporation duly organized under the laws of New York, United States of America, with principal office at 58 West 40th Street, New York, New York, U.S.A., filed its Verified Notice of Opposition (Inter Partes Case No. 3437) to Application Serial No. 42181 for the trademark "HAND DEVICE" used on garments such as pants, polo shirts, t-shirts and jackets, under Class 25, which applications was filed by Restituto de Guzman, on August 11, 1989, which was published for opposition on page 24, volume II, No. 6 dated June 30, 1989 of the Official Gazette of this Office and officially released for circulation on July 3, 1989.

Opposer's basis for its Opposition are as follows:

1. The trademark applied for registration so resembles Opposer's trademark Hand Device, which has been previously used in commerce in many parts of the world and not abandoned, and in the Philippines in 1978 by Opposer's predecessors, as to be likely when applied to or used in connection with the goods of applicant, to cause confusion, mistake and deception on the part of the purchasing public.

2. The registration of the trademark applied for in the name of the Applicant will violate Section 37 of Republic Act No. 166 as amended, and Section 6bis and other provisions of the Paris Convention for the protection of Industrial Property to which the Philippines and United States of America are parties, and which this Office has implemented through the Memorandum of the then Minister of Trade dated December 20, 1980 to the Director of Patents.

3. The registration and use by Applicant of the trademark applied for will diminish the distinctiveness and dilute the goodwill of Opposer's trademark HAND DEVICE.

4. The registration of the trademark applied for in the name of the Applicant is contrary to other provisions of the Trademark Law.

Opposer relied on the following facts to support its Opposition:

1. Opposer and its predecessors have been manufacturing and/or licensing others to manufacture a wide-range of garments, including men's, women's, and

children's jeans, belts, sweaters, t-shirts, polo shirts. Among other things, bearing the trademark HAND DEVICE which have been marketed and sold in many parts of the world and in the Philippines since 1978 through Opposer's predecessors. Opposer's predecessors have been commercially using the trademark HAND DEVICE internationally prior to the use of the identical trademark applied for by Applicant.

2. Opposer is the owner of the trademark HAND DEVICE which is registered with the United States Patent and Trademark Office under Registration Certificate Nos. 1,206,287 of August 24, 1982; 1,147,723 of February 24, 1981; and 1,153,217 of May 5, 1981 for goods under Class 25. Copies of said registrations are annexed as Annexes "A", "B" and "C" hereto. The HAND DEVICE is also registered and used as a trademark for the same products in over seventy (70) countries worldwide.

3. Opposer, through its predecessors, is the first user of the trademark HAND DEVICE on the goods included under the above-described registrations which have been sold and marketed in various countries worldwide, including the Philippines in 1978.

4. By virtue of Opposer's prior and continued use of its HAND DEVICE in many parts of the world, and in the Philippines in 1978, said trademark has become popular and internationally well-known and has established valuable goodwill for Opposer among consumers who have identified Opposer as the source of the goods bearing said trademark.

5. The registration and use of an identical trademark by the applicant for use on identical or related goods will tend to deceive and/or confuse purchasers into believing that Applicant's products emanate from or are under the sponsorship of Opposer. Applicant obviously intends to trade, and is trading on, Opposer's goodwill.

6. The registration and use of a confusingly similar trademark by Applicant will diminish the distinctiveness and dilute the goodwill of Opposer's trademark.

On three separate occasions this Office sent a notice to answer to herein Respondent-Applicant, however, since the whereabouts of the latter could not be ascertained despite diligent efforts said Notice to Answer was ordered published in a newspaper of general circulation and such notice was indeed published in the April 14, 1991 issued of the Philippine Daily Inquirer.

Despite the aforementioned notices and publication, Respondent-Applicant failed to file his Answer to the Verified Notice of Opposition hence, upon motion of the Opposer, Respondent-Applicant was declared IN DEFAULT under Order No. 91-699 and Opposer was thereafter allowed to present its evidence ex-parte.

The case proceeded with the ex-parte presentation of Opposer's evidence. On September 19, 1991 Opposer, through Counsel, formally offered its evidence and subsequently filed its "Memorandum" on October 3, 1991.

Based on the evidence presented by Opposer, it is noted that the subject mark had been registered in several foreign countries long before August 11, 1989 the filing of this application being opposer. Several foreign registrations were obtained in 1979 and 1981. It is thus clear that Respondent-Applicant merely copied opposer's trademark "HAND DEVICE". Given an unlimited number of marks, one of which he could choose, why did Respondent choose "OK HAND DEVICE"? The inescapable conclusion is that Respondent-Applicant is merely riding on the reputation and goodwill of the Opposer's mark. Furthermore, having been declared in Default by failing to file his Answer to the Verified Notice of Opposition, Respondent-Applicant had no desire

to protect whatever rights he may have in the mark HAND DEVICE. It was held in Debros Hotel Corporation vs. Intermediate Appellate Court, 159 SCRA 533, 543 (1988) that:

> "Fundamentally, default orders are taken on the legal presumption that in failing to file an Answer, the Defendant does not oppose the allegations and relief demanded in the complaint. Indeed, this Office cannot help but notice the lack of concern or interest the Respondent-Applicant had shown in protecting the mark it had applied for registration, contrary to the disputable presumption that a person takes ordinary care of his concern" enunciated in Sec. 3 (d) of Rule 131 of the Rules of Court.

WHEREFORE, the Opposition is hereby GRANTED. Accordingly, Application Serial No. 42181 for the trademark "HAND DEVICE" should be, as it is hereby REJECTED.

Let the filewrapper and records of this case be forwarded to the Application, Issuance and Publication Division for proper action in accordance with this Decision. Likewise, let a copy of this Decision be furnished to the Trademark Examining Division for information and to update its record.

SO ORDERED.

IGNACIO S. SAPALO
Director