

DIESEL S.P.A.,
Opposer,

- versus -

C.U. RUGGER GARMENT
and/or CARMENCITA UY,
doing business under
the name and style
"C.U. Rugger Garment".
Respondent-Applicant.)
x-----x

INTER PARTES CASE NO. 3566

OPPOSITION TO:

Application Serial No. 65041
Filed : October 9, 1986
Applicant : C.U. Rugger Garment
Trademark : DIESEL
Used on : Jeans, polo-shirts
and t-shirts

DECISION NO. 93-5 (TM)

August 10, 1993

DECISION

On September 20, 1990, Diesel S.P.A. a foreign corporation duly organized and existing under the laws of Italy with principal office at 61 Via Ponticello, Molvena, Province of Vicenza, Italy, filed its verified Notice of Opposition (Inter Partes Case No. 3566) to Application Serial No. 65041 for the trademark "DIESEL" used on jeans, polo shirts and t-shirts which application was filed on October 9, 1986 by C. U. Rugger Garment, a sole proprietorship, the proprietress of which is Carmencita Uy, with principal office address at No. 631 Raja Matanda Street, Tondo, Manila which was published in Vol. 111, No. 2 page 28 of the March-April 1990 issue of the Official Gazette of the Bureau of Patents, Trademarks and Technology Transfer. The said issue of Official Gazette was released for circulation to the public only on 31 May 1990.

Opposer stated as basis for its opposition the following grounds:

1. Respondent-Applicant is not the prior adopter, user, or owner of the mark "DIESEL". It is the Opposer which is the prior adopter, user and owner of the mark "DIESEL";
2. The mark "DIESEL" actually belongs to the Opposer who has the exclusive right to the registration thereof under the Paris convention for the Protection of Industrial Property;
3. The mark applied for the Respondent-Applicant is the dominant feature of the corporate name of tradename of the Opposer. Hence, by virtue of the Paris Convention for the Protection of Industrial Property, the Government of the Republic of the Philippines is bound to protect Opposer's corporate name by rejecting the application for registration of Respondent-Applicant's mark;
4. Opposer has obtained registrations for the trademark "DIESEL" for the trademark or industrial property offices of various countries which are signatories to the Paris Convention for the Protection of Industrial property. The trademark "DIESEL" of the Opposer deserves protection under Philippines Laws against infringement and unfair competition in relation to the pertinent provisions of the Paris Convention for the Protection of Industrial Property;
5. Opposer's tradename and trademark "DIESEL" have become distinctive of the business and/or goods of the Opposer through the latter's exclusive and continuous use thereof in international commerce;

6. The mark "DIESEL" sought to be registered by Respondent-Applicant is identical or confusingly similar to the trademark "DIESEL" owned and being continuously used by the Opposer. Therefore, Respondent-applicant's mark "DIESEL" and its use in commerce in connection with its goods is likely to cause confusion or mistake upon, or deception on, purchasers who would be led to believe that such goods originate from Opposer. Respondent-Applicant' use of the mark "DIESEL" is violative of or contrary to Section 4(d) of R.A. 166 as amended;

7. Respondent-Applicant's application for registration of the mark "DIESEL" is tantamount to fraud as the use of the said mark on the goods described in the application clearly infringes upon the established rights of the Opposer;

8. The registration of the mark "DIESEL" in the name of the Respondent-Applicant will violative the proprietary rights/interests and goodwill of the Opposer over and in its trademark "DIESEL" thereby causing great and irreparable injury to the Opposer.

In support of the foregoing grounds of this Opposition, Opposer relies among others, on the following facts and circumstances:

1. Opposer is and has always been the prior user or adopter, and owner of the internationally well-known trademark "DIESEL" which are used by the Opposer on its wide variety of goods including but not limited to trousers, pants, jeans, shorts, skirts, overcoats, raincoats, jackets, wind resistant jackets, vests, cardigans, shirts, t-shirts, blouses, dresses, suits, tracksuits, sweatshirts, pullover, overall, caps, socks, bags, belts, gloves, towels, glasses, foulards, watches, ballpens, address books, mail papers, neon lights, catalogues, window displays, globes, rivets, buttons, labels, flashers, size-labels, paper rands, polvbags, paper bags, letters paper, order commission, block notes, visit cards, and in all advertising materials;

2. Opposer's trademark "DIESEL" is registered in the trademark or industrial property offices of Italy, the United States of America and many other countries which are signatories to the Paris Convention for the Protection of Industrial property, including, but not limited to:

Country	Regn. No.	Date
1. Argentina	112678	04/01/85
2. Canada	286740	01/06/84
3. Finland	93954	10/21/85
4. International	467393	02/16/82
5. Italy	330447	02/16/82
6. Japan	1704586	07/25/84
7. Norway	115113	12/15/83
8. P.R. China	347201	04/30/89
9. South Korea	17861110	09/09/89
10. Sweden	174106	09/09/89
11. United States	1498698	08/02/89
12. United States	1564710	11/07/89

3. The Opposer has been using the trademark "DIESEL" on its goods worldwide long before the Respondent-Applicant allegedly commenced using the mark "DIESEL" in the Philippines on 02 January 1985;

4. The trademark "DIESEL" is the dominant feature of the corporate name or tradename of the Opposer and should, therefore, be protected under the Paris Convention for the Protection of Industrial property without the obligation of filing or registration;

5. Opposer has been and is continuously using its trademark "DIESEL" in international commerce, the goods bearing said trademark are sold, being sold, and promoted or advertised for sale by the opposer on an international scale. Opposer also owns, operates and maintains various factories and sales office or outlets in different countries where goods bearing the mark "DIESEL" are produced and/or sold, further Opposer has appointed distributors to promote sales of clothing products bearing its registered trademark "DIESEL" all over the world;

6. By reason of Opposer's continuous and uninterrupted use of the trademark "DIESEL", even long before Respondent-Applicant's alleged date of first use thereof, Opposer has established goodwill for its said trademark in various countries all over the world, such that Opposer's trademark has acquired or obtained general international consumer recognition as belonging to one owner or source that is belonging to the Opposer;

7. The mark "DIESEL" of the respondent-Applicant, which mark is a mere imitation or reproduction of Opposer's trademark was adopted or used by the Respondent-Applicant for the purpose of getting a free ride on the goodwill of Opposer's corporate name, trademark and business reputation.

The issue in this case is whether Respondent-Applicant be entitled to the registration of the mark "DIESEL" for jeans, polo shirts, and t-shirts (Class 25).

On July 16, 1990, this Honorable Office issued a Notice to Answer addressed to the Respondent-Applicant requiring the latter to file its Answer to the Opposer's Notice of Opposition within fifteen (15) days from receipt of said Notice, otherwise, the Opposition proceeding will proceed against the Respondent-Applicant as in the case of default.

On August 27, 1990, Opposer filed a Manifestation dated 23 August 1990, manifesting that the Respondent-Applicant should be MOTU PROPRIO declared in default by this Honorable Office due to Respondent-Applicant's failure to file an Answer in the instant case.

Subsequently, this Honorable Office, in ORDER NO. 90-504 dated 02 October declared Respondent-Applicant in default due to the latter's failure to file an Answer in the instant case. Accordingly, the opposer was allowed to present its evidence ex-parte.

Opposer presented its evidence ex-parte consisting of documentary exhibits marked as Exhibits "A" to "J-93" inclusive of their submarkings.

In keeping with the memorandum circulars issued by the then Minister of Trade and Industry to the Director of Patents on November 20, 1980 and October 25, 1983, which in essence directed the Director of Patents to comply with our commitment to the Paris Convention in giving protection to signature and other world famous trademarks, subject mark "DIESEL" filed for registration by the herein Respondent-Applicant cannot be given due course.

It is worthy to note that subject mark "DIESEL" has been registered in various countries of the world by the Opposer. (Exhibits "A" to "H-6") and as such, It may be considered internationally well known mark.

Article 6bis of the Convention of Paris for the Protection of Industrial Property provides:

- (1) The countries of the union undertake, either administratively if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration and to prohibit the use of a trademark which constitutes a reproduction, imitation or translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well-known in that country as being already the mark of a person entitled to the benefits of the present convention and used for identical or similar goods. These provision shall also apply when the essential part of the mark constitute a reproduction of any such well-known mark or an imitation liable to create confusion therewith.

WHEREFORE, premises considered, the herein Notice of Opposition is hereby GRANTED. Accordingly, Application Serial No. 650141 for the mark "DIESEL" in favor of the herein Respondent-Applicant is hereby REJECTED.

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

SO ORDERED.

IGNACIO S. SAPALO
Director