

CALTEX (PHILS.), INC.,
Opposer/ Petitioner,

INTER PARTES CASE NO. 1910

OPPOSITION TO:

Application Serial No.: 41790
Filed: July 2, 1980
Applicant: Heart of Asia
Industrial Sales, Inc.
Trademark: HYTEX
Used On: Maintenance chemicals
And special lubricants

- versus -

- and -

INTER PARTES CASE NO. 1928

PETITION FOR CANCELLATION

Cert. of Regn. No.: 41790
Issued: March 5, 1981
Registrant: Heart of Asia
Industrial Sales, Inc.
Trademark: HYTEX
Used On: Maintenance chemicals
And special lubricants

HEART OF ASIA INDUSTRIAL SALES, INC.
Respondent-Applicant/
Registrant.

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DECISION NO. 90-9 (TM)
February 20, 1990

DECISION

This is a consolidation of two (2) inter partes cases, namely:

- (1) Inter Partes Case No. 1910 re: Notice of Opposition filed by Caltex (Phils.), Inc. on February 28, 1985 against the registration of the trademark "HYTEX" used on maintenance chemicals and special lubricants applied for by Heart of Asia Industrial Sales, Inc. on July 2, 1980 in Application Serial No. 41790 published on Page 1, Volume 80, No. 39 of the September 24, 1984 issue of the Official Gazette released for circulation on January 25, 1985; and
- (2) Inter Partes Case No. 1928 re: Petition filed by Caltex (Phils.), Inc. on April 19, 1985 for the cancellation of Registration No. SR-5341 bearing the trademark "HYTEX" likewise used on maintenance chemicals and special lubricants issued in the name of Heart of Asia Industrial on March 5, 1981.

Opposer/Petitioner is a corporation organized and existing under and by virtue of the laws of the Philippines with principal office at 540 Padre Faura, Manila, while Respondent-Applicant/Registrant is likewise a corporation organized and existing under the laws of the Philippines with business address at 16 Don A. Roces Avenue, Quezon City.

The grounds alleged in the Notice of Opposition are:

"1. The applicant's trademark HYTEX is identical to the trademark HYTEX owned by opposer which is duly registered and not abandoned, as to be likely, when applied to or used in connection with the goods of the applicant, to cause confusion or mistake and deceive purchasers thereof or may be mistaken in thinking that said goods originated from, or is sponsored by the opposer. Further, the use of the mark HYTEX by the applicant will dilute the advertising value of the opposer's trademark HYTEX.

2. On the other hand, opposer's trademark HYTEX is well known throughout the world including the Philippines. x x x

3. The registration of trademark HYTEX in the name of respondent will cause great and irreparable injury and damage to the opposer within the meaning of Section 8, Republic Act No. 166, as amended."

The grounds alleged in the Petition for Cancellation are:

"1. Respondent was not entitled to register the mark HYTEX at the time of its application for registration thereof because Respondent's trademark HYTEX is identical/confusingly similar to the trademark HYTEX of Petitioner which is duly registered in the name of herein Petitioner and not abandoned.

2. Petitioner's trademark HYTEX is well known all over the world including the Philippines for which reason the registration of the trademark HYTEX in the name of Respondent should be cancelled as mandated by Section 4 of Republic Act No. 166, as amended, Article 6bis of the Convention of Paris for the Protection of Industrial Property x x x;

3. Registration of the mark HYTEX in the name of the Respondent has caused and will cause great and irreparable injury to the Petitioner within the meaning of Section 19-A of Republic Act No. 166, as amended."

In its Answer to the Notice of Opposition and to the Petition for Cancellation, Respondent adopted the same defenses, to wit:

"a. Trademark HYTEX is being used by the respondent in its maintenance chemical products for industrial use, classified as Class 1 whereas the opposer's products/goods are classified as Class 17 as provided for under the classification of goods in the Rules of Practice in Trademark Cases, 1983 edition;

b. The opposer for quite a period of time failed to market their product under the trademark HYTEX nor is there an advertisement in print media and broadcast media or other forms of advertisement of the same products with trademark HYTEX;

c. That there is an abandonment of the trademark HYTEX on the part of the opposer under the purview and context of Republic Act No. 166 for reason that the opposer failed to file an affidavit of use or non-use within the prescribed period as a mandatory requirement of the above-mentioned law;

d. The apprehension of the opposer that the approval of the application filed by the respondent will cause confusion, mistake and deception to the public has no basis in law and in fact because the goods being marketed by the respondent and the opposer is different, the trademark HYTEX of the respondent is with a 'logo'; the word HYTEX used by the respondent is with a hyphen, that is, "HY-TEX" while the opposer has no hyphen in the word HYTEX. Those are the distinguishing marks or features which differentiate one from the other thereby no confusion will arise."

Issues joined, the opposition case was set for pretrial to April 30, 1985. On motion of the Respondent, Inter Partes Case No 1910 and Inter Partes Case No. 1928 were consolidated in Order No. 85-181 dated June 6, 1985.

Joint pre-trial of the cases was terminated on March 19, 1986 after several resettings. No hearing was made thereafter for the years 1987 and 1988.

On motion of Opposer/Petitioner, these cases were set for hearing to June 16, 1989. On that hearing, Opposer/Petitioner started presenting its evidence (Exhibits "A" to "G", inclusive) through witness Araceli R. Mendoza. At the hearing scheduled for July 7, 1989 for the Respondent to conduct cross examination on the Opposer/Petitioner's witness, counsel for Respondent did not appear.

Opposer/Petitioner submitted its written Formal Offer of Evidence on September 1, 1989 consisting of Exhibits "A" to "I-1-b", inclusive, and were admitted in evidence for the offer in Order No. 89-771 dated September 26, 1989.

For failure to appear at the hearing scheduled for the reception of Respondent's evidence, said Respondent was declared as in default in Order No. 89-843-of the Hearing Officer dated October 17, 1989 and required thereby Opposer/Petitioner to file and, indeed, filed its Memorandum on the case on November 8, 1989.

Considering the fact that the trademark "HYTEX" and "HY-TEX" commonly claimed by the Opposer/Petitioner and the Respondent-Applicant/Registrant are obviously identical and, therefore, undoubtedly confusingly similar, the ultimate issue to be resolved is which of the parties is the original/prior adopter, user and registered owner of the trademark "HYTEX" in contest? Was there a violation of the provisions of Section 4(d) of Republic Act No. 166, as amended, by the herein Respondent-Applicant/Registrant?

Opposer/Petitioner claims that it is the prior adopter, user and registered owner of the mark "HYTEX" and the Respondent-Applicant/Registrant's later registration of the same mark in its favor is a clear violation of Section 4(d) of Republic Act No. 166, as amended.

In support of its stand, Opposer/Petitioner presented documentary proofs that it filed an application for the registration of the trademark "HYTEX" in its favor on June 4, 1954 (Exh. "D-1") which ripened into a Certificate of Registration No. 2067 issued on July 20, 1979 (Exh. "C") indicating therein its first use in the Philippines since December 31, 1927 (Exh. "C-2") for the product lubricating grease (Exhs. "C-4" and "D-1", Item No. 4), and has used the mark "HYTEX" continuously from then up to now (Exhs. "D-1", par. 3; "E", "F", "G", p. 2; and "H").

Upon the other hand, Respondent-Applicant/Registrant registered the mark in the Supplemental Register on March 5, 1981 (as against January 7, 1958 of the Opposer/Petitioner in the Principal Register) and stated therein that its first use of the mark was on June 30, 1979 (as against December 31, 1927 by the Opposer/Petitioner), which in all respects were very much later in dates of first use and registration with this Bureau.

WHEREFORE, this Bureau finds for the Opposer/Petitioner:

- (1) In Inter Partes Case No. 1910, the Notice of Opposition is SUSTAINED; hence, Application-Serial No. 41790 is REJECTED; and
- (2) In Inter Partes Case No. 1928, the Petition is likewise GRANTED; hence, Registration No. SR-5341 is hereby ordered cancelled from the Supplemental Register of this Bureau.

Let the records of the cases be forwarded to the Application, Issuance and Publication Division (Inter Partes Case No. 1910) and to the Patent/Trademark Registry & EDP Division (Inter Partes Case No. 1928) for appropriate actions in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director