

DELBROS, INC (formerly
Delgado Brothers, Inc.),
Opposer,

INTER PARTES CASE NO. 2088

OPPOSITION TO:

- versus -

Application Serial No. 55643
Filed : February 7, 1985
Applicant : Purolator Courier Corp.
Trademark : PUROLATOR COURIER
Used on : Transportation of goods,
parcels, etc.

PUROLATOR COURIER CORP.,
Respondent-Applicant.

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DECISION NO. 89-24 (TM)
March 31, 1989

DECISION

This is an opposition against Application Serial No. 55647 for the service mark "PUROLATOR COURIER" filed by Delbros, Inc.

Opposer is a domestic corporation organized and existing under the Philippine laws, with business address at Delbros Bldg., Atlanta Street corner 17th and 18th Streets, Port of Area, Manila, Philippines. Respondent, Purolator Courier Corp., is a foreign corporation duly organized and existing under the laws of the State of New York, U.S.A., with principal office at 131 Morristown Road, Basking Ridge, N.J. 07920, U.S.A., and is engaged in the courier service, particularly in the transportation of goods, packages, parcels and letter by land and air between various points in the United States, Canada, Asia and other parts of the World.

On July 8, 1985, Respondent-Applicant entered into a "License and Interlining Agreement" with Asian Courier System (ACS) Holding Ltd., a corporation organized under the laws of Hong Kong, with principal office at 1510b Kowloon Centre, Ashley Kowloon, Hongkong (Annex "A"). In November, 1986 Opposer, through its subdivision, Delgado Air Cargo, was allowed and authorized by license ACS to use the trademark "PUROLATOR COURIER" in its courier business from the Republic of the Philippines to the United States, Canada and certain parts of Asia, and vice-versa. This arrangement was formalized on October 1, 1987, with ACS granting the Opposer an exclusive license, among others, to use any or all of the following licensed marks owned by Purolator Courier Corp. (Annex "B". Schedule A):

Tradenames

Purolator
Purolator Courier
Purolator Courier
(appropriate local corporate designation)
Purolator Courier and parallel lines logo

Trademarks and Service Marks

Purolator
Purolator Courier
PuroLetter

PuroLetter & Design
PuroPak
PuroPak & Design
Purolator Courier Worldwide Delivery Network
Purolator Courier & Design
Parallel Lines Logo
Purolator International
Purolator Courier International Express
Purolator Courier International

Delbros, Inc. filed this opposition against Respondent's application for registration on the following grounds: First, to allow registration of the said trademarks as applied for by Respondent-Applicant runs counter to the Sublicense and Interlining Agreement between petitioner and ACS, thus causing irreparable damage to Opposer; Second, the service mark "PUROLATOR COURIER" which the Opposer exclusively licensed to use and protect has already acquired international recognition and goodwill for its fast and reliable courier service, which Opposer had established in various parts of the world, particularly in the Philippines.

Respondent, in its Answer, alleged the following: First, it has been and is continuously using the service mark "PUROLATOR COURIER" in connection with its courier service since 1984; on October 3, 1984, it filed with the U.S. Patent and trademark Office an application (SR 502185) for the registration of the trademark "PUROLATOR COURIER" used in its courier business and in advertisements, promotional materials, brochures, etc.; and on November 5, 1985, the said service mark was registered in the principal Register and the U.S. Trademark and Patent Office issued Registration No. 1369481 in its favor; Second, Respondent-Applicant began using the trademark "PUROLATOR COURIER" in the Philippine in 1985 and, on February 7, 1985 it filed an application (Serial No. 55643) with the Philippine Patent Office for the registration of the service mark "PUROLATOR COURIER"; Third, the Sublicensing Agreement did not give the Opposer the right to register in its trademark the service mark "PUROLATOR COURIER" and since Opposer is not the owner of the servicemark, registration in favor of the Respondent will not cause damage to the opposer; Fourth, the Opposer is estopped from opposing Respondent-Applicant's application because the very document on which it based its right to use the service mark in question contains an admission in Page 24 thereof that the service mark belongs to Respondent-Applicant.

The issue to be resolved is whether or not Opposer, as a sub-licensee for the use of the Service mark "PUROLATOR COURIER" has the right to exclude Respondent-Applicant in the registration of the said service mark.

The provision of Section 2 of the Trademark Law (Republic Act 166) in relation with Rule 34 of the Rules of Practice in Trademark Cases is very clear – only the owner of a trademark, trade name or service mark may apply for its registration.

The Supreme Court, in the case of *Marvex Commercial Co., Inc. vs. Petra Hawpia & Co.* (Dec. 22, 1966; 18 SCRA 118) had declared that:

"The right to register a trademark is based on ownership; the applicant has the burden proving ownership. Where the applicant's ownership is not shown in any notarial document and the applicant appears to be merely an importer or distributor of the merchandise covered by the said trademark, its application cannot be granted."

In the case of *Operators, Inc. vs. Director of Patents* (I-17901, Oct. 29, 1965; 15 SCRA 148), the Supreme Court said that:

"The right to register, as may be noted, is based on ownership. In the case of the trademark AMBISCO, the evidence shows that it is owned by the American Biscuit Co.,

Inc. and not by petitioner, hence, the latter had no right to apply for the registration of the same.”

The records of the case at bar shows that the true and actual owner of the service mark “PUROLATOR COURIER” is the Respondent-Applicant, Purolator Courier Corp. (Exhs. “3” and “B”) because it has been using the said trademark in the Philippines since 1985 as evidenced by the license agreement with ACS and the sub-licensing agreement with Delbros, Inc. (Exh. “B”). The sub-licensing agreement executed in favor of Delbros, Inc. allowing it to use the trademark “PUROLATOR COURIER” in the Philippines resulted in the benefit of its Principal, Purolator Courier Corp.

The registration of the contested trademark in favor of Purolator Courier Corp. will not violate the provisions of the sub-licensing agreement because the sub-licensing agreement is not an assignment of the entire trademark in favor of Delbros, Inc. Thus, the latter has no right to prevent Purolator Courier Corp. from registering the trademark in its name.

Since Delbros, Inc. is merely a sub-licensee of Purolator Courier Corp., it follows that the former has no right to register the trademark “PUROLATOR COURIER” in its name since the spring cannot rise higher than its source.

Delbros, Inc. is in estoppels from questioning the right of Purolator Courier Corp.’s application because the very document (sub-licensing agreement) on which it based its right to use the trademark contains an admission that the true and actual owner of thereof is Respondent Purolator Courier Corp.

On the basis of the foregoing, the herein opposition is hereby DENIED. And application Serial No. 55643 filed by Purolator Courier Corp. on February 7, 1985 for the service mark “PUROLATOR COURIER” is hereby given due course.

Let the records of this case be transmitted to the Application, Issuance and Publication Division for the cancelation of Opposer’s certificate of registration and for the issuance of the corresponding certificate of registration in favor of Respondent.

SO ORDERED.

IGNACIO S. SAPALO
Director