

GOVERNMENT OF CANADA  
Opposer,

INTER PARTES CASE NO. 1775

PETITION FOR CANCELLATION

- versus -

Application Serial No. 25954  
Issued :  
Registrant : New Olympian Rubber  
Products Co., Inc.  
Trademark : CROWN LOGO  
Used on : Rubber shoes

NEW OLYMPIAN RUBBER PRO-  
DUCTS CO., INC.,  
Respondent-Registrant  
x-----x

DECISION NO. 88-37 (TM)  
June 27, 1988

### DECISION

On November 26, 1976, New Olympian Rubber Products Co., Inc., a domestic corporation, filed an application for registration on the Principal Register of the trade-mark "CROWN LOGO" for use on rubber shoes. On May 12, 1978, Certificate of Registration No. 25954 was issued in its favor.

On September 7, 1983, the Government of Canada filed a Petition for Cancellation (Inter Partes Case No. 1775) of the certificate of registration issued to New Olympian Rubber Products Co., Inc. (hereinafter referred to as Respondent-Registrant) on the following grounds: (1) that Respondent-Registrant was not entitled to register the trademark at any time before its application for registration thereof; and (2) that the registration was obtained fraudulently or contrary to the provisions of Section 4 of Republic Act 166, as amended, particularly Section 4(b) thereof in relation to par. 2(a), Article 6ter of the Convention of Paris for the Protection of Industrial Property. The Government of Canada (hereinafter referred to as Petitioner) contended that Respondent-Registrant's trademark consists of or comprises a reproduction or simulation of the Canadian 11-point maple leaf emblem.

On December 2, 1983, Respondent-Registrant filed its Answer to the Petition for Cancellation, raising the following affirmative and/or special defenses: (1) that Petitioner has no valid legal cause of action against Respondent-Registrant; (2) that the registration of the trademark in question is not contrary to the provisions of the Paris Convention for the Protection of Industrial Property; (3) that the adoption and registration of the trademark "CROWN LOGO" by Respondent-Registrant was done in good faith; (4) that the registration of the trademark in question is in accordance with the provisions of Republic Act 166, as amended, including Section 4(b) thereof; and (5) that under the principle of estoppel, laches, and/or acquiescence, Petitioner cannot now question the use and ownership, as well as the registration of the trademark by Respondent-Registrant. Respondent-Registrant contended that its trademark "CROWN LOGO" is distinctly different from and is neither a reproduction nor a simulation of the Canadian maple leaf emblem.

The issue to be resolved is whether or not the trademark "CROWN LOGO" is a reproduction or simulation of the Canadian 11-point maple leaf emblem.

The applicable provisions are Section 4(b) of Republic Act 166, as amended (Trademark Law), and Article 6ter, par. 1(a) of the Convention of Paris for the Protection of Industrial Property

(to which Canada and the Philippines are signatories), the pertinent provisions of which are hereunder set forth:

“SEC. 4. Registration of trade-marks, trade-names, and service-marks on the principal register. - There is hereby established a register of trade-marks, trade-names and service-marks which shall be known as the principal register. The owner of a trade-mark, trade-name or service-mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless it:

- (a) xxx
- (b) Consists of or comprises the flag or coat of arms or other insignia of the Philippines or any of its political subdivisions, or of any foreign nation, or any simulation thereof;” (Underscoring supplied)

“(1) (a) The countries of the Union agree to refuse or invalidate the registration, and to prohibit by appropriate measures the use, without authorization by the competent authorities, either as trademarks or as elements of trademarks, of armorial bearings, flags and other State emblems of the countries of the Union, official signs and hall-marks indicating control and warranty adopted by them and all imitations thereof from a heraldic point of view.” (Underscorings supplied)

A side-by-side comparison of the trademark “CROWN LOGO” and the Canadian 11-point maple leaf emblem shows the following similarities and differences:

- A. SIMILARITIES -- (1) general appearance and configuration; (2) number of points (eleven); (3) middle points of the three trident divisions which are longer than their two other point-members; and (4) two equal opposite single points at the base.
- B. DIFFERENCES -- (1) The Canadian 11-point maple leaf emblem has a short stem/petiole, which makes it look more like a real leaf, while the “CROWN LOGO” has none; and (2) the “CROWN LOGO” has two gaps forming straight lines across its base which separate the whole mark into three portions, while the Canadian maple leaf emblem is whole and intact.

The general appearance of the Canadian maple leaf emblem (Exh. “E”) and the “CROWN LOGO” (Exh. “3”) are similar, if not identical, to each other. The contour, the number of protruding parts, the three trident divisions, the distance and place of the 11 points are all identical, which predominantly show that the configuration of both marks is that of a Canadian maple leaf and not a king’s crown. The presence of a short stem in the Canadian maple leaf emblem and the two narrow gaps at the base of the “CROWN LOGO” do not materially affect the general identical appearance of the two marks.

This Bureau is convinced that the general appearance of the Canadian maple leaf emblem and the “CROWN LOGO” mark are similar or identical, and hereby holds that Respondent-Registrant’s trademark “CROWN LOGO” is a reproduction or simulation of the Canadian maple leaf emblem. Consequently, the registration of the said trademark is contrary to the above-quoted Section 4(b) of Republic Act 166, as amended, and Article 6ter, par. 1(a) of the Convention of Paris for the Protection of Industrial Property.

Respondent-Registrant raised the affirmative and/or special defense that Petitioner has no valid legal cause of action against it and alleged that it was the first to adopt and use lawfully in commerce in the Philippines the trademark “CROWN LOGO” for rubber shoes since July 31, 1975 (Exhs. “1”, “2” and “6”). Such a defense is devoid of merit. The Canadian Government adopted the emblem in its flag on February 15, 1965 (Exh. “A”, par. 2/f/ thereof) and as early as

February 1, 1967, the United International Bureau for the Protection of Intellectual Property, thru Circular No. 651 (Exhs. "D" and "D-1"), notified this Bureau to extend protection to the Canadian maple leaf emblem.

Respondent-Registrant also raised the defense that "the adoption, as well as registration of the trademark 'CROWN LOGO' by respondent was done in good faith", and alleged that it "was not and is not aware of anybody lawfully using said trademark in the Philippines", and that its good faith is further substantiated by the fact of issuance of Certificate of Registration No. 25954 for the trademark "CROWN LOGO".

It should be mentioned at this point that in *Bata Industries, Ltd. vs. Court of Appeals, et al.*, G.R. No. 53672, May 31, 1982, the Supreme Court affirmed the decision of the Director of Patents that Respondent herein is entitled to register the trademark "BATA" for shoes over the opposition of Bata Industries, a Canadian corporation, because while its "BATA" shoes may have been sold in the Philippines until 1948, it never registered "BATA" in the Philippines; hence, it technically abandoned "BATA" in the Philippines. And it should be emphasized, that Respondent used the "CROWN LOGO" hand in hand with the trademark "BATA" (Exh. "H"). As part of the testimony of Petitioner's witness, Exhibit "H" should be considered relevant in determining whether Respondent-Registrant was in good faith or not when it adopted and registered the trademark "CROWN LOGO".

Respondent's adoption and use of the trademark "CROWN LOGO", which is a clear simulation of the Canadian maple leaf emblem, side by side with the trademark "BATA" (Exh. "H"), which is identical to another "BATA" trademark in Canada would establish its bad faith in this regard. Although the source or origin is printed on the cover of the box container of Respondent-Registrant's products, these containers are not displayed in the shelves of department stores. It is evident that Respondent-Registrant chose the "CROWN LOGO" to convey that its products have some connection with Canada.

Respondent-Registrant next raised the defense that under the principle of estoppel, laches, and/or acquiescence, Petitioner is now barred from questioning the use, ownership, as well as the registration by Respondent-Registrant of the trademark "CROWN LOGO".

Respondent-Registrant argued that it has been using the trademark since July 31, 1975, and that from May 12, 1978, when the certificate of registration for the trademark "CROWN LOGO" was issued, up to September 7, 1983, when Petitioner filed the Petition for Cancellation (Inter Partes Case No. 1775), more than five years had elapsed. This defense is devoid of merit.

Paragraphs 2 and 3 of Article 6bis of the Paris Convention provides that:

"(2) A period of at least five years from the date of registration shall be allowed for seeking the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be sought.

(3) No time limit shall be fixed for seeking the cancellation or the prohibition of the use of marks registered or used in bad faith."

As early as January 29, 1982, which is well within the period of 5 years, the Canadian Embassy already lodged a formal protest (Exh. "B") with the then Ministry of Foreign Affairs for the cancellation of the registration of the trademark "CROWN LOGO". Hence, Petitioner did not remain silent during the time when Respondent-Registrant had been using the trademark in question. Consequently, Petitioner cannot be considered as estopped from filing this Petition for Cancellation.

Granting, for the sake of argument, that the formal protest may not be considered sufficient, even then Respondent-Registrant cannot invoke estoppel, laches and/or acquiescence since its adoption of the trademark "CROWN LOGO" (Exhs. "F", "G" and "H") was in bad faith

as above discussed. It "cannot rely on equity because he who comes into equity must come with clean hands. Equity refuses to lend its aid in any manner to one seeking its active interposition who has been guilty of unlawful or inequitable conduct in the matter with relation to which he seeks relief" (Pagasa Industrial Corp. vs. Court of Appeals, et al., G.R. No. 54158, August 31, 1984).

Besides, the issuance of the certificate of registration to Respondent-Registrant for the trademark "CROWN LOGO" merely created a prima facie evidence of validity of registration, ownership, and exclusive right to use the mark (Section 20, Republic Act 166, as amended; Rule 113, Rules of Practice in Trademark Cases).

WHEREFORE, the Petition for Cancellation filed by the Government of Canada is GRANTED. Accordingly, Certificate of Registration No. 25954 for the trademark "CROWN LOGO" issued on May 12, 1978 in favor of New Olympian Rubber Products Co., Inc. is CANCELLED.

Let the records of this case be remanded to the Application, Issuance and Publication Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO  
Director