

J. & P. COATS LIMITED,
Opposer,

-versus-

JOAQUIN S. LAO,
Respondent-Applicant.

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Inter Partes Case No. 3809
Opposition to:

Serial No. : 73134
Date Filed : 31 August 1990
Applicant : Joaquin S. Lao
Trademark : "ANCHOR"
Used on : Twine

DECISION NO. 98-10

DECISION

This pertains to an Opposition filed by J. & P. Coats Limited, a corporation duly organized under the laws of Great Britain, with principal office at 155 M. Vincent Street, Glasgow, Scotland, against the application for the registration of the trademark "ANCHOR" for twine filed on 31 August 190 under Serial No. 73134 in the name of Joaquin S. Lao which was published on page 25 in Volume V, No. 3, May to June 1992 issue of the Official Gazette officially released for circulation on 29 July 1992.

The grounds for this Opposition to the registration of the mark are as follows:

- "1. The trademark "ANCHOR" is identical to Opposer's trademark, previously used in commerce in the Philippines and in other countries throughout the world, and not abandoned, as to be likely, when applied to or used in connection with the goods of the applicant, to cause confusion, mistake and deception on the part of the purchaser.
- "2. The registration of the trademark "ANCHOR" in the name of the applicant is in violation of paragraph d, Section 4 of the Republic Act No. 166, as amended, and Article 6bis and other provisions of the Paris Convention for the Protection of Industrial Property to which the Philippines and Great Britain are signatories.
- "3. The registration and use by the Applicant of the trademark "ANCHOR" shall diminish the distinctiveness and dilute the goodwill of Opposer's trademark "ANCHOR".
- "4. The registration of the trademark "ANCHOR" in the name of the applicant is contrary to the other provisions of the Trademark Law."

To support this opposition, Opposer relied, among other facts, on the following:

- "1. At the time of filing of the Application 73134 the Opposer was the owner of the trademark "ANCHOR", registered with the Bureau of Patents, Trademarks and Technology Transfer with the following registration particulars:

<u>Mark</u>	<u>Reg. Number</u>	<u>Date of Issue</u>	<u>Effectivity Date</u>
ANCHOR	R-2563	13 May 1982	12 June 1980

Opposer has been commercially using the trademark "ANCHOR", both in the form of a word and of a device, internationally and in the Philippines prior to the use of ANCHOR by Applicant.

- "2. "ANCHOR" is also registered and used by the Opposer as a trademark for similar and related products in Great Britain and in other countries throughout the world.
- "3. The Opposer first adopted the trademark "ANCHOR" as early as 1876 and is the first user of the trademark "ANCHOR" on the goods included under the above described registration which have been sold and marketed in various countries worldwide, including the Philippines.
- "4. By virtue of Opposer's prior and continued use of the "ANCHOR" in the Philippines and other parts of the world, said trademark has become internationally well known and synonymous with the goods of the Opposer.
- "5. The registration and used of identical trademark by the Applicant upon and in relation to related goods will deceive and/or confuse purchasers into believing that Applicant's products emanate from or in some way connected with the Opposer. The Applicant obviously intends to trade, and is trading on Opposer's goodwill.
- "6. The registration and used of an identical trademark by Applicant shall diminish the distinctiveness and dilute the goodwill of Opposer's trademark."

On September 28, 1991, Opposer J. & P. Coats Limited filed its duly legalized and verified opposition after which this Office issued a Notice to Answer dated 01 October 1992 requiring the Respondent Mr. Joaquin S. Lao to file his Answer within fifteen (15) days from receipt thereof.

On October 28, 1992, Respondent-Applicant filed an Ex-Parte Motion for Extension of Time to File Answer for a period of thirty (30) days from October 30, 1992 to November 30, 1992 which was granted by this Office per Order No. 92-782 dated 05 November 1992. For the second time, Respondent-Applicant requested for Extension of Time to File Answer for a period of twenty (20) days from November 30, 1992 to December 20, 1992, which was granted by this Office per Order No. 92-842 dated December 1992.

On 17 December 1992, Opposer through Counsel filed a Motion to Declare Respondent-Applicant in Default for failure to file the Answer which was granted per Order No. 93-14 dated 06 January 1993.

Pursuant to the Order of Default, the Opposer presented its evidence ex-parte consisting of Exhibits "A"-f-3" which was admitted in evidence for whatever they are worth under Order No. 93-150 dated 03 March 1993.

The main issue to be resolved in this case is WHETHER OR NOT Respondent-Applicant's Application Serial No. 73134 for the trademark "ANCHOR" used on twine is confusingly similar to Opposer's trademark "ANCHOR", used on sewing cotton threads for all descriptions crochet and embroidery cotton.

Considering that these application subject of the instant opposition proceedings is filed under the Old Law, R.A. No. 166, as amended and now for resolution, thereby rendering impractical to so amend in conformity with R.A. 8293 without adversely affecting rights already acquired prior to the effectivity of the New Law. (Sec. 236, supra), this Office undertakes to resolve the case under the former law, R.A. 166, as amended, particularly Section 4 (d), which provides:

- "SECTION 4. Registration of trademarks, trade names and service mark on the principal register. – There is hereby established a register of trademarks, trade names and service marks which shall be known as the principal register. The owner of a trademark, trade name or service mark used to

distinguish his goods, business or service from the goods, business or service of others shall have the right to register the same on the principal register unless it:

XXX

- (d) Consist of comprises a mark or trade name which so resembles a mark or trade name registered in the Philippines or a mark or tradename previously used in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive consumers.”

A cursory examination of Respondent-Applicant’s ANCHOR used ion twine as shown in the drawing & facsimile and labels submitted by him would reveal that it is confusingly similar if not identical, to the Opposer’s trademark as shown in Exhibits “C” to “F-3” as the same contains also the mark “ANCHOR” (word) and ANCHOR (device).

As shown in Exhibits “B-1” to “B-13” the Opposer have been commercially using the trademark ANCHOR both in a form of word and of a device, internationally and in the Philippines prior to the use of ANCHOR by the Applicant .Opposer’s trademark “ANCHOR” is registered with this Bureau under Renewal Registration No. 2563 issued on 13 May 1982 while the herein applicant filed its application on 31 August 1990.

When one applies for the registration of the trademark or label which is almost the same or very closely resembles a one already and registered by another, the application should be rejected and dismissed outright even without any opposition in part of the owner and user of a previously registered label or trademark, this is not only to avoid confusion in the part of the public, but also to protect an already used and registered trademark and an established goodwill (Chuan Chow Soy and Canning Corporation., vs. Director of Patents and Villapanta, 108 Phil. 833, 836)

In connection with the use of a confusingly similar or identical mark, the Supreme Court has ruled that:

“Those who desire to distinguish their goods from the goods of another have a broad field from which to select a trademark for their wares and there is no such poverty in the English language or paucity of signs, symbols, numerals etc. as to justify one who really wishes to distinguish his products from those of all others entering the twilight zone of a fled already appropriated by another. (Weco Products Co. Milton Ray Co., 143 F. 2d, 985, 32 C.C.P.A. Patents 1214).”

“Why of the million of terms and combinations of letters and designs available, the appellee had to chose those so closely similar to another’s trademark if there was no intent to take advantage of the goodwill generated by the other mark. (American Wire and Cable Co. vs. Director of Patents, 31 SCRA 544)”

“xxx Why, with all the birds in the air, and all the fishes in the sea, and all the animals on the face of the earth to choose from, the defendant company (Manila Candy Co.) elected two roosters as its trademark, although its directors and managers must have been well aware of the long-continued use of a rooster by the plaintiff with the sale and achievements of its goods? xxx a cat, a dog, a carabao, a shark or an eagle stamped upon the container in which candies are sold would serve as well as a rooster for the product of defendant’s factory. Why did defendant select two roosters as its trademark? (Clarke vs. Manila Candy Co., 36 Phil. 100)

Opposer claims that the mark "ANCHOR" is well known throughout the world, and is therefore entitled to the protection under Article 6bis of the Paris Convention which provides in part that:

"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 the trademark, which constitutes a reproduction, imitation or cancellation liable to create confusion of a mark considered by the competent authority of the country as already the mark of a person entitled to the benefits of the present convention and used for identical or similar goods. These provisions shall apply when the essential part of the mark constitutes a reproduction of any such well known mark on an imitation liable to create confusion with."

In compliance with the above quoted provision, the then Minister of Trade Roberto Ongpin issued a Memorandum to the Director of Patents, dated October 25, 1993 directing the Philippine Patent Office to refuse all applications or on cancelled the registration of trademarks which constitutes a reproduction, translation or imitation of a trademark owned by a person, natural or corporate who is a citizen of a country signatory of the Paris Convention, by establishing the criteria or guidelines to determine whether such mark internationally well-known or not. To prove its trademark is internationally well-known, Opposer submitted the following Exhibits:

<u>Exhibit</u>	<u>Description</u>	<u>Purpose</u>
"B"	Affidavit of John Bruce Duthie, duly legalized	To show that Opposer has used and adopted the trademark "ANCHOR & DEBICE" all over the world including the Philippines. To show that the mark "ANCHOR & DEVICE" have become distinct and obtained goodwill
"B-1"	Copy of Cert. Of Reg. No. A80, 035 (Australia)	To show that the mark "ANCHOR & DEVICE" is registered for sewing cotton in class 23 in Australia
"B-2"	Copy of Cert. OF Reg. No. 1.245.175 (France)	To show that the mark "ANCHOR & DEVICE" is registered in class 23 in France
"B-3"	Copy of Cert. of Reg. No. 882 (India)	To show that the mark "ANCHOR & DEVICE" is registered for threads of all kinds in class 23 in India
"B-4"	Copy of Cert. of Reg. No. 161145 (Jakarta, Indonesia)	To show that the mark "ANCHOR & DEVICE" is registered in class 23 in Indonesia
"B-5"	Copy of Cert. Of Reg. No. 2847 (Kenya)	To show that the mark "ANCHOR & DEVICE is registered for sewing cotton in class 23 in Malaya (Malaysia)
"B-7"	Copy of Cert. Of Reg. No. 39770 (New Zealand)	To show that the mark "ANCHOR & DEVICE" is registered for sewing cotton in class 23 in New Zealand
"B-8"	Copy of Cert. Of Reg. No. 88663 (Lima-Peru)	To show that the mark "ANCHOR & DEVICE" is registered in class 23 in Peru
"B-9"	Copy of Cert. Of Reg. No. 23158 (Singapore)	To show that the mark "ANCHOR & DEVICE" is registered in for threads wholly or mainly of artificial silk in class 23 in Singapore

"B-10"	Copy of Cert. Of Reg. No. 8250 (Ceylon)	To show that the mark "ANCHOR & DEVICE" is registered for cotton yarn and thread in class 23 in Ceylon
"B-11"	Copy of Cert. Of Reg. No. 379722 (Switzerland)	To show that the mark "ANCHOR & DEVICE" is registered in class in Switzerland
"B-12"	Copy of Cert. Of Reg. No. 25527 (Thailand)	To show that the mark "ANCHOR & DEVICE is registered for all goods in class 23 in Thailand
"B-13"	Copy of Cert. Of Reg. No. 2563 (Philippines)	To show that the mark "ANCHOR & DEVICE" is registered for sewing cotton threads of all descriptions, crochets and embroidery cotton in class 23 in the Philippines
"B-14"	Copy of Country of Listing dated 17/09/92 wherein the mark ANCHOR W is registered or applied for	To show that the mark (word) is both registered and under application in numerous countries all over the world
"B-15"	Copy of Country of Listing dated 17/09/92 wherein the mark ANCHOR D is registered or applied for	To show that the mark (device) is both registered and under application in numerous countries all over the world
"C"	J & P COAT advertising Catalogue	To show that the mark ANCHOR & DEVICE is marketed and advertised all over the world
"C-1"	Page 1 of the Domestic Threads Section	To that the sewing and embroidery threads bearing the mark "ANCHOR & DEVICE" are marketed and advertised all over the world
"C-2"	Page 11 of the Domestic Thread Section	To show that the embroidery threads bearing the "ANCHOR&DEVICE mark are marketed and advertised all over the world
"C-3"	Page 12 of the Domestic Threads Section	To show that pearl cotton, stranded cotton and soft embroidery threads bearing the mark "ANCHOR & DEVICE" are marketed and advertised all over the world
"C-4"	Page 13 of the Domestic Threads Section	To show that embroidery and Tapisserie Wool threads bearing the mark "ANCHOR & DEVICE" are marketed and advertising all over the world
"C-5"	Page 14 of the Domestic Threads Section	To show that embroidery and Tapisserie Wool Threads bearing the mark "ANCHOR & DEVICE" are marketed and advertised all over the world
"C-6"	Page 15 of the Domestic Threads Section	To show that Mercer Crochet Cotton threads bearing the "ANCHOR & DEVICE" mark are marketed and advertised all over the world
"C-7"	Page 16 of the Domestic Threads Section	To show that machine embroidery threads bearing the "ANCHOR & DEVICE" mark are marketed and

		advertised all over the world
"D"	Brochure for ANCHOR "Stitchery Kits"	To show that Stitchery Kits bearing the mark "ANCHOR & DEVICE" mark are marketed and advertised all over the world
"E"	Brochure for ANCHOR "Special Occasion Cards Kits"	To that Special Occasion Card in Counted Cross Stitch bearing the mark "ANCHOR & DEVICE" mark are marketed and advertised all over the world
"F"	Specimen Pack showing the ANCHOR DEVICE mark	To show that the mark "ANCHOR & DEVICE" mark is in active use
"F-1"	Specimen label showing the mark ANCHOR & DEVICE	To show that the mark "ANCHOR & DEVICE" mark is in active use
"F-2"	Specimen label showing the mark ANCHOR& DEVICE	To show that the mark "ANCHOR & DEVICE" mark is in active use
"F-3"	Specimen label showing the mark	To show that the mark is in active use

From the evidences presented, Opposer has established that it is indeed an internationally well-known mark entitled to protection under Art. 6bis of the Paris Convention and the Philippine Trademark Law.

Moreover, the non-filing of the Answer and Motion to lift Order of default by the herein Respondent-Applicant signifies lack of interest on his part. The Supreme Court held in *DELBROS HOTEL CORPORATION vs. INTERMEDIATE APPELLATE COURT*, 159 SCRA 533, 534 (1988) that:

"Fundamentally, default orders are taken on the legal presumptions that in failing to file an ANSWER the Defendant does not oppose the allegations and relief demanded in the complaint."

WHEREFORE, the Notice of Opposition is hereby SUSTAINED. Accordingly, Application Serial No. 73134 for the trademark "ANCHOR" for twine filed by the herein Respondent-Applicant is hereby REJECTED.

Let the file wrapper of this case be forwarded to Administrative, Financial and Human Resource Development Bureau for appropriate action in accordance with this Decision with a copy thereof to be furnished the Bureau of Trademarks for information and update of its record.

SO ORDERED.

Makati City, November 10, 1998.

ESTRELLITA BELTRAN-ABELARDO
Caretaker/Officer-In-Charge