

LIBERTY P.L.C.,  
NO. 3914  
Opposer,

INTER PARTES CASE

-versus-

CLASSIC”

Opposition to:  
Serial No.: 78194  
Date Filed: October 22, 1991  
Trademark: “LIBERTY

& Device

Used on: Clothing such as  
t-shirts, blouses, pants,  
jeans, socks, shoes,  
etc.  
under Class 25

OPHINE RONQUILLO,  
Respondent-Applicant

Decision No. 2001-12

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#### DECISION

This is an Opposition to the application for registration of the mark “LIBERTY CLASSIS” and Device.

On October 22, 1991, Ophine Ronquillo (hereafter “Respondent”) filed her application for registration of the mark “LIBERTY CLASSIC” & Device for use on clothing items such as t-shirts, blouses, pants, jeans, socks, shoes, etc. under Class 25. In her application, Respondent claimed first use of the mark in the Philippines on January 15, 1990.

On April 27, 1992, the BPTTT issued a letter informing Respondent that said mark was in conflict with two (2) other previously registered marks, namely: (1) the mark “Liberty” under Certificate of Registration No. 34863 for shirts under Class 25, issued to Sunder L. Mukhi; and (2) the mark “Classique” under Registration No. SR-5188 for dresses under Class 25, issued to a certain Po Suan Velasco Chua Yu.

In her letter-reply dated June 17, 1992, Respondent requested for an amendment of the title of her application to “LIBERTY CLASSIC” & Device, and asked that the word “etc” be deleted from the list of items on which the mark will be used. With regard to the conflict with the two (2) previously registered marks, Respondent in the same letter claimed that “due to the inherent or apparent display of the marks concerned the issue is likely to occur”, citing the decision of the Supreme Court in the case of *Etepha v. Director of Patents* (16 SCRA 495, March 31, 1966).

On June 19, 1992, the BPTTT recommended the publication of the application for registration after finding that the subject mark was “capable of indicating the origin of goods to which it is used”. The application for registration was published in

Vol. VI No. 2 of the Official Gazette that was released for circulation on May 21, 1993.

On July 30, 1993, Liberty PLC (hereafter "Opposer"), a corporation organized and existing under the laws of Great Britain, filed its Unverified Notice of Opposition (the verified version was filed on September 29, 1993), alleging as follows:

- "1) The approval of Application Serial No. 78194 is contrary to Section 4(d) of Republic Act No. 166, as amended;
- (2) The Opposer is the owner of trademark "LIBERTY" (word), having been the first to adopt and use the same in actual trade and commerce and with which was applied for registration on May 10, 1991 with Application Serial No. 76026;
- (3) The trademark "LIBERTY" is registered in Great Britain and in other foreign countries in the name of Opposer;
- (4) The trademark "LIBERTY" which the Opposer has created and adopted is well-known in the Philippines and throughout the world; and
- (5) The Opposer will be damaged and prejudiced by the registration of the trademark "LIBERTY CLASSIC" (device) in the name of the Respondent-Applicant and its established goodwill will suffer great and irreparable injury."

Opposer relied on the following facts in support of its Opposition:

- "a) Trademark "LIBERTY CLASSIC" (device) of Respondent-Applicant is a flagrant and substantial adoption of the distinctive "LIBERTY" mark of Opposer;
- (b) The use and registration of the mark "LUBERTY CLASSIC" (device) is for the purpose of reaping benefits from the popularity of the distinctive "LIBERTY" of Opposer;
- (c) The use and registration of the Respondent-Applicant's mark amounts to a violation of Opposer's proprietary rights over the "LIBERTY" mark;
- (d) Further, the use of "LIBERTY CLASSIC" (device) mark will cause confusion, mistake, and deception to the buying public considering that the "LIBERTY" mark has always been associated with Opposer and that that public is likely to believe that Respondent-Applicant's products have been produced and sponsored by the Opposer;
- (e) By a treaty commitment, the Philippines is obligated to protect well-known marks similar to the Opposer's "LIBERTY" mark;
- (f) The application subject of this Opposition was filed only on October 22, 1991."

Opposer then moved to declare Respondent in default for the latter's failure to file her Answer within the reglementary period. However, on November 26, 1993, Respondent filed her Motion to Admit Answer to the Opposition. Finding justifiable grounds therein, this office granted the Motion and admitted Respondent's Answer per Order No. 93-870 dated December 9, 1993.

In her Answer, Respondent alleged the following special and affirmative defenses:

- "(5) The Verified Notice of Opposition was filed out of time and should performe be motu proprio dismissed.
- (6) Respondent-Applicant's mark is a composite trademark consisting of two (2) common dictionary terms and a device while e Opposer's trademark consists merely of the simple word "LIBERTY", hence, confusion on the part of the buying public is remote if not unlikely;
- (7) Respondent's trademark has been allowed and given due course after regular examination and processing which is a clear indication that this Honorable Office does not consider the parties' trademarks as identical or confusingly similar;
- (8) Opposer's trademark has no commercial use in the Philippines and consequently does not have any established goodwill to speak of in contra-distinction to respondent's trademark that has been in commercial use throughout the Philippines and has gained public recognition, popularity and goodwill;
- (9) Opposer's alleged registrations in Great Britain and in other foreign countries have no bearing in the present action considering that registration elsewhere is not registration in the Philippines;
- (10) Opposer's claim that its trademark is well-known in the Philippines and throughout the world is merely its own gratuitous conclusion without legal or factual basis;
- (11) Contrary to Opposer's claim respondent's trademark LIBERTY CLASSIC is the only mark which the public is familiar with owing to respondent's promotional efforts and expenses."

As the parties failed to arrive at an amicable settlement during the pre-trial, the case was set for trial on the merits. Opposer presented the affidavit-testimony of Thomas Bruce Alexander, and documentary evidence consisting of certificates of registration, product labels and annual report of the company. All these documents consisting of Exhibits "A" to "G" were admitted in evidence in view of the failure of Respondent to file her Comments/Objections thereto.

Respondent on her part failed to appear during the hearings intended for the presentation of her evidence. Due to her repeated and unjustified absences and

failure to present evidence, Respondent was declared by this Office as having waived her right to present evidence under Order No. 96-212 dated April 16, 1996. On August 14, 1998, opposer submitted its Memorandum, and the instant case was deemed submitted for decision.

In resolving this opposition, a determination of the following issues must be made:

1. Is the mark Liberty Classic applied for by Respondent-Applicant confusingly similar to Opposer's mark LIBERTY and therefore, its registration is contrary to the provision of Sec. 4 (d), R.A. 166, as amended, and
2. Is the mark LIBERTY of opposer an internationally well known mark which is entitled to the protection of Art. 6bis of the Paris Convention.

SEC. 4 (d) of R.A. 166 as amended which is the law existing at the time the subject application as well as the Notice of Opposition thereto was filed, provides as follows:

"Sec. 4. Registration of trademarks, trade names and service marks on the principal register. - There is hereby established a register of trademarks, tradenames and service marks which shall be shown as the principal register. The owner of a trademark, tradename 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:

X X X

"(d) Consists of or compromises a mark or tradename which so resembles a mark of tradename 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 mistakes or to deceive purchases."

From the evidence presented, it is observed that the mark LIBERTY of Opposer as it appears on the label is spelled out in bold and capital letters in a plain black background. On the other hand, the mark LIBERTY of Respondent as it appears on the label is printed in stylized form with only the letter "L" capitalized. Respondent's mark also contains the word "Classic" written in small letters placed below the mark "Liberty", and has a device or figure consisting of a badge or insignia on top of the word "Liberty".

In determining whether the marks are confusingly similar, one of the tests applied by the courts is the test of dominancy. "Similarity in size, form, and color, while relevant, is not conclusive. If the competing mark contains the essential or dominant features of another mark, and confusion and deception is likely to result, there is confusing similarity. If the competing trademarks contain the main or

essential or dominant features of another by reason of which confusion or deception is likely to result, then infringement takes place; that duplication or imitation is not necessary. A similarity in the dominant features of the trademarks would be sufficient." (*Co Tiong V. Director of Patents, 95 Phil., 1954*).

In this case, we find sufficient indications of similarity between the two marks, the "LIBERTY" mark of Opposer and "Liberty Classic" mark of Respondent. Aside from the word "Liberty", the product label of Respondent contains the word "Classic" written in small letters, placed below the "Liberty" mark, and has a device or figure consisting of a badge or insignia on top of the word "Liberty". This manner of placement of the words on the label only shows that Respondent intended the word "Liberty" to be the dominant feature of her mark.

If the dominant feature is imitated, or if such dominant feature is made a part of another composite mark, a case of confusingly similarity may result.

In *Philippine Nut Industry v. Standard Brands, 65 SCRA 575, (1975)*, it was held that the dominant feature in the trademark "Planters Cocktail Peanuts" and the mark "Philippine Planters Cordial Peanuts" is the word "Planters", the appropriation of which by the junior user makes the two marks confusingly similar. Similarly, in *Converse Rubber Corp. v. Universal Rubber Products, Inc. 147 SCRA 154 (1987)*, the Supreme Court held that the trademark "Universal Converse and Device" is confusingly similar to "Converse Rubber Corporation" because the word "converse" is the dominant word used in the latter, as would create a likelihood of confusion among the purchasers.

Moreover, likelihood of confusion cannot be avoided by the addition of the word "CLASSIC". In *Continental Connector Corp. v. Continental Specialties Corp., 27 USPQ 60*, the rule is that "confusion created by the use of the same word as the primary element in a trademark is not counteracted by the addition of another term", for instance, the mark "MISS USA" and "MISS USA WORLD" (*Miss Universe, Inc. v. Patrecelli, 161 USPQ 129*); "GUCCI" and "GUCCI-GOO" (*Gucci Shops v. R.H. Macy and Co., 446 F. Supp. 838*); "Comfort" and "Foot Comfort" (*Scholl, Inc. v. Tops E.H.R. Corp. 185, USPQ 754*); and "ACE" and "TEN-ACE" (*Becton, Dickinson & Co. v. Wigum Mills, Inc. 199 USPQ 607*). In this case, we do not see any legal and factual reason to hold otherwise; the addition of the word "CLASSIC" and Device would not preclude the finding of a likelihood of confusion.

Therefore, the registration of the mark LIBERTY CLASSIC would be violative of Sec. 4 (d) of R.A. 166, as amended.

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

Anent the second issue, the opposer contends in its Opposition that its mark is well-known worldwide and therefore entitled to protection in accordance with Article 6bis of the Paris Convention. To prove this claim, it presented the testimony of its legal counsel in the United Kingdom, Thomas Bruce Alexander, who stated in his affidavit that Opposer's mark is well-known as shown by the fact of its registration in many countries throughout the world, and that many of these registrations cover goods in Class 24 and Class 25 and other closely-related classes.

In support of this statement, said witness referred to a computer printout of his law firm listing all the registrations of the mark in other countries marked Exhibit "C". A perusal of this list shows that aside from the registration in the Philippines of Opposer's mark used on goods under Class 24 (under Certificate of Registration No. 56413 issued on November 3, 1993), the same is also registered in Argentina, Australia, Austria, Bahamas, Barbados, Benelux, Bermuda, Canada, Chile, China, Cyprus, Denmark, Egypt, Finland, France, Hong Kong, India, Italy, Japan, Mexico, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Thailand, United Kingdom, and United States.

The same list likewise shows that Opposer's mark used on goods under Class 25, while not registered in the Philippines, is registered in many countries such as Argentina, Australia, Benelux, China, Cyprus, Denmark, Finland, France, Germany, Ireland, Italy, Jamaica, Japan, New Zealand, Singapore, South Africa, Sri Lanka, Spain, United Kingdom and the United States.

Given the significant number of registration of Opposer's mark in many countries worldwide, it may be considered a well known mark in accordance with Ministry of Trade and Industry Memorandum dated October 25, 1983 (Ongpin Memorandum) which provides:

"1. Whether the trademark under consideration is well-known in the Philippines or is a mark already belonging to a person entitled to the benefits of Convention, this should be established, pursuant to Philippine Patent Office procedures in inter partes and ex parte cases, according to any of the following criteria or any combination thereof:

"(a) a declaration by the Minister of Trade and Industry that the trademark is already well-known in the Philippine such that permission for its use by other than its original owner will constitute a reproduction, imitation, translation or other infringement;

"(b) that the trademark is used in commerce internationally as shown by proof that goods bearing the trademark are sold on an international scale, advertisements, the establishment of factories, sales offices, distributorships, and the like, in different countries, including volume or other measure of international trade and commerce;

"(c) that the trademark is duly registered in the industrial property office(s) of another country or countries, taking into consideration the dates of such registration;

"(d) that the trademark has been long established and obtained goodwill and general international consumer recognition as belonging to one owner or source;

"(e) that the trademark actually belongs to a party claiming ownership and has the right to registration under the provisions of the aforestated Paris Convention." (Underscoring provided)

The registration of Opposer's mark in various industrial offices throughout the world is a clear indication of its being well-known. In addition, a significant number of the registration of Opposer's mark in said countries have filing dates before January 15, 1990, the date of first use by Respondent as indicated in the latter's application. This only underscores the fact that the mark of Opposer is already a well-known mark even prior to the date of first use by Respondent on January 15, 1990, as alleged in the latter's application for registration.

In this case, the mark of Respondent is used on goods under Class 25 (clothing), while the mark of Opposer under Certificate of Registration No. 56413 shows that it is used on goods under Class 24 (fabric). While the two classes are different and unrelated, it is important to note that the mark of Opposer is also used on goods in Class 25 which is exactly the same class where Respondent's mark is being used. As discussed above, Opposer's mark as it is used on goods under Class 25 is also well-known in view of its registration in many countries around the world and therefore, entitled to protection under Art. 6bis of the Paris Convention which provides that –

“(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 provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.”

WHEREFORE, in view of the foregoing, the subject opposition is SUSTAINED. Accordingly, Application Serial No. 78194 for the registration of the mark "LIBERTY CLASSIC" and Device for use on clothing articles in Class 25 is hereby REJECTED.

Let the file wrapper of subject trademark application be forwarded to the Administrative, Financial and Human Resource Development Service Bureau (AFHRDSB) for appropriate action in accordance with this Decision, with a copy thereof furnished the Bureau of Trademarks (BOT) for information and update of its records.

SO ORDERED.

Makati City, August 29, 2001.

ESTRELLITA BELTRAN-ABELARDO  
Director  
Bureau of Legal Affairs  
Intellectual Property Office