

OSBORNE Y COMPANIA S.A.,
Opposer,

INTER PARTES CASE NO. 1891

OPPOSITION TO:

Appln. Serial No. 32379
Filed : May 17, 1977
Applicant : United Wine
 Merchants, Inc.
Trademark : EL TORO
Used on : Gin

-versus-

UNITED WINE MERCHANTS, INC.,
Respondent-Applicant.

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DECISION NO. 88-32 (TM)
June 15, 1988

DECISION

Osborne y Compania S.A. filed on December 9, 1984 its Unverified Notice of Opposition to the registration of trademark "EL TORO" for gin applied for on May 17, 1977 by the United Wine Merchants, Inc. under Application No. 32379, published in the Official Gazette, Volume 80, No. 22 and officially released for circulation on November 19, 1984.

Opposer is a foreign company with business address at Fernan Caballero, 3 Puerto de Sta. Maria (Cadiz), Spain, while Respondent-Applicant is a domestic corporation organized and existing under the laws of the Philippines, with address at Mapandan, Pangasinan, Philippines.

The Opposer filed its Verified Opposition on February 22, 1985 on the following grounds:

"1. Opposer has filed in the Philippines Application Serial No. 51891 on 11 August 1983 under Sec. 37 of R.A. No. 166 for the same trademark 'EL TORO' for wines, spirits and liquors falling under International Class 33. The said application is based on Spanish Home Registration 831.405 issued on 5 December 1978;

2. The trademark 'EL TORO' was first coined or adopted by the opposer and is well-known worldwide;

3. The opposer's trademark 'EL TORO' has long been used in trade and commerce before the same was unlawfully copied or appropriated and thereafter applied for registration by respondent-applicant;

4. Opposer's ownership of the mark 'EL TORO' is recognized not only in Spain but also in such countries as West Germany, Benelux countries, Denmark, Great Britain, Mexico, Puerto Rico, Colombia, Japan xxx;

5. Opposer's trademark 'EL TORO' as applied on goods under International Class 33 is well-known for fine quality liquors enjoying thereby an enviable reputation and enormous goodwill;

xxx

8. That opposer's 'EL TORO' mark is identical to the 'EL TORO' mark of the respondent-applicant, hence, confusing similarity exists resulting to dilution and loss of distinctiveness of opposer's mark;

The Office sent on March 11, 1985 to the Respondent-Applicant a Notice to file its Answer within fifteen (15) days from receipt thereof.

On March 26, 1985, Atty. Ciriaco Atienza entered his appearance and simultaneously filed a Motion for thirty (30) days extension of time from March 26, 1985 within which to file an Answer which was granted. Notwithstanding the grant of extension, the Respondent-Applicant failed to file its Answer on time.

The Opposer filed on June 20, 1985 a Motion to declare Respondent-Applicant in Default which was granted in Office Order No. 85-214 dated July 8, 1985. The Order of Default was however set aside on motion by Respondent-Applicant and its Answer admitted.

The case was set for pre-trial conference on November 4, 1987, which was successively moved to November 11, 1987, December 3 and 17, 1987, then to February 9, 1988, giving time to the parties to amicably settle the case.

For failure to appear at the hearing of February 9, 1988, the Opposer moved in open court to declare the Respondent-Applicant is in default and to present ex-parte its evidence on the next hearing. The Respondent was thus declared in default in Order No. 88-68 dated March 4, 1988.

The Opposer presented its evidence during the hearing of March 14, 1988 consisting of Exhibits "A" to "H-1", inclusive, which were all admitted in evidence, per Office Order No. 88-96 dated March 29, 1988:

<u>Exhibits</u>		<u>Description</u>
"A"	-	Machine copy of duly authenticated Special Power of Attorney by Osborne of Compania S.A. authorizing Messrs. Poblador, Azada Associates to act as its local representative and agent, consisting of 4 pages.
"B"	-	Machine copy of Certificate of Registration No. 5125 of the Supplemental Register issued in favor of United Wine Merchants, Inc. for the trademark "EL TORO".
"B-1" "B-2" & "B-3"	-	Facsimile of the trademark "EL TORO" appearing on the second page of Exhibit "B"; the name United Wine Merchants, Inc. and class of goods it is used on to show the manner in which the trademark with Registration No. 5125 is used; to show that it is confusingly similar to Petitioner's trademark (Exh. "B-1"); to show that Respondent-Applicant is the owner of the trademark with Registration No. 5125 (Exh. "B-2"); and to show that Respondent's trademark is used on goods falling under International Class 33 - (Exh. "B-3")
"C", "C-3" & "C-4"	-	Certified true copy of Opposer's pending trademark application for the mark "EL TORO" with Serial No. 51891 issued on August 2, 1985 consisting of 11 pages (Exh. "C"); covering letter

of Opposer's trademark application with Serial No. 5189 (Exh. "C-2"); Certificate of Authentication issued by the Philippine Embassy in Spain relating to Opposer's trademark application (Exh. "C-3"); trademark application by the Opposer for the mark "EL TORO" as appearing on Page 4 of Exhibit "C".

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| "C-5-1" &
"C-5-2" | - | Page 5 of Exhibit "C"; drawing of Opposer's trademark "EL TORO" (Exh. "C-5-1"); and facsimile of the trademark "EL TORO" to show the manner in which Opposer's trademark is used and to show that Respondent-Applicant's trademark is confusingly similar with that of Opposers. |
| "C-6" & "C-7" | - | Certificate of Home Registration No. 831,405 issued by the Spanish Industrial Property Registry (Exh. "C-6"); and its English translation as appearing on Page 7 of Exhibit "C" to show that Opposer has priority of use and trademark-registration for the mark "EL TORO". |
| "C-8", "C-9",
"C-10" & "C-11" | - | Page 8 of Exhibit "C"; official action, Paper No. 5 (Exh. "C-9"); Paper No. 3 (Exh. "C-10"); English translation of Exhibit "C-6" as appearing on Page 11 of Exhibit "C" to show that Opposer has an existing trademark application in this jurisdiction. |
| "D" | - | Specimen of label of Opposer for its trademark "EL TORO" to show how Opposer's trademark is used and to show that Respondent-Applicant's mark is confusingly similar to that of Opposer's mark. |
| "E"
"E-1", "F"
"F-1", "G"
"G-1", "H" | - | June, 1958 issue of the magazine, entitled "Southern Beverage Journal" (Exh. "E"); advertisement of Opposer's mark "EL TORO" appearing on Page 49 of Exhibit "E"; June, 1985 issue of magazine "Bar Business" (Exh. "F"); picture of Opposer's goods bearing the mark "EL TORO" appearing on Page 132 of Exhibit "F" and other magazines where Opposer's mark and products are advertized at different commercial centers of the world, all to show that the Opposer's goods bearing its trademark "EL TORO" is commercially known worldwide. |

An issue to be resolved is whether or not Respondent-Applicant's mark "EL TORO" is confusingly similar to Opposer's mark "EL TORO".

As pointed out by the Opposer in its Memorandum, the similarities of the contending marks are:

- (1) As to words, both are "EL TORO";
- (2) As to label both contain the drawing of the whole body of a bull; and
- (3) As to the class of goods they are used on, both belong to Class 33.

Their minor differences are:

- (1) The style in which the words "EL TORO" are printed. - Respondent's first word "EL" is written in stylish manner followed by the word "TORO" in capital letters with a big letter "T", while that of the Opposer's, the words "EL TORO" are all written in capital letters;
- (2) The whole bull figure in Respondent's label is in a "goring stance with horns lowered", in brown color, while that of Opposer's is in a "challenging stance" with horns raised, in black color; and
- (3) The shape of their labels. - Respondent's label is circular with five lobes, while the Opposer's label is rectangular with a lobe and shield at the upper portion thereof.

From the foregoing, it could be clearly seen that the similarities are marked, glaring and striking, while their differences are only slight and insignificant. The use of "EL TORO" tends to create in the minds of unwary purchasers that the goods or products under such marks come from the same source or origin to the prejudice of the Opposer and the consumers. The Supreme Court, in similar cases, ruled:

"x x x that whether or not a trademark causes confusion and is likely to deceive the public is a question of fact which is to be resolved by applying the test of dominancy, meaning if the competing trademark contains the main or essential or dominant features of another by reason of which confusion and deception are likely to result, then infringement takes place, that duplication or imitation is not necessary or similarity in the dominant feature of the trademark would be sufficient." (Co Tiong Sa vs. Director of Patents, 1954, 95 Phil. 1; Clark vs. Manila Candy Co., 36 Phil. 100; Alhambra Cigar & Cigarettes vs. Mojica, 27 Phil. 266)

"x x x Differences there will always be, but whatever differences exist, these pale into insignificance in the face of an evident similarity in the dominant feature and overall appearance of the labels of the parties." (Phil. Nut Industry, Inc. vs. Standard Brands, Inc., 65 SCRA 575)

The Opposer clearly established by evidence that it has used and registered "EL TORO" in its home country (Exh. "C-6") and has an existing trademark application for registration in this jurisdiction (Exhs. "C-8", "C-9" and "C-10").

On the other hand, the records show that Respondent filed its application for the subject mark on May 17, 1977 and indicated therein that its first use of the mark on its goods and in the Philippines was on April 15, 1979.

On its face, the application should be rejected for failure to comply with the registrability requirement provided in Section 2 of Republic Act 166 of at least two months actual use in commerce prior to the filing of the application. It is likewise noted from the records of the Bureau that Respondent-Applicant has initially claimed as date of first use January 1, 1971 but had to change it subsequently to April 15, 1979. This casts serious doubt on the correctness of the data contained in the application. That he failed to exercise his right to present evidence at all to support his cause only served to confirm this conclusion to be warranted. Thus, Opposer's claim of ownership of the mark in question is deemed validated.

WHEREFORE, this Notice of Opposition is hereby GRANTED. Accordingly, Respondent's Application Serial No. 32379 for the registration of the mark "EL TORO" for gin in its behalf is hereby REJECTED.

Let the records of this case be transmitted to the Trademark Examining Division for appropriate action in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director