

SHANGRI-LA INTERNATIONAL	}	IPC No. 14-2007-00358
HOTEL MANAGEMENT LTD.,	}	Opposition to:
Opposer,	}	
	}	
-versus-	}	Serial No. : 4-2007-006028
	}	Date Filed : June 13, 2007
	}	
DEVELOPERS GROUP OF	}	Trademark : "S-LOGO"
COMPANIES, INC.,	}	
Respondent-Applicant.	}	Decision No. 2009-19
x-----x	}	

DECISION

This is an opposition to the registration of the mark "S-LOGO" bearing Application No. 4-2007-006028 filed on June 13, 2007 covering the service "RESTAURANT AND CATERING" falling under class 43 of the International Classification of Goods which application was published for opposition in the IPO E-Gazette bearing release date of September 7, 2007.

The Opposer in this case is SHANGRI-LA INTERNATIONAL HOTEL MANAGEMENT LTD., a company duly organized and existing under the laws of the British Virgin Island at Trident Chambers, P.O. Box 146 Roads Town, Tortola, British Virgin Islands.

The grounds of the Opposition are as follows:

"1. The allowance for registration of the mark "S-LOGO", subject of the instant Opposition, contravenes Section 123.1 sub-paragraph (c) of Republic Act No. 8293 ("R.A. No. 8293" or the "IP Code"), which provides in relevant part, to wit:

Section 123. Registrability

123.1 A mark cannot be registered if it:

- x      x      x
- x      x      x

(c) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered in the Philippines, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark:

- x      x      x
- x      x      x

(Italics supplied)

"2. Rule of this Office's Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Container of Goods

(the "Trademark Rules") provides for the criteria for determining whether a mark is well-known, as follows:

"Rule 102. Criteria for determining whether a mark is well-known

In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

1. The duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services;
2. The market share, in the Philippines and other countries, of the goods or services to which the mark applies;
3. The degree of the inherent or acquired distinction of the mark;
4. The quality-image or reputation acquired by the mark;
5. The extent to which the mark has been registered in the world;
6. The exclusivity of registration attained by the mark in the world;
7. The extent to which the mark has been used in the world;
8. The exclusivity of use attained by the mark in the world;
9. The commercial value attributed to the mark in the world;
10. The record of successful protection of the right in the mark;
11. The outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
12. The presence or absence of identical or similar marks validity registered for or used on identical or similar goods or services and owed by the persons other than the person claiming that his mark is a well-known mark".

"3. The Respondent-Applicant's "S-LOGO" mark is identical to and so resembles the Opposer's "S-LOGO" mark, for goods and services falling under, among others, International Classes 16,25, 29, 32, 33, 35, 37, 39, 41, 42, 43, and 44, as to likely deceive or cause confusion with Opposer's goods and services when applied to or used in connection with the Respondent-Applicant's sought-to-be covered services.

"4. The use by Respondent-Applicant of the "S-LOGO" mark on services that are similar, identical or closely related to the goods that are produced/services offered by, originated from, or are under the sponsorship of Opposer, will greatly mislead the purchasing public/consumers/potential customers and clients, into believing that Respondent-Applicants services are offered by, originate from, or are under the sponsorship of herein Opposer.

"5. Opposer has not abandoned the use in many countries around the world including here in Philippines of its "S-LOGO" mark.

“6. A mark which is a well-known one is entitled to broad protection under the aforementioned Section 123.1(c) of R.A. No. 8293, Article 6bis of the Paris Convention for the Protection of Industrial Property (the “Paris Convention”), and Article 16 of the Trade-Related Aspects of Intellectual Property (the “TRIPS Agreement”), to which the Philippines and the United Kingdom (which exercises executive authority over the British Virgin Islands, herein Opposer’s state of incorporation ) are signatories.

“7. Article 6bis of the Paris Convention states, thusly:

“(1) The countries of the Union undertake ex-officio 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, an imitation, or a translation, liable to create a 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 this Convention and for identical or similar goods. These provisions shall also apply when the essential part of the mark known mark or an imitation liable to create confusion therewith.”

(Emphases supplied)

“8. TRIPS Agreement, specifically Article 16, sub-clauses 2 and 3 thereof, state: “Article 16

x x x

2. xxx. In determining whether a trademark is well-known Members shall take account of the knowledge of trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.

3. Article 6bis of the Paris Convention (1967) shall apply, mutatis mutandis, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark are likely to be damaged by such use.

9. The registration of Respondent-Applicant’s use of the “S-LOGO” mark, contravenes the pertinent provisions of R.A. No. 8293, the Paris Convention and the TRIPS Agreement, hence is subject to non-allowance for registration under the aforementioned pertinent provisions of R.A. No. 8293, the Paris Convention, and the TRIPS Agreement.

10. The Respondent-Applicant’s use of the “S-LOGO” mark, pertains to the operations of restaurants and catering services in the Philippines, which activities are advertised/promoted to the general public, that will logically give connection or raise plausible relation or create the impression, that the Respondent-Applicant’s business activities and those

of herein Opposer's goods/services bearing/making use of the "S-LOGO" mark are related, since Opposer, is in the hotel and resort business.

11. Respondent-Applicant was the Registrant in the Philippines of the mark "SHANGRIOLA'S FINEST CUISINE & 'S' LOGO" that bore Reg. no. 31904 for Class 35 services, particularly for the "restaurant business". The "S LOGO" portion of this composite mark is the very same "S LOGO" mark that is the subject of Application no. 4-2007-006028, which in turn, is the very subject of the instant Opposition. The Honorable Philippine Supreme Court in its (a) Decision in G.R. No. 159938 entitled "Shangri-La International Hotel Management Ltd. (herein Opposer), Shangri-La Properties, Inc. Makati Shangri-La Hotel & Resort Inc. and Kuok Philippines Properties, Inc. vs. Developers Group of Companies, Inc. (herein Respondent/Applicant)" that was promulgated on March 31, 2006; and )b) Resolution dated January 22, 2007 denying Respondent-Applicant's motion for Reconsideration of the aforesaid Decision, ruled that herein Respondent-Applicant's Reg. No. 31904 was void due to the existence of bad faith on Respondent-Applicant's part in obtaining said registration, and the absence of the requisite two-month prior use by respondent-Applicant of the mark covered by Reg. No. 31904, as required by the applicable provision of Republic Act No. 166, as amended, the law that was in force at the time Respondent-Applicant applied for registration. The Supreme Court's Decision became final and executory on February 12, 2007, as borne by the Supreme Court's Entry of Judgment dated May 15, 2007. Certified true copies of the Supreme Court's (a) Decision dated March 31, 2006; (b) Resolution dated January 22, 2007; and (c) Entry of Judgment dated May 15, 2007, are respectively marked and attached hereto as Petitioner's Exhibit "A" to "C", to form integral part hereof. Thusly, Respondent-Applicant has no basis for pursuing its above-captioned application, and can even be considered in utter bad faith for lodging and attempting to prosecute to grant its application, subject of this Opposition.

In supporting this Opposition, Opposer relied on the following facts:

"1. A Singaporean design artist, Mr. William Lee, was especially commissioned to conceptualize and design the "S LOGO" mark by the Shangri-La Hotel Singapore, and was launched as far back as February 1975 (page 3 of the aforesaid Supreme Court Decision, marked as Opposer's Exhibit "A-1 to form an integral part hereof), which has become well-known based on Opposer's long use of said Mark all over the world.

"2. The Opposer is the true owner of the mark "S LOGO" which has been registered in the Opposer's name elsewhere around the world, as shown by the certified and legalized document entitled "S Device- Summary of Status of Trademark Registration/Applications in All Countries as of September 28, 2007 that is marked and attached hereto as Exhibit "E" to form an integral part hereof. Further, certified true copies of Opposer's registrations obtained from the industrial/intellectual property offices in the countries/jurisdictions of Australia, Canada, Hong Kong, New Zealand, Singapore, and the Office for Harmonization in the Internal Market (Trademark and Designs) ["OHIM"], are respectively marked and attached hereto as Exhibit "E" to "E-9" to form integral parts hereof.

"3. Opposer has been commercially using its "S LOGO" mark in the Philippines and elsewhere around the world since 1988, and in Singapore

since 1975, which use antedates the use by Respondent-Applicant of its “S LOGO” mark.

“4. In support of Opposer’s claim that it has made extensive use worldwide of its “S LOGO” mark, Opposer marks and attaches hereto as its Exhibit “D” to form an integral part hereof, a duly notarized and legalized Affidavit of Ownership executed by its Director, Mr. Madhu Rama Chandra Rao, providing among others, information pertaining to the [ i ] worldwide revenues earned by Opposer from the use of its “S LOGO” mark from 2004-2006; [ ii ] worldwide expenditures incurred from 2004-2006, in respect of promotional/sales/advertising made over the “S LOGO” mark; and [ iii ] identifying the documents in support of such assertions, that are respectively marked and attached hereto as Exhibit “F” to “G”. Also attached to this Verified Notice of Opposition in support of Opposer’s assertion that it is the true and lawful owner of the “S LOGO” mark are [ i ] an actual copy of the 2006 Annual Report of Shangri-La Asia Limited (the copy page thereof prominently features herein Opposer’s “S LOGO” mark; [ ii ] a certified true copy of the Annual Return filed on June 19, 2007 by the Opposer with the Hong Kong Companies Registry; [ iii ] actual brochures/pamphlets of various hotels/resorts operated by the Shangri-La Groups Companies, prominently featuring the “S LOGO” mark therein; [ iv ] Philippine Application for the “S LOGO” mark therein; Honorable Office’s predecessor Office, the Bureau of Patent, Trademark and Technology Transfer; [ v ] Deed of Assignment over said Philippine application made in favor of herein Opposer; and [ vi ] cover letter from undersigned counsel filed with this Officer’s AFHRDSB/Bureau of Trademarks, requesting for the recordal of the Deed of Assignment over the Philippine application for the “S LOGO” mark, which are respectively marked as Opposer’s Exhibits “H” to “I”, “L” to :M-3”, to form integral parts hereof.

“5. By spelling, pronunciation and appearance, the respondent-Applicant’s “S LOGO” mark is identical to and/or confusingly similar to the Opposer’s mark, “S LOGO” mark.

“6. By virtue of the Opposer’s prior registrations obtained/applications fro registration filed of the “S LOGO” mark in various countries around the world, as well as the prior and continued use of said Mark in said other countries around the globe by herein Opposer, said mark has become popular and internationally well-known and has established goodwill for the Opposer with the general public, which as identified Opposer as the owner and the source of goods/services bearing said mark.

Opposer submitted the following in support of its opposition.

Documentary Exhibits	Description/Nature of Documents
“A”	Certified true copy of the Decision of the Philippine Supreme Court in G.R. No. 159938 “Shangri-La International Hotel Management, Ltd. et al. vs. Developers Group of Companies, Inc.’, promulgated on March 31, 2006
“A-1”	Page 3 of the Philippine Supreme Court Decision in G.R. No. 159938 DATED March 31, 2006
“B”	Certified true copy of the Decision of the Philippine Supreme Court’s Resolution promulgated on January 22, 2007 in G.R. No. 159938

"C"	Certified true copy of Supreme Court Entry of Judgment in G.R. No. 155938 dated February 12, 2007
"D"	Duly executed, notarized and legalized Affidavit Ownership of Mr. Madhu Rama Chandra Rao, Director of Opposer-Company
"E"	Certificate complete list of registrations/applications obtained by the Opposer in the Philippines and elsewhere around the world for the mark "S Logo"
"E-1"	Certified true copy of Certificate of registration of trademark No. 950648 for the "S Logo" mark issued by the Australia Register of Trade Marks in favor of Opposer
"E-2"	Certified true copy of Trade Mark Certificate of Registration No. 389224 for the "S Logo" mark issued by the Trade MARK Office Canada in favor of Opposer
"E-3"	Certified true copy of Certificate of Trade Registration No. 384240 for the "S Logo" mark issued by the Trade Mark Office of Australia in favor of Opposer
"E-4"	Certified true copy of Certificate of Trade Mark Reg. No. TMA 634, 309 for the "S Logo" mark issued by the Canadian Intellectual Property Office in favor of Opposer
"E-5"	Certified true copy of Certificate of Reg. Trade Mark No. 199602239 for the "S Logo" mark issued by the Trade Marks Registry, Intellectual Property Department, Government of Hong Kong Special Administrative Region in favor of Opposer
"E-6"	Certified true copy of Renewal of Trade Mark Registration No. 4199600384 for the "S Logo" mark issued by the Trade Marks Registry, Intellectual Property Department, Government of the Hong Kong Special Administrative Region in favor of Opposer
"E-7"	Certified true copy of Certificate OF Registration relating to Trade Mark Registration No. 724460 for the "S Logo" mark issued by the Commissioner of Patent, Trade Marks and design of New Zealand in favor of the Opposer.
"E-8"	Certified true copy OF Trade Mark Registration No. T91/01805J for the "S Logo" mark issued by the Assistant Registrant for the Registry of Trade mark in Singapore in favor of the Opposer
"E-9"	Certified true copy of Community Trade Mark ("CTM") Certificate of Reg. No. 003446903 for the "S Device" mark issued by the Office for Harmonization in the Internal Market (Trademarks and Designs) ["OHIM"] in favor of the Opposer
"F"	Certified copies of worldwide advertisements

	made by the Opposer and/or its affiliates featuring the "S Logo" mark
"G"	Certified Gross Operating Revenue, Advertising and Business Promotion Expenses in the Philippines and worldwide made by the Opposer and/or its affiliates from 2004-2006 in relation to the "S Logo" mark
"H"	Actual 2006 Annual Report for Shangri-La Asia Limited
"I"	Certified true copy of the Annual Return filed by the Opposer on June 19, 2007 with the Hong Kong Companies Registry
"J"	Certified true copy of the Bureau of Legal Affairs of the Intellectual Property Office of the Philippines ("BLA-IP Philippines") Order No. 2007-38(D) dated May 30, 2007 in Inter Partes Case (IPC) No. 3145, "Shangri-La Hotel International Management Ltd. vs. Developers Group of Companies, Inc."
"J-1"	Certified true copy of the BLA-IP Philippines' Order No. 2007-37 (D) dated May 31, 2007 in IPC No. 3529, "Developers Group of Companies, Inc., vs. Shangri-La International Hotel Management Ltd.,
"J-2"	Certified true copy of BLA-IP Philippines' Entry of Judgment/Execution of Order dated July 24, 2007 in IPC No. 3145
"J-3"	Certified true copy OF BLA-IP Philippines' Entry of Judgment/Execution of Order dated July 24, 2007 in IPC NO 3529
"K"	Actual Brochure featuring the 2006-2007 Collection for the Shangri-La Hotels and Resorts
"L"	Actual/original brochure for the Makati Shangri-La Hotel
"L-1"	Actual/Original brochure for the Shangri-La Mactan Island Resort & Spa
"L-2"	Actual/original brochure for the Shangri-La Hotel, Wuhan, China
"L-3"	Actual/Original brochure for the Shangri-La Qingdao, China
"L-4"	Actual original brochure for the Shangri-La Fijan Resort, Yanuca, Yanuka
"L-5"	Actual/Original brochure for the Shangri-La, Hong Kong
"L-6"	Actual/Original brochure for the Shangri-La Hotel, New Delhi, India
"L-7"	Actual/Original brochure for the Shangri-La Hotel, Kuala Lumpur, Malaysia
"L-8"	Actual/Original brochure for the Shangri-La Hotel, The Marina Cairns
"L-9"	Actual/Original brochure for EDSA Shangri-La Hotel, Manila
"M"	Duplicate original of Philippine Bureau of Patents, Trademarks and Technology

	Transfer's ("BPPTT") Office Action Paper No. 2 denominated as "Acknowledgement" for Application/Serial No. 64270 filed on March 24, 1988 for the mark "S DEVEICE LOGO" in the name of Shangri-La International Hotel Management Ltd. (Hong Kong)
"M-1"	Duplicate original of BPTTT'S Notice of Allowance and Payment of Publication Fee for the mark "S DEVEICE LOGO" bearing Application/Serial No. 64270
"M-2"	Duly executed, notarized and legalized Deed of Assignment over the mark bearing Application/Serial No. 64270 from Shangri-La International Hotel Management Limited of Hong Kong in favor of the Opposer
"M-3"	Duplicate cover letter from the Carag, Caballes, Jamora & Somera Law Office filed with this Office's Bureau of Trademarks/AFHRDSB, requesting for the recordal of the Deed of Assignment made in favor of the Opposer fro the Philippine Trademark Application bearing Serial No. 6470

The Respondent-Applicant failed to file its Verified Answer despite notice, Order No. 2008-713 dated 12 May 2008, as well as the affidavit of its witness and accordingly, it shall be construed as a waiver to file such affidavit of its witness and documents to be attached thereto, hence the Bureau of Legal Affairs proceed to render judgment accordingly on the basis of the documents submitted by the Opposer.

The only issue to be resolved is:

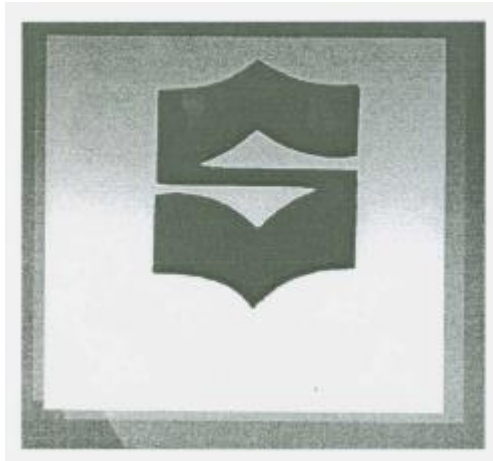
WHETHER OR NOT THE RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE MARK "S LOGO".

Sec. 123.1 A mark cannot be registered if it:

- (d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of:
  - (i) the same goods or services, or
  - (ii) Closely related goods or services, or
  - (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion.

The contending trademarks are reproduced below for comparison and scrutiny.





Opposer's mark



Respondent-Applicant's mark

Viewing from all angles, it cannot be denied that the respondent-Applicant's mark is an exact replica of the Opposer's mark "S-LOGO".

Records will show that the Opposer's mark "S LOGO" was filed for its registration on March 24, 1988 bearing Application Serial No. 64270 and pursuant to the Decision of the Supreme Court in the case "Shangri-La International Hotel Management, LTD, Shangri-La Properties, Inc., Makati Shangri-La Hotel And Resort, Inc., and Kwok Philippines Properties Inc., vs. Developers Group of Companies, inc., G.R. No. 159938 promulgated March 31, 2006, the court clearly stated that the (DGCI) Developers Group of Companies Inc., was not the owner of the mark, for it to have been the owner, the mark must not have been already appropriated (i.e., used) registration of the mark, the same was already used by the Petitioners of which DGCI's president was fully aware.

Due to the Decision of the Supreme Court as above-stated, the Bureau of Legal Affairs issued Order no. 2007-37 (D) dated 31 May 2007 in IPC No. 3529 dismissing the case for being moot and academic thereby application bearing SERIAL no. 64270 filed on March 24, 1988 by SHANGRI-LA INTERNATIONAL HOTEL MANAGEMENT LTD., for the mark "S-LOGO" falling under classes 16 and 25 GIVEN DUE COURSE.

As previously stated, the mark of Respondent-Applicant is identical with the Opposer's mark "S-Logo", hence approval of the said trademark application contravenes the provision of R.A. no. 8293, hence it may be concluded inevitably that Respondent-Applicant's use of substantially the same mark on the same goods will result in an unlawful appropriation of a mark previously used by the Opposer and not abandoned.

The Opposer in this particular case is the owner, originator, prior user of the mark "S LOGO" as declared by the Supreme Court. The use and adoption by the applicant of substantially the same mark as subsequent user can only mean that the applicant wishes to reap the goodwill, benefit from advertising value and reputation of the Opposer's mark "S-LOGO".

The right to register trademark, tradenames and service marks is based on ownership. Only the owner of the mark may apply for its registration (Bert R. Bagano vs. Director of Patents et al. GR No. L-20170, August 10, 1965.

The essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product. (PRIBHDAS J. MIRPURI

vs COURT OF APPEALS, G.R. NO. 114508, 19, Nov. 1999 citing (ETEPHA VS. DIRECTOR OF PATENTS, 16 SCRA 495)

THUS: Sec. 123.1 (d) of the Code provides:

Sec. 123.1 A mark cannot be registered if it:

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of:

- (i) the same goods or service, or
- (ii) Closely related goods or services, or
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion

In connection with the use of a confusingly similar or identical mark, it has been ruled, thus:

“Those who desires 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 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 field already appropriated by another” (WECO PRODUCTS CO. VS. MILTON RAY CO., 124 F Ed 985, 32 C.C.P.C PATENTS 1214)

“Why with all the million of the terms and combinations of letters and designs available, the appellee had to choose those so closely similar to another 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, “Why with all the birds in the air, and all the fishes in the sea, 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 achievement 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 factory. Why did defendant select two roosters as its trademark?” (CLARKE VS. MANILA CANDY CO. 36 PHIL 100).

WHEREFORE, with all the foregoing, the opposition is, as it is hereby SUSTAINED. Consequently, Application No. 4-2007-006028 filed by Developers Group of Companies, Inc. on June 13, 2007 for the mark “S-LOGO”, is as it is hereby, REJECTED.

Let the filewrapper of “S-LOGO”, subject matter of this case be forwarded to the Bureau of Trademarks (BOTY) for appropriate action in accordance with this Decision.

SO ORDERED.

12, February 2009. Makati City.

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