

THE COLEMAN COMPANY, INC.,	}	Inter Partes Case No. 4138
Petitioner,	}	Petition for Cancellation:
	}	
-versus-	}	Registration No. 8673
	}	Date Issued: August 7, 1992
RICHARD TIU,	}	
Respondent-Registrant.	}	Trademark: "COLEMAN"
x-----x	}	Decision No. 2005 – 18

DECISION

This pertains to the Petition for Cancellation filed by herein Petitioner THE COLEMAN COMPANY, INC., a corporation duly organized and existing under the laws of the State of Delaware, U.S.A. with office address at 250 North St. Francis Avenue, Wichita, Kansas, U.S.A., for the cancellation of the trademark "COLEMAN" registered in the name of Richard Tiu, with address on record at 53 Major Dizon St., Industrial Valley Subdivision, Marikina, Metro Manila issued on August 7, 1992 under Registration no. 8673 and used for shoes.

Petitioner filed its Verified Petition for Cancellation on March 17, 1995, alleging among others, that:

I

Petitioner possesses the exclusive rights, title and interests in and to the "COLEMAN" trademark by virtue of its indisputable ownership and prior use or appropriation thereof.

II

Respondent was not entitled to register the "COLEMAN" trademark at the time of his application for registration thereof.

III

The continued registration of the "COLEMAN" trademark in the name of Respondent will only aggravate the worsening confusion and deception presently plaguing the local market as to the source and origin of Respondent's goods to the continuing damage and prejudice of Petitioner.

In support of the above petition, Petitioner relied on the following facts and circumstances:

1. The Coleman Company, Inc. ("Coleman") is a corporation duly organized and existing under the laws of the State of Delaware, U.S.A., with office address at 250 North St. Francis Avenue, Wichita, Kansas, U.S.A. For purpose of this petition, it may be served with the notices and other processes from this Honorable Office through its counsel, the ANGARA ABELLO CONCEPCION REGALA & CRUZ Law Office ("ACCRA Law Offices") at the ACCRA Building, 122 Gamboa Street. Legaspi Village, Makati, Metro Manila.
2. Petitioner is the owner of the world-renowned COLEMAN trademarks and tradenames.
3. Being the owner and rightful proprietor of the "COLEMAN" trademark, Petitioner has registered the same in the United States and many other countries. In the

Philippines, it is the holder of Certificate of Registration No. 26867 issued by this Honorable Office on 15 February 1979 for the trademark "COLEMAN".

4. Petitioner has pending Philippine applications for registration of the trademarks "COLEMAN" and the "COLEMAN LOGO" filed on 21 November 1991 and assigned Serial Nos. 78632 and 78631, respectively, under Class 25 for clothing products. These Philippines applications are based on its U.S. Registrations:
 - (a) No. 1556911 issued on 19 September 1989 for Class 25 products, specifically:

"Jackets, parkas, vests, shells, rainsuits, pullover, pants, socks, shoes, boots, hiking boots, moccasins, hosiery, hats, ski caps, baseball caps, sweaters, swimsuits, gloves, t-shirts, sweatshirts, sweatpants, shorts, warm-up suits, and wind resistant jackets"
 - (b) No. 1588965 issued on 27 March 1990 for shoes under Class 25.
5. By reason of Petitioner's prior and continuous use of the aforesaid "COLEMAN" trademark, the same has acquired a meaning exclusively identified with the goods produced by Petitioner.
6. To promote the goods bearing the "COLEMAN" trademark and ensure their superior quality, Petitioner, has embarked on an extensive and worldwide advertising campaign through media – newspaper and magazines, television and radio and exhibitions and other events.
7. With full knowledge of Petitioner's ownership and prior and continuous use of the "COLEMAN" trademark, Respondent has, for some period of time, taken full and undue advantage of the good name and reputation associated with Petitioner's "COLEMAN" trademark. Thus, Respondent has engaged and continues to engage in the use of the "COLEMAN" trademark for the shoes it manufactures, sells and distributes to the public.
8. In a scheming attempt to provide some semblance of legality to his unauthorized act, Respondent effected the registration of the "COLEMAN" trademark by falsely declaring and misrepresenting that he owns the said mark and has priority in its use and appropriation. Relying on said misrepresentations, this Honorable Office last 7 August 1992 issued to Respondent Certificate of Registration No. 8673 for the Supplemental Register.
9. Respondent has unduly prejudiced and infringed upon the reputation of Petitioner, as the true and rightful proprietor of the "COLEMAN" trademark, gained and developed throughout the years and for which Petitioner deserves protection in law.
10. Inasmuch as Petitioner is similarly engaged in the manufacture of shoes, Respondent's unauthorized acts will deceive the public into believing that the products sold by Respondent and the business he is engaged in, are approved and sponsored by, or affiliated with, Petitioner. The aforesaid acts of Respondent are calculated to and do result in the unjust enrichment of Respondent since the latter will unfairly benefit from the reputation and goodwill of Petitioner.
11. The continued registration of the "COLEMAN" trademark in the name of Respondent would only aggravate the worsening confusion in the market as to the source and origin of Respondent's goods to the prejudice of the reputation and goodwill established by Petitioner worldwide.

Pursuant to the above-mentioned petition, this Office issued a Notice to Answer dated march 27, 1995 requiring the Respondent-Registrant to file its Answer to the Petition for Cancellation within fifteen (15) days from receipt of the said Notice. After several extensions, Respondent-Registrant finally filed its Answer on July 15, 1995 specifically denying the allegations contained in the Petition for Cancellation.

Thereafter, this case was scheduled for Pre-Trial Conference on November 8, 1995, which for several reasons the said Pre-Trial was reset for several times until August 7, 1997 when the Pre-Trial Conference was finally terminated.

Since the parties failed to reach an amicable settlement during the Pre-Trial Conference, this case proceeded for trial on the merits.

Admitted as evidence for the Petitioner are the following documents marked as exhibits "A" to "G" inclusive of sub markings, to wit:

EXHIBITS	DESCRIPTION
"A"	Affidavit of Mr. Steven P. Berreth dated 14 July 1998
"A-1"	Signature of Mr. Steven P. Berreth in his Affidavit dated 14 July 1998.
"B"	List of International Class 25 "COLEMAN" and "COLEMAN LOGO" trademark applications and registrations in the name of the Coleman Company, Inc. in various countries.
"C"	Copy of the Bureau of Patents, trademarks and Technology Transfer Certificate of Registration No. 26867 in the name of the Coleman Company, Inc. for the trademark "COLEMAN" covering goods under International Classes 1,4,9, and 28 issued on 15 February 1979
"D"	Copy of the Philippine Trademark Application No. 78631 for "COLEMAN LOGO"
"D-1"	Copy of the Philippine Trademark Application No. 78632 for "COLEMAN"
"E"	Certificate of Registration No.1497802 issued by the United States Patent and Trademark Office in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Classes 25 and 26
"E-1"	Certificate of Registration No.1556911 issued by the United States Patent and Trademark Office in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Classes 25 and 26
"E-2"	Certificate of Registration No.1588965 issued by the United States Patent and Trademark Office in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-3"	Certificate of Registration No.1063697 issued by the Patent Office of Germany in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Classes 25
"E-4"	Certificate of Registration No.2260706 issued by the Patent Office of Japan in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO"
"E-5"	Certificate of Registration No.186307 issued by the Canadian Intellectual Property Office in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO"
"E-6"	Certificate of Registration No.458120 issued by the Ministry of Industry, Commerce and Handicraft of Italy in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Class 25

"E-7"	Certificate of Registration No.10475 issued by the Trademarks Office of Austria in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Class 25
"E-8"	Certificate of Registration No.395720 issued by the Trademarks Office of Netherlands in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Class 25
"E-9"	Certificate of Registration No.P-328383 issued by the Trademarks Office of Switzerland in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Class 25
"E-10"	Certificate of Registration No.630987 issued by the Trademarks Office of China in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-11"	Certificate of Registration No.99681 issued by the Trademarks Office of Costa Rica in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-12"	Certificate of Registration No.474566 issued by the Trademarks Office of Mexico in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-13"	Certificate of Registration No.261398 issued by the Trademarks Office of South Korea in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-14"	Certificate of Registration No.7146697 issued by the Trademarks Office of Taiwan in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-15"	Certificate of Registration No.816291403 issued by the Trademarks Office of Brazil in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-16"	Certificate of Registration No.431970 issued by the Trademarks Office of Chile in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Class 25
"E-17"	Certificate of Registration No.1249026 issued by the National Institute of Industrial Property in France in the name of The Coleman Company, Inc. for the trademark "COLEMAN LOGO" in Class 25
"E-18"	Certificate of Registration No.34605 issued by the Trademarks Office of Bangladesh in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"E-19"	Certificate of Registration No.132695 issued by the Trademarks Office of Russia in the name of The Coleman Company, Inc. for the trademark "COLEMAN" in Class 25
"F"	The Coleman Company, Inc.'s Shoe and Footwear Catalog for the year 1985-1986
"F-1"	The Coleman Company, Inc.'s Shoe and Footwear Catalog for the year 1988-1989
"F-2"	The Coleman Company, Inc.'s Shoe and Footwear Catalog for the year 1989
"F-3"	The Coleman Company, Inc.'s Shoe and Footwear Catalog for the year 1990
"F-4"	The Coleman Company, Inc.'s Shoe and Footwear Catalog for the year 1992
"F-5"	The Coleman Company, Inc.'s Shoe and Footwear Catalog for the year 1995
"G"	Affidavit of Mr. Gerardo C. Mendoza dated 95 July 2001
"G-1"	Signature of the Notary Public and the notarial seal appearing on page 2 of the Affidavit of Mr. Gerardo C. Mendoza dated 05

	July 2001
"G-1-A"	Signature of Mr. Gerardo C. Mendoza in his Affidavit dated 05 July 2001
"G-2"	Certification by Mr. Nestor M. Navarro dated 04 July 2001, attached to the Affidavit of Mr. Gerardo C. Mendoza as Annex "A"

Respondent-Registrant, on the other hand, was considered as deemed waived the right to present evidence per Order No. 2005-182 dated 29 March 2005 for failure to attend the hearing scheduled for the presentation of his evidence.

THE SOLE ISSUE TO BE RESOLVED IN THIS CASE IS WHETHER RESPONDENT-REGISTRANT IS ENTITLED TO REGISTER THE TRADEMARK "COLEMAN" AT THE TIME OF HIS APPLICATION.

Since the trademark subject of the instant cancellation proceeding was registered on August 7, 1992, the applicable law is Republic Act No. 166 (Old Trademark Law), which provides that:

"Sec. 17. Grounds for cancellation. – Any person, who believes that he is or will be damaged by the registration of a mark or trade name, may, upon the payment of the prescribed fee, apply to cancel said registration upon any of the following grounds:

- a) That the registered mark or trade name becomes the common descriptive name of an article or substance on which the patent has expired;
- b) That it has been abandoned;
- c) That the registration was obtained fraudulently or contrary to the provisions of section four, Chapter II hereof;
- d) That the registered mark or trade name has been assigned, and is being used by, or with the permission of, the assignee so as to misrepresent the source of the goods, business or services in connection with which the mark or trade name is used; or
- e) That the cancellation is authorized by other provisions of this Act."

Relevant to this, Section 4, Chapter II of the same law likewise provides that, to wit:

"Sec. 4. Registration of trademarks, trade names and service marks. – The owner of a trademark, 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, unless it:

x x x

- d) Consists of or comprises a mark or trade name which so resembles a mark or trade name registered in the Philippines or a mark or trade name 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 purchases.

x x x

Resolving the issue at hand, it is worthy to note the defenses alleged by Respondent-Registrant in its Answer in support of its claim over the trademark "COLEMAN", to wit:

- a) That Respondent-Registrant is the first user of the trademark "COLEMAN" for shoes under Class 25, the date of its first use being June 15, 1988;
- b) That Respondent-Registrant is the holder of Certificate of Registration No. 8673 in the Supplemental Register duly issued to him since August 7, 1992 which registration covers goods not covered by the registration certificate of Petitioner – shoes, under Class 25; and
- c) That by giving due course to Respondent-Registrant's application in spite of the prior existence of Petitioner's registration of the trademark "COLEMAN" sufficiently justifies Respondent-Registrant's right to the trademark "COLEMAN".

As to the first allegation, Respondent-Registrant hinges its claim over the trademark "COLEMAN" it being the first user of the trademark in dispute for shoes under Class 25 in the Philippines. In support of the same, it further alleged the date of its first use being June 15, 1988.

However, a perusal of the records negates the claim of Respondent-Registrant. Clearly, other than the bare allegations made by Respondent-Registrant in its Answer, the latter failed to present any evidence to support its claim of prior user of the trademark "COLEMAN". Worst, Respondent-Registrant's right to present evidence was considered deemed waived for its consequent failure to attend the hearing scheduled for the presentation of its evidence.

As held in the case of *Sta. Ana v. Maliwat, et. al.* (G.R. No. L-23023, August 31, 1968), the Supreme Court ruled that:

"x x x in order to show an earlier date of use, he is then under a heavy burden and his proof must be clear and convincing."

Although it appears in the Supplemental Register that Respondent-Registrant was issued a Certificate of Registration No. 8673 stating therein the date of its first use being June 15, 1988, the same cannot be given much weight as no convincing proof was ever presented to support the same. In fact, it was this bare allegation which must have persuaded the then Director of Patents to allow the registration of the trademark "COLEMAN" in favor of Respondent-Registrant in the Supplemental Register.

Contrary to the claim of Respondent-Registrant that he was the first user of the trademark "COLEMAN" for shoes under Class 25 in the Philippines, Petitioner was able to establish by convincing proof and evidence that it has entered the Philippine market even before the Respondent's alleged date of first use of the trademark "COLEMAN" which is June 15, 1988. The testimony of Petitioner's witness Mr. Steven P. Berreth which was not contested by Respondent-Registrant confirmed that Coleman has been distributing the products such as shoes and other footwear in the Philippines since the early part of 1976. The Coleman's footwear products in the Philippines as evidenced by the 1985-1986 Shoe and Footwear Catalog.

Indeed, the later application for registration of Petitioner of the trademark "COLEMAN" for goods under Class 25 will not deprive the latter of its right over the mark as the prior and lawful user thereof.

Coming to the second argument, Respondent-Registrant posited that it is the holder of Certificate of Registration No. 8673 in the Supplemental Register duly issued by the Director of Patents on August 7, 1992 for shoes under Class 25.

While it is a fact that Respondent-Registrant was able to register the trademark "COLEMAN" in the Supplemental Register, it is well settled in several decisions rendered by the Supreme Court that registration in the Supplemental Register gives no presumption of ownership of the trademark. As correctly pointed out by the Petitioner, the case of *La Chemise Lacoste, S.A. v. Fernandez, et.al.* (129 SCRA 373), is an authority in resolving the above-mentioned claim of Respondent-Registrant, which provides, to wit:

"A certificate of registration in the Supplemental Register is not a prima facie evidence of the validity of registration, of the registrant's exclusive right to use the same in connection with the goods, business, or services specified in the certificate."

It was further ruled by the Supreme Court in the same *La Chemise Lacoste* case that:

"By the very fact that the trademark cannot as yet be entered in the Principal Register, all who deal with it should be on guard that there are certain defects, some obstacles which the user must still overcome before he can claim legal ownership of the mark or ask the courts to vindicate his claims of an exclusive right to the use of the same. It would be deceptive for a party with nothing more than a registration in the Supplemental Register to posture before courts of justice as if the registration is the Principal Register."

In this regard, it is also worthy to note the comment made by a leading commentator in the *Commercial Laws of the Philippines, 1978* and quoted in the case of *Amigo Manufacturing v. Cluett Peabody, Co.* (G.R. No. 139300, March 14, 2001), which provides that:

"The registration of a mark upon the Supplemental Register is not, as in the case of the Principal Register, prima facie evidence of (1) the validity of registration; (2) registrant's ownership of the mark; and (3) registrant's exclusive right to use the mark. It is not subject to opposition, although it may be cancelled after its issuance. Neither may it be the subject of interference proceedings. Registration in the Supplemental Register is not constructive notice of registrant's claim of ownership. A Supplemental Register is provided for the registration because of some defects (conversely, defects which make a mark unregistrable on the principal register, yet do not bar them from the Supplemental Register.)"

Finally, with respect to the claim of Respondent-Registrant that by giving due course to the application despite prior existence of Petitioner's registration of the trademark "COLEMAN" sufficiently justifies Respondent-Registrant's right over the trademark in dispute cannot be given credence as the mere fact that the Respondent-Registrant's trademark "COLEMAN" was registered only in the Supplemental Register shows that it does not enjoy the prima facie presumption of validity of registration nor exclusivity of right in favor of Respondent-Registrant.

Moreover, the fact that the Respondent-Registrant failed to rebut the evidences presented by the Petitioner as the latter's right was deemed waived nor did the Respondent-Registrant present any piece of evidence on its part to support its claim.

Lastly, a perusal of the records clearly show that to date, Respondent-Registrant failed to file the required Affidavit of Use or Non-Use after the 10th year and within the 11th year from the date of issue of the Certificate of Registration as required under *Sec. 12 of Republic Act No. 166*, as amended, which provides that:

“Each certificate of registration shall remain in force for twenty years:
Provided, that registrations under the provisions of this Act shall be cancelled by the Director, unless within one year following the fifth, tenth, and fifteenth anniversaries of the date issue of the certificate of registration, the registrant shall file in the Patent Office an affidavit showing that the mark or trade mark is still in use or showing that its non-use is due to special circumstances which excuse such non-use and is not due to any intention to abandon the same, and pay the required fee.

x x x”

WHEREFORE, premises considered, the Petition for Cancellation is hereby SUSTAINED. Consequently, Certificate of Registration No. 8673 issued on August 7, 1992 in the name of Respondent-Registrant Richard Tiu for the trademark “COLEMAN” used for shoes under Class 25 is hereby CANCELLED.

Let the filewrapper of “COLEMAN” bearing Registration No. 8673 subject matter under consideration be forwarded to the Administrative, Financial and Human Resources Development Services Bureau (AFHRDSB) for appropriate action in accordance with this Order with a copy to be furnished the Bureau of Trademarks (BOT) for information and to update its records.

SO ORDERED.

Makati City, 24 October 2005.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs