

VON DUTCH ORIGINALS, LLC.,
Opposer,

IPC 14-2006-00147

-versus -

Opposition to:
TM Application No. 4-2004-001529
(Filing Date: 19 February 2004)

ANIL KAPAHI and SURAJ KAPAHI
Respondent-Applicant.

TM: "VON DUTCH"

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Decision No. 2007 – 130

DECISION

For Decision is Notice of Opposition filed by Von Dutch originals, LCC., opposer, a corporation duly organized and existing under laws of the State of California, United States of America, with a principal office at 7521 Melrose Avenue, Los Angeles, California 90045, U.S.A. against Application Serial No. 4-2004-001529 filed for the mark "Von Dutch" on February 19, 2004 for goods under class 25 in the names of Wilhelmina Santos, respondent-applicant, with address at Las Buenas Building, Industrial Road, Potrero, Malabon.

The grounds for opposition are the following:

1. Opposer, VON DUTCH ORIGINALS, LLC, is a limited liability corporation duly organized and exiting under the laws of the State of California, United States of America, with principal address office at 7521 Melrose Avenue, Los Angeles, California 90045, U.S.A. Notices and processes relative to the instant case may be served through the undersigned counsel as Opposer's duly authorized representative. The Special Power of Attorney in favor of the undersigned is still being processed for authentication in the Philippine Consulate. A copy of the same will be filed with this Honorable Office in due course. The Verification and Certification against Forum shopping executed by Atty. Allan G. Kato of the VeraLaw (Del Rosario Bagamasbad and Raboca) Law Offices, executed pursuant to the Special Power of Attorney is attached hereto as Exhibit A.

2. Opposer is not doing business in the Philippines but has capacity to sue under Section 160, in relation to Section 3, Republic Act No. 8293, known as the Intellectual Property Code of the Philippines. Opposer's home country, United States of America, extends by treaty, conventions or law to persons or nationals of the Philippines the privilege to bring an action in that country for infringement, unfair competition, or false designation of origin and false description without need of a license to do business in that country.

3. Opposer has its real and effective commercial establishment in United States of America, which country and the Philippines are member-signatories to the WTO (Uruguay Round) – TRIPS Agreement. Under Article 2.1, in relation to Article 16 and 42 of said Agreement, "members shall make available to right holders civil judicial procedures concerning the enforcement of intellectual property rights." Said Agreement further provides that "each member shall accord to the nationals of other members treatment no less favorable than it accords to its own nationals with regard to the protection of intellectual property rights, subject to the exceptions already provided in, respectively, the Paris Convention of which the Philippines is a signatory by virtue of Senate Resolution No. 89, dated 10 May 1965". Under said Convention, each signatory country undertakes at the request of an interested party to exhibit the use of a trademark which constitutes a reproduction, imitation or translation of a mark already belonging to a person entitled to the benefit of the Paris Convention and sued for goods with well-known marks.

4. The aforesaid provisions of the TRIPS Agreement have been carried into effect by Section 3 of Republic Act 8293, as follows:

Section 3. International Conventions and Reciprocity. – Any person who is a national or who is domiciled or has a real and effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the expression of unfair competition to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act”.

5. Respondents-Applicant is an individual with address of records as above-stated, and where Respondent-Applicant may be served with notices and processes of this Honorable Office.

6. On February 19, 2004, Respondent-Applicant filed an application for the mark VON DUTCH also entitled as “THE WORD ‘VON DUTCH’ APPEARING IN HORIZONTAL SHAPE WITH VERTICAL DOTTED LINE ON EACH SIDE” covered by Trademark Application Serial No. 4-2004-001529, covering goods in Class 25, specifically for “rtw pants, jeans and shirts,” which application was published for opposition in the e-Gazette on June 15, 2006. A copy of Trademark Application Serial No. 4-2004-001529 is attached as Exhibit B.

7. On July 14, and September 13, 2006, Opposer, in accordance with the Rules and Regulations on Inter Partes Proceedings, filed with the Honorable Office three (3) successive motions for Extension of Time to File Verified Notice of Opposition, all of which were granted. Thus, Opposer has until October 13, 2006 within which to file a Verified Notice of Opposition to the application for the mark VON DUTCH in the name of Respondent-Applicant. Opposer believes that it would be damaged by the registration of the mark VON DUTCH in the name of Respondent-Applicant.

In support of its opposition, opposer submitted the following documentary evidence:

- Exhibit “A” Special Power of Attorney
- Exhibit “B” Copy of Trademark Application No. 14-2004-001529
- Exhibit “C” Von Dutch trademark status report
- Exhibit “D” Copy of Application No. 14-2006-50082
- Exhibit “E” Copy of US trademark Registration No. 2, 380,173
- Exhibit “F” pages of advertisements of opposer’s mark
- Exhibit “G” Web pages of opposer
- Exhibit “H” Affidavit – testimony of Dale Andrew Roberts

Be that as it may, this Bureau cannot accede to opposer’s supposition that it is the owner of well known mark, VON DUTCH. The law provides:

“Section 123.1 (e) of Republic Act No. 8293

“Sec. 123. Registrability – 123.1. A Mark cannot be registered if it:

x x x

(e) Is identical with, or confusing similar to, or constitute 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 here, 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 that of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

In this regard, Rule 102 of the Rules and Regulations on Trademarks set the following criteria or any combination to be taken in account in determining well-knownness:

- a. The duration, extent and geographical area of 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 to which the mark applies;
- b. The market share in the Philippines and in other countries of the goods and/or services to which the mark applies;
- c. The degree of the inherent or acquired distinction of the mark;
- d. The quality image or reputation of the acquired mark;
- e. The extent to which the mark has been used in the world.
- f. The exclusivity of the use attained by the mark in the world;
- g. The commercial value attributed to the mark of the world;
- h. The record of successful protection of the rights in the mark;
- i. The outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
- j. The presence or absence of identical or similar goods or services owned by persons other than the person claiming that his mark is a well known mark.

This Bureau has examined the evidence presented by opposer and there is no indication that it has engaged in commerce in the Philippines in a scale that would make it famous and well known. Likewise, its evidence of use abroad consisting of copies of advertising materials (Exhibits "F"), testimony of witness to its commercial usage (Exhibit "H") and its Certificates of Registration in the United States of America (Exhibit "E") is insufficient to sustain a finding that it is internationally well-known.

WHEREFORE, premises considered the OPPOSITION filed by VON DUTCH ORIGINALS, LCC is, as it is hereby, DISMISSED. This Bureau takes note of the Motion/Manifestation filed by respondent-applicant, through counsel manifesting that she needs six months or until April 2007 within which to dispose of her remaining stocks and for this reasons, she will not file a verified answer to the opposition and shall relinquish her rights or interest which she may have under trademark registration no. 4-2004-001529 (Inter Partes Case No. 14-2006-00147).

Indeed, no answer was filed by respondent-applicant in defending his application for registration of the mark "VON DUTCH" which indicates her lack of interest in protecting her mark.

Section 230 of Republic Act No. 8293, states that “in all inter partes proceedings in this office under this Act, the equitable principle of laches, estoppel and acquiescence where applicable, may be considered and applied.” The Supreme Court in *Dela Cruz v. Miguel*, G.R. 144103, August 31, 2005; *Heirs of Panganiban v. Dayrit*, G.R. No. 151235, July 28, 2005, defined laches as “the failure or neglect for an unreasonable and unexplained length of time, to do that which, by exercising diligence, could or should have been done earlier; it is negligence or omission to assert a right within a reasonable time, warranting the presumption that the party entitled to assert it either abandoned or declined to assert it.” Thus, considering her earlier manifestation filed on 20 November 2006 that she will not file a verifier answer to the Opposition and that shall relinquish her rights or interest under trademark application no. 4-2004-001529 subject of this opposition case, i.e. Inter Partes Case No. 14-2006-00147, there is no other conclusion except that she is no longer interested in pursuing her application for registration of the mark.

With this, there is no need to discuss whether the registration of respondent’s application will create confusion in the minds of the buying public. Accordingly, Application Serial No. 4-2004-001529 filed by Respondent-Applicant, WILHELMINA SANTOS on 19 February 2004 for the mark “VON DUTCH” used on goods, under class 25 namely “RTW pants, jeans, and shirts”, is as it is hereby, REJECTED.

Let the file wrapper of the trademark “VON DUTCH”, subject matter of this case together with this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 24 September 2007

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