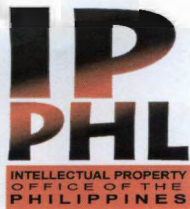


Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio,
Taguig City 1634 Philippines • www.ipophil.gov.ph
T: +632-2386300 • F: +632-5539480 • mail@ipophil.gov.ph



HAWK DESIGNS, INC.,

Opposer,

-versus-

VICTOR CHING,

Respondent-Applicant.

IPC Case No. 14-2011-00474

Opposition to:

Appln. Ser. No. 4-2010-009662

Date filed: 03 September 2010

TM: "HAWK & REPRESENTATION OF A
HAWK'S HEAD"

Decision No. 2016 - 140

DECISION

Opposers HAWK DESIGNS, INC.¹ ("Opposer"), filed an Opposition to Trademark Application Serial No. 4-2010-009662. The application, filed by VICTOR CHING² ("Respondent-Applicant"), covers the mark HAWK & REPRESENTATION OF A HAWK'S HEAD for use on "*bags, belts, luggage, wallets made of leather and leatherettes; clurch bags, utility bags, travelling bags, siutcases, overnight bags, sports bags, children and school bags, knapsacks, back packs, shoulder bags, hand bags, coin purses, belt pouches, laptop bags, mobile phone pouches, key holders, umbrellas and parasols*" falling under Class 18 of the International Classification of Goods.³

Opposer alleges the following grounds:

"a. The subject mark is barred from registration under Section 123.1 (d) of the IP Code. By using 'HAWK' which is the trademark previously applied for in the Philippines by Opposer in connection with identical or closely related goods, the Subject Mark is aurally the same or so nearly resembling the Opposer's Hawk Marks as to create a likelihood of confusion, mistake and deception. Aural similarities in the word components of the trademarks which are used on competing goods may lead to likelihood of confusion according to the Supreme Court in the case of McDonald's Corporation and McGeorge Food Industries, Inc. v. L.C. Big Mak Burger, Inc. et. al., G.R. No. 143993, August 18, 2004.

"b. At the time the Subject Mark was filed, Opposer's Hawk Marks were already well-known internationally and in the Philippines. Thus, approval of the Subject Mark is not permitted under Sections (e) and 123.1 (f) of the IP Code;

"c. 'HAWK' constitutes a portion of Opposer's company name which is protected under Section 165.2 (a) and (b) of the IP Code. Since Respondent-Applicant's business (clothing and apparel) is the same as that of the Opposer, the use and registration of the Subject Mark will lead to confusion as to the business, a scenario that sought to be avoided by the mentioned sections of the IP Code. In the McDonald's Corporation

¹ A foreign corporation with address at 15202 Graham Street, Huntington Beach, CA 92649, U.S.A.

² A domestic corporation with address at 135 Sgt. Rivera Street corner Banaue Street, Quezon City.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks concluded in 1957.

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio,
Taguig City 1634 Philippines • www.ipophil.gov.ph
T: +632-2386300 • F: +632-5539480 • ma-il@ipophil.gov.ph

case the Supreme Court affirmed that the likelihood of confusion arises not only from the confusion of goods but also from confusion as to business.

"d. The use and registration of the Subject Mark by Respondent-Applicants will cause confusion, mistake and deception upon the consumers and mislead them as to the origin, nature, quality and characteristics of the goods on which it is affixed pursuant to 123.1 (g) of the IP Code.

"e. The approval of the Subject Mark will violate the proprietary rights and interest, business reputation and goodwill of the Opposer considering that the Subject Mark is identical to and nearly resembles Opposer's Hawk Marks, marks that are highly distinctive and over which the Opposer has exclusive use and registration in numerous countries worldwide. The Subject Mark must be denied under the principle laid down by the Supreme Court in the case of In-N-Out Burger, Inc. v. Sehwan, et.al., G.R. No. 179127, December 24, 2008.

6. The approval of the Subject Mark will enable the Respondent-Applicants to unfairly profit commercially from the goodwill, fame, and notoriety of the Hawk marks to the damage and prejudice of the Opposer herein contrary to Section 168.1 of the IP Code."

Opposer's evidence consists of the following:

Exhibit "A" - Affidavit of Mitch Milstein;

Exhibit "A-1" - copy of the decision of Intellectual Property Office of Taiwan;

Exhibit "B" - Affidavit of Amando S. Aumento, Jr.;

Exhibit "C" - Legalized Special Power of Attorney;

Exhibit "D" to "D-2" - Certified copies of Trademark Application No. 4-2007-006691 for "TONY HAWK" covering goods in class 25 and Trademark Application No. 4-2007-006692 for "HAWK HEAD AND DEVICE"

Exhibit "E" - Affidavit of Sean Pence;

Exhibit "F" - Certified copy of Trademark Registration No. 2299696, issued on December 14, 1999, in the United States for the trademark "TONY HAWK";

Exhibit "G" - Certified copy of Trademark Registration No. 2931627, issued on March 8, 2005, at the United States for the trademark "HAWK HEAD DEVICE";

Exhibit "H" - Certified copy of Trademark Registration No. 3413808, issued on November 21, 2004, in China for the trademark "TONY HAWK";

Exhibit "I" - Certified copy of Trademark Registration No. 3413806, issued on January 14, 2005 in China for the Trademark "HAWK HEAD DEVICE";

Exhibit "J" - Certified copy of Trademark Registration No. 200112874, issued on September 20, 2001 in Hong Kong for the trademark "TONY HAWK"

Exhibit "K" - Certified copy of Trademark Registration No. 1297018, issued on February 21, 2007, in India for the trademark "TONY HAWK";

Exhibit "L" - Certified copy of Trademark Registration No. 494455, issued on November 30, 2001 in Indonesia for the trademark "TONY HAWK";

Exhibit "M" - Certified copy of Trademark Registration No. 504852, issued on October 29, 2001 on South Korea for the trademark "TONY HAWK"

Exhibit "N" - Certified copy of Trademark Registration No. 00813/2005, issued on November 7, 2005, in Mauritius for the trademark "TONY HAWK"

Exhibit "O" - Certified copy of Trademark Registration No. 663683, issued on January 5, 2004 in New Zealand for the trademark "TONY HAWK"

Exhibit "P" - Certified copy of Trademark Registration No. T00/18097F, issued on October 3, 2000 in Singapore for the trademark "TONY HAWK"

Exhibit "Q" - Certified copy of Trademark Registration No. 2000/18719, issued on February 6, 2007 on South Africa for the trademark "TONY HAWK"

Exhibit "R" -A database list of all trademark and service mark registrations and applications for the mark "TONY HAWK";
Exhibit "S" - Certified copy of a poster for the "HAWK European Tour in 2007;
Exhibit "T" - Affidavit of Amando S. Aumento Jr.;
Exhibit "U" -Legalized Power of Attorney executed by Opposer in favor of Federis & Associates Law Offices;
Exhibit "V" to "V-2" -Printouts of websites <http://www.quiksilver.com>, <http://tonyhawk.com> and <http://www.hawk-city.com>;
Exhibit "W" to "W-1" - Certified copies of Trademark Application No. 4-2007-006691 for "TONY HAWK" covering goods in class 25 and Trademark Application No. 4-2007-006692 for "HAWK HEAD AND DEVICE";
Exhibits "X" to "X-26" -Printout of internet website where products bearing the marks "TONY HAWK" and/or "HAWK HEAD DEVICE" appear;
Exhibit "Y" to "Y-19" -Printouts of relevant internet websites where the sports figure Tony Hawk is featured;
Exhibit "Z" to "Z-1" -Printouts of the Google page showing the search results for the keywords "TONY HAWK" and "HAWK CLOTHING"
Exhibits "AA" to "AA-52" - certified true copies of worldwide registrations for the mark "TONY HAWK"; and
Exhibit "BB" - U.S. Trademark Registration No. 3,990,564 for the mark "HAWK".

On 06 January 2012 this Bureau issues a Notice to Answer and and personally served a copy to the Respondent-Applicant on 08 February 2012. After several motions for extension of time to file answer, Respondent-Applicant filed its Verified Answer on 14 May 2012 alleging the following Special and/or Affirmative Defenses:

"15. Opposer has no valid cause of action against respondent.

"16. The registrability of respondent's **HAWK & Rep of Hawk's Head** trademark has been determined and resolved by no less than the Intellectual Property Office (IPO) when the latter, through the Bureau of Trademarks, allowed the subject application of the respondent despite the existing pending TONY HAWK and HAWK Head Device trademark applications of the opposer which were never cited during the merit examination of the respondent's subject trademark application.

"17. Respondent's ownership over its HAWK and Rep. of Hawk's Head has **long been vested** and has now become **indefeasible** as established by the following facts:

17.a. Respondent first used the mark HAWK and Rep. of Hawk's Head for bags, belts, luggage and wallets as early as **January 4, 1981**;

17.b. Respondent has **not abandoned** the commercial use of the subject trademark from the time it was first used in 1981 up to the present;

17.c. The **HAWK and Rep. of Hawk's Head** trademark of the respondent was applied for registration on **April 23, 1987** with the then Bureau of Patents Trademarks and Technology Transfer (now the Intellectual Property Office) and was issued a certificate or trademark registration on **August 25, 1989** under Certificate of Trademark Registration No. 46203. The registration has a term of 20 years from the registration date or until August 25, 2009.

17.d. During the aforesaid 20-year term of registration, respondent was able to file the 5th, 10th and 15th Affidavits of Use which are required by law to maintain the registration.

17.e. The applicable law that governed the ownership and acquisition of the ownership of a trademark at the time respondent started using the mark in 1981 and secured the registration of the said mark in 1989 is **Republic Act No. 166**, as amended. Under the said law, particularly Section 22.A thereof, **use and not registration** is the basis of acquiring ownership of a trademark and such ownership continuous to be enjoyed by the respondent as long as the respondent has not abandoned the use of the trademark in commerce.

17.f. In addition to use and registration, the mark **HAWK & Rep. of a Hawk's Head** has been extensively and aggressively promoted by the respondent in different media of advertisement.

x x x

"18. The failure of the respondent to file a timely application for the renewal of the registration of his trademark before its expiration on August 25, 2009 did not deprive respondent of his right of ownership of the subject trademark. This is so because respondent has not abandoned the use of the trademark up to the present. Due to the said continued use of the trademark respondent did not lost ownership of the same at the time he applied for the re-registration of the **HAWK & Rep. of a Hawk's Head** trademark in September 3, 2010.

"19. In addition to use, respondent claimed copyright protection on his **HAWK & Rep. of a Hawk's Head** work and was able to secure, upon application, a Certificate of Copyright Registration with the National Library. Aside from the fact that respondent's mark can be classified as tag or label under Class O of the Classification of copyrightable works the manner for which the word and logo components of the mark/work are presented is so original and artistic that the whole work can be copyrighted. xxx As a copyright owner, respondent enjoys lifetime exclusive ownership of the said mark/logo from the time the work was created and fifty years after his death. Moreover, as copyright owner, respondent's ownership of the said mark remains with him notwithstanding the non-renewal of his trademark registration before its 20 year term expired.

"20. As clearly shown in the Verified Notice of Opposition, opposer's use of its **HAWK** marks in the United States of America (U.S.A.) its home country, is much later than the time respondent started using the **HAWK & Rep. of a Hawk's Head** trademark in the Philippines. In paragraph 15 of the Notice of Opposition, opposer claimed that its **TONY HAWK** trademark was first used in the U.S.A. at least as early as March 1, 1998 on *apparel* and November 29, 2000 on *bags* while the **HAWK HEAD DEVICE** trademark was first used at least as early as November 24, 2000. Such dates of first use of the abovementioned trademarks by the opposer were much later than the respondent's first use of his **HAWK & Rep. of a Hawk's Head** trademark in 1981 in the Philippines.

"21. Opposer's earliest registration of the mark **TONY HAWK** for Class 25 goods was issued on December 14, 1999 under U.S.A. Registration No. 2299696 and its earliest registration of the trademark **TONY HAWK** for Class 18 goods was issued on June 1, 2004 under U.S.A. Registration No. 2849404. Likewise, opposer's earliest registration of the **HAWK HEAD DEVICE** mark for Class 25 was issued on March 8, 2005 under U.S.A. Registration No. 2931627 and its earliest registration of the **HAWK HEAD DEVICE** for Class 18 goods was issued on June 15, 2004 under U.S.A. Registration No. 2855111. These registrations are shown and admitted by the opposer in paragraph 14 of the Notice of Opposition. Comparatively, respondent has registered the trademark **HAWK & Rep. of a Hawk's Head** for Class 18 goods as early as **August 25, 1989** - a date which is almost 10 years earlier than the alleged **first registration** by the opposer of its **TONY HAWK** trademark for Class 25 in U.S.A. in December 14, 1999.

"22. In the Philippines, opposer has no existing registration of any of its **HAWK** trademarks. It has applied for the registrations of the **TONY HAWK** and the **HAWK HEAD DEVICE** trademarks for Classes 25 and 18 as shown in the Notice of Opposition but the said applications have been pending since they were

filed in 2007. Opposer likewise failed to show any proof of use in the Philippines of any of its HAWK trademarks other than the mere allegations that HAWK clothing products are being sold through internet websites. Since opposer has no registration and use of any of its HAWK trademarks in the Philippines it has no right to stop respondent from registering and using the HAWK & Rep. of a Hawk's Head trademark in this country.

"23. By virtue of the respondent's prior use and registration of HAWK & Rep. of a Hawk's Head trademark opposer cannot claim protection of its trademark on the ground that its trademark is considered as internationally known marks and part of its corporate name because said trademarks and corporate name of the opposer never existed at the time respondent first used and registered his HAWK & Rep. of a Hawk's Head trademark in the Philippines.

"24. Respondent truly believes that it is just fair and in keeping with true justice that he will not be deprived of ownership of his trademark which he has been using continuously for more than 30 years and has never been abandoned simply because he failed to renew the registration of the said mark. While registration is the basis of acquiring ownership of the trademark under the current trademark law (R.A. 8293) such does not apply to vested rights or pre-existing rights.

"25. With all the foregoing, it can be said that the filing of the instant Notice of Opposition is an abuse in the exercise of intellectual property rights on the part of the opposer to the prejudice and damage of the herein respondent."

Respondent-Applicant's evidence are as follows:

- Exhibit "1" - Affidavit of Victor K. Ching;
- Exhibit "2" - Certificate of Registration of Business Name of Sunstar Industry;
- Exhibit "3-A" to "3-B" - Certificate of Filing of the Amended Articles of Incorporation of VKC Inc. and 2012 General Information Sheet;
- Exhibit "4" - picture of product showing the Hawk and Rep. of Hawk's Head trademark of Respondent-Applicant;
- Exhibit "5" - copy of the trademark application of the mark Hawk and Rep. of Hawk's Head filed on April 23, 1987;
- Exhibit "6" - certified true copy of the Trademark Certificate of Registration No. 46203 for the mark Hawk and Rep. of Hawk's Head issued on August 25, 1989;
- Exhibits "7" to "7-B" - copies of the 5th, 10th and 15th Affidavit of Use for Trademark Certificate of Registration No. 46203;
- Exhibit "8" - certified true copy of Certificate of Copyright Registration No. O-95-1179;
- Exhibit "9" - list of stores selling Respondent-Applicant's HAWK bag/luggages;
- Exhibit "10" to "10-NNNNN" - Delivery receipts of HAWK bags to various Shoemart Stores in the years 2009, 2010 and 2011; and
- Exhibit "11" to "11-UU" - newspaper and magazine clippings/features, posters showing advertisement of respondent's luggage/bags bearing Hawk and Rep. of Hawk's Head trademark.

Pursuant to Office Order No. 154, s. 2010, the case was referred to the Alternative Dispute Resolution ("ADR") for mediation on 08 June 2012. On 06 November 2012, the Bureau's ADR Services submitted a report that the parties failed to settle their dispute. After the preliminary conference was terminated, the parties were directed to submit position papers. On 15 April 2013, Opposer and Respondent-Applicant filed their respective Position Papers.

Should Respondent-Applicant be allowed to register its mark "HAWK and

REPRESENTATION OF A HAWK'S HEAD"?

Opposer anchors its opposition on Section 123.1 (d) of the IP Code which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of the same goods or services or closely related goods or services, or if it nearly resembles such a mark as to be likely to deceive or cause confusion.

The marks of the parties are hereunder reproduced for comparison:

TONY HAWK



Opposer's Marks



Respondent-Applicant's Mark

In this regard, records show that at the time Respondent-Applicant filed the subject trademark application on 03 September 2010, Opposer has already a pending application for its mark TONY HAWK and HAWK HEAD DEVICE which were both filed on 27 June 2007. A comparison between the Opposer's marks on one hand, and the mark applied for registration by Respondent-Applicant on the other, shows that confusion among the purchasing public is likely to occur. The word "HAWK" is the distinctive feature or component of the Respondent-Applicant's mark. Since both parties' marks are used on similar and closely related goods, it is likely that consumers will be misled into believing that these goods originate from one source only or that there is a connection between the parties. There is the likelihood consumers assuming that one mark is just a variation of the other. Thus, the registration of the mark of Respondent-Applicant should be refused.

However, the records also show that while the subject mark was only applied for registration on a later date than that of Opposer's, Respondent-Applicant was able to show that it was previously issued a registration for the subject mark in 25 August 1989 but it was removed from the registry when he failed to apply for its renewal. Nonetheless, despite the non-renewal of the registration, Respondent-Applicant continued using the said mark in commerce as evidenced by the various delivery receipts issued from 2009 when the registration was cancelled up to 2011, when this opposition was filed. As such, it cannot be said that there was abandonment of the mark by Respondent-Applicant.

Generally, abandonment means the complete, absolute or total relinquishment or surrender of one's property or right, or the voluntary giving up or non-enjoyment of such property or right for a period of time which results in the forfeiture or loss thereof. It requires the concurrence of the

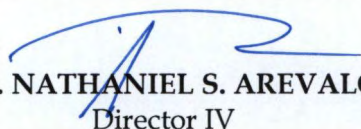
intention to abandon it and some overt acts from which it may be inferred not to claim it anymore.⁴ To work abandonment, the disuse must be permanent and not ephemeral; it must be intentional and voluntary, and not involuntary or even compulsory. There must be a thorough ongoing discontinuance of any trade-mark use of the mark in question.⁵ Applying the said concept to ownership or registration of trademarks, in order for a trademark registration to be considered as abandoned, the owner/registrant must relinquish or voluntarily surrender its rights over the trademark. In the instant case, there is no overt act from which it can be inferred that Respondent-Applicant has abandoned its trademark registration of the mark HAWK & Rep. of Hawk's Head.

Consequently, since Respondent-Applicant was able to prove that it was the first user and adopter in commerce and trade in the Philippines of the mark HAWK & Rep. of Hawk's Head, Opposer's earlier application of the its marks TONY HAWK and HAWK HEAD DEVICE to bar the registration of the herein subject mark. A trademark is an industrial property and the owner thereof has property rights over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership.

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2010-009662, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 MAY 2016


Atty. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs

⁴ Agpalo, Ruben E., *Legal Words and Phrases*, 1997 Ed., page 1.

⁵ *Philippine Nut Industry vs. Standard Brands, Incorporated, Et. al.*, G.R. No. L-23035. July 31, 1975 citing *Callman, Unfair Competition and Trademark*, 2nd Ed., p. 1341)