

EDDIE BAUER LICENSING SERVICES, INC.,	}	IPC No. 14-2014-00377
Opposer,	}	Opposition to:
	}	Appln. Serial No. 4-2004-007115
-versus-	}	Date Filed: 21 June 2006
	}	
LOACHINE NC IR	}	TAA. DAUED COORTS AND DEVICE
JOAQUIN F. NG, JR.,	}	TM: BAUER SPORTS AND DEVICE
Respondent-Applicant.	}	
V.	V/	

NOTICE OF DECISION

CRUZ MARCELO & TENEFRANCIA

Counsel for Opposer 6th, 7th, 8th and 10th Floors, CVCLAW Center 11th Avenue corner 39th Street, Bonifacio Triangle, Bonifacio Global City 1634 Taguig City

8 6 6

JOAQUIN F. NG, JR.

Respondent- Applicant 147 J. Ruiz Street, San Juan City, Metro Manila

GREETINGS:

Please be informed that Decision No. 2017 - $\frac{202}{}$ dated 07 June 2017 (copy enclosed) was promulgated in the above entitled case.

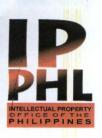
Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 07 June 2017.

MARILYN F. RETUTAL

IPRS IV

Bureau of Legal Affairs



EDDIE BAUER LICENSING	}IPC NO. 14-2014-00377		
SERVICES, INC.,	} Cancellation of :		
Petitioner,	}		
	}		
-versus-	Registration No. 4-2004-007115		
	Date of Registration: 21 June 2006		
	} Trademark: "BAUER SPORTS		
JOAQUIN F. NG, JR.,	AND DEVICE"		
Respondent-Registrant.	}		
	}		
X	x }Decision No. 2017- 202		

DECISION

EDDIE BAUER LICENSING SERVICS LLC (Petitioner)¹ filed a Petition for Cancellation of Registration No. 4-2004-007115. The registration, in the name of JOAQUIN F. NG, JR. (Respondent-Registrant)², covers the mark "BAUER SPORTS AND DEVICE", for use on "bags (clothing) namely: sports bag, gym bag, daffle bag and back pack, belt bag and portfolio bag" under Class 18 and "clothing namely T-shirts, polo shirts, blouses, dresses, tanks, camisoles, polo, walking shorts, skirts, jeans, jackets, slacks, vest, blazer, underwear etc." under Class 25 of the International Classification of Goods³.

The Petitioner anchors its opposition on the ground that trademark registration no. 4-2004-007115 for the mark "BAUER SPORTS AND DEVICE" should be cancelled because the Bureau of Legal Affairs already held with finality in IPC No. 14-2009-00130 that petitioner is the true owner of the "EDDIE BAUER" mark and that the Respondent-Registrant registered the mark EDDIE BAUER in utter bad faith. Petitioner stated that the decision has been accepted by the Respondent-Applicant by not filing a motion for reconsideration or an appeal, and is the law of the case.

The Petitioner alleges that:

"2.1. 'EDDIE BAUER' is the name of a real person who was the founder of EDDIE BAUER, INC. Eddie Bauer started his clothing line

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

And

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¹ A corporation duly organized and existing under the laws of the state of Delaware, United States of America (U.S.A.), with address at 10401 Northeast 8th Street, Suite 500, Bellevue, Washington, 98004, U.S.A.

² With address at 147 J. Ruiz Street, San Juan, Metro Manila

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

business in the 1920s when he opened his store a store in downtown Seattle called Eddie Bauer's Sport Shop.

- "2.2. In 1936, after nearly freezing to death during a winter hunting trip, Eddie Bauer designed a quilted down jacket that was patented in the 1940's. Eddie Bauer also manufactured an innovative goose down garment which became known as the Skyliner jacket and was patented in 1940. In 1942, the U.S. Army Air Corps commissioned the 'EDDIE BAUER' Flight Parka for use during altitude flights.
- "2.3. During the Second World War, Eddie Bauer produced garments and sleeping bags in support of the US war effort. The 'EDDIE BAUER' mark was attached on these military garments. It is noteworthy that 'EDDIE BAUER' was the only private mark which appeared on U.S. government issued gear during the Second World War.
- "2.4. In 1963, Jim Whitakker became the first American to reach the peak of Mount Everest. Jim Whitakker's outfit was designed by EDDIE BAUER LICENSING SERVICS LLC.
- "2.5. In 1983, EDDIE BAUER LICENSING SERVICS LLC. entered into a partnership with Ford Motors for the manufacture of an 'EDDIE BAUER' Edition Ford vehicle. In 1984, 'EDDIE BAUER' Edition Ford vehicles rolled out of production lines.
- "2.6. In 1996, <u>www.eddiebauer.com</u> was launched which consequently resulted in wider distribution and marketing reach of 'EDDIE BAUER' products through online order, distribution and sale, including the Philippines.
- "2.7. The 'EDDIE BAUER' badminton shuttlecock remains at present the standard for the sport since 1934.
- "2.8. From the time of its establishment in the 1920s, it has remained the cornerstone of the EDDIE BAUER business philosophy that in conjunction with the innovative design and exceptional customer service, 'EDDIE BAUER' offers premium quality clothing, accessories and gear for men and women that complement today's modern outdoor lifestyle. xxx"

To support the petition, the following evidence were submitted:

- 1. Copy of Verified Notice of Opposition dated 11 May 2009;
- 2. Copy of Answer dated 2 October 2009;
- 3. Copy of Reply dated 16 October 2009;
- 4. Certified true copy of Decision dated 25 June 2012;
- 5. Certified true copy of Entry of Judgment/Execution of Decision;
- 6. Copy of Petition for Cancellation dated 29 April 2013; and

7. Copy of Order dated 17 October 2013.4

This Bureau served upon the Respondent-Registrant a "Notice to Answer" on 3 September 2014. The Respondent-Registrant, however did not file an Answer on time. Thus, on 3 February 2015, Order No. 2015-225 was issued declaring the Respondent-Registrant in default.

Should the Respondent-Registrant's trademark registration "BAUER SPORTS AND DEVICE" be cancelled?

Section 151 of the IP Code provides:

Section 151. Cancellation – 151.1. A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

- (a) Within five (5) years from the date of registration of the mark under this Act.
- (b) At any time if the registered mark becomes the generic name for the goods or services or a portion thereof, for which it is registered or has been abandoned, or its registration obtained fraudulently, or contrary to the provisions of this Act, or if the registered mark is used by, or with the permission of the registrant so as to misrepresent the source of the goods or services or in connection with which the mark is used.

Records show that the Respondent-Registrant was granted Certificate of Registration No. 4-2004-007115 for the mark "BAUER SPORTS AND DEVICE" on 21 June 2006 for goods under Class 18 and 25, while the Petitioner obtained Certificate of Registration No. 4-2004-011047 for the mark "EDDIE BAUER" on 26 March 2007 and Certificate of Registration No. 4-2004-011048 for the mark "EDDIE BAUER (SIGNATURE DESIGN)" on 27 November 2006.

The competing marks are depicted below:

Petitioner's Marks

Eddie Bauer

EDDIE BAUER

Respondent-Registrant's Mark

BauerSports

⁴ Exhibits "A" to "G"

The Bureau takes judicial notice of its similar decision in the case of Eddie Bauer Licensing Services LLC v. Joaquin F. Ng, Jr.⁵ wherein it sustained an opposition to the registration of the mark "EDDIE BAUER". The decision states:

"After a judicious evaluation of the records and evidence, this Bureau finds merit in the Opposer's assertion that the Respondent-Applicant's adoption and use of the mark EDDIE BAUER is tainted with fraud and bad faith.

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In this instance, the Opposer proved that it is the owner of the contested mark. It has submitted evidence relating to the origin and history of the EDDIE BAUER trademarks and their use in commerce long before the filing of Respondent-Applicant's trademark applications. The mark was derived from the name of the creator thereof Eddie Bauer, and which is essentially the Opposer's corporate name. Also, the Opposer submitted copies of certificates of registration for the mark and its variations issued or filed in various countries, most of which were issued before the filing of the applications and registration by the Respondent-Applicant of his marks and are used on same classes of goods as that of Respondent-Applicant's.

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In contrast, the Respondent-Applicant's evidence, including copies of sales invoices and photographs, is not conclusive of his claim of ownership of the mark EDDIE BAUER as these only show the transactions made by the Respondent-Applicant involving the said mark."

In Decision No. 2012-104⁶, the Bureau ruled that the "EDDIE BAUER" is unique and highly distinctive, to wit:

"It must be emphasized that the mark EDDIE BAUER is unique and highly distinctive with respect to the goods it is attached with. The mark is exactly the same as the name of the creator thereof. It is incredible that the Respondent-Applicant came up with the same mark for use on goods that are similar and/or closely related to the Opposer's by mere coincidence. He has no plausible explanation on how he came up with the mark EDDIE BAUER.

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WHEREFORE, premises considered, the instant Opposition is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 4-2007-013313 together with a copy of this Decision, registration be

⁶ Exhibit "D"

4 And

⁵ Decision No. 2012-104, IPC No. 14-2009-00130, 25 June 2012

returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED."

As such, there is no need to belabor the issue of ownership of the mark "EDDIE BAUER", which has been proven to be owned by the Petitioner. The registration and use of the name "BAUER SPORTS and DEVICE" by the Respondent-Registrant, in a font or device which is confusingly similar to Petitioner's stylized depiction of the name "EDDIE BAUER" must not be allowed.

In this regard, this Bureau emphasizes that it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. The Philippines implemented the World Trade Organization Agreement "TRPS Agreement" when the IP Code took into force and effect on 1 January 1998.

The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

Significantly, Sec. 121.1 of the IP Code adopted the definition of the mark under the old law on Trademarks (Rep. Act. No. 166), to wit:

121.1 "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a)

Sec. 122 of the IP Code also states:

Sec.122. How Marks Are acquired.- The rights in a mark shall be acquired through registration made validly in accordance with the provision of this law.

There is nothing in Sec.122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in the mark shall be acquired through registration, which must be made validly in accordance with the provision of the law.

Corollarily, Sec. 138 of the IP Code states:

A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of registrant's

Any

See Sec. 2: Trademarks, Art. 15 (Protectable Subject Matter)

exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.

Aptly, even if a mark is already registered, the registration may still be cancelled pursuant to Sec. 151 of the IP Code.

WHEREFORE, premises considered, the instant Petition for Cancellation of Trademark Registration No. 4-2004-007115 is hereby **GRANTED**. Let the filewrapper of the subject trademark registration be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 07 JUN 2017

ATTY. ADORACION U. ZARE, LL.M.

Adjudication Officer Bureau of Legal Affairs

Adoracion Taxe