

JIMMY K. TAN, Petitioner,

-versus-

KING SY GO, Respondent-Registrant. **IPC No. 14-2013-00435** Petition for Cancellation: Reg. No. 4-2011-010582 Date Filed: 06 August 2013

TM: PEACOCK

NOTICE OF DECISION

}

}

} }

ATTY. ESTRELLITA BELTRAN-ABELARDO

Counsel for Petitioner Blk 22 Lot 13 Singkil Street, Lagro Subdivision, Novaliches Quezon City

ATTY. JORGE CESAR M. SANDIEGO

Respondent- Registrant's Representative Unit 15M Torre Venezia 170 Scout Santiago Street corner Timog Avenue, Quezon City

GREETINGS:

Please be informed that Decision No. 2017 - 263 dated 28 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, 29 June 2017.

MARILYN F. RETUTAL

IPRS IV Bureau of Legal Affairs

Republic of the Philippines INTELLECTUAL PROPERTY OFFICE Intelectual 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



JIMMY K. TAN,

Petitioner,

IPC NO. 14 – 2013 · 00435

Petition for Cancellation:

· versus ·

Reg. Serial No. 42011010582 TM: "PEACOCK"

KING SY GO,

Respondent-Registrant.

·····x

DECISION NO. 2017 - 263

DECISION

Mr. Jimmy K. Tan, (Petitioner),¹ filed a Verified Petition for Cancellation of the Trademark Registration No. 4 · 2011 · 010582 on 25 October 2013. The subject trademark registration filed by Mr. King Sy Go (Respondent-Registrant), ² covers the mark "Peacock" for "electric juicer and blender; electric appliances, namely, fans, toaster, waffle maker, rice, cooker, stoves, and gas range; plastic products, namely. bins, cases, chairs, stools, tables, hanger, clips, drawer, racks for organizing utensils; racks for organizing condiments"³ under Classes 7, 11, 20 and 21 of the International Classification of Goods.⁴

In his Petition for Cancellation, the Petitioner alleges:

1. Respondent's registration of the trademark PEACOCK bearing Registration No. 42011010582 submitted in evidence as Exhibit "N", issued April 18, 2013 should be cancelled in accordance with Section 151(b) and Section 236 of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines which took effect on January 1, 1998, in relation to Section 2-A of Republic Act 166, the former Trademark Law then existing when Petitioner first adopted and used the trademark PEACOCK AND REPRESENTATION OF A PEACOCK, continuously up to the present.

1.1 The trademark "PEACOCK & REPRESENTATION OF A PEACOCK" has been actually used, owned and registered by

Republic of the Philippines INTELLECTUAL PROPERTY OFFICE Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Barbifacio, Taguig City 1634 Philippines •<u>www.ipophil.gov.ph</u> T: +632-2386300 • F: +632-5539480 •<u>mail@ipophil.gov.ph</u>

¹A natural person with business address at #10 Rincon St. Malinta, Valaenzuela City.

²A natural person with address at # 18 Miller St. Barangay Bungad, SFDM, Quezon City.

³ Certificate of Registration with Registration No. 4-2011-010582

⁴ 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

Petitioner Jimmy K. Tan who first adopted and used the said trademark in commerce in the Philippines on February 1, 1980 and registered the same in the supplemental register in his favor under Certificate of Registration No. 6102 issued on January 7, 1983 by the then Philippine Patent Office, in accordance with Sections 2, 2-a and 19-A of Republic Act 166, the Trademark law then existing when the trademark "PEACOCK & REPRESENTATION OF A PEACOCK" was first adopted and used by Petitioner since February 1, 1980 continuously up to the present.

1.2 In this regard, Section 236 of Republic Act 8293 otherwise known as the Intellectual Property Code of the Philippines provides that the rights in marks acquired in good faith prior to the effective date of Republic Act No. 8293 is preserved under the new law it states thus: "SEC. 236. Preservation of Existing Rights. - <u>Nothing herein shall</u> <u>adversely affect the rights on the enforcement of rights in patents,</u> utility, model, industrial designs, <u>marks acquired in good faith prior</u> to the effective date of this Act."x x x

1.3 On the other hand, Section 2-A of Republic Act No. 166, the trademark law then existing in 1980 when the Petitioner Jimmy K. Tan first adopted and used the trademark "PEACOCK & REPRESENTATION OF A PEACOCK" before the effectivity of the present law. Republic Act No. 8293 provides that:

"Sec. 2-A. Ownership of trademarks, tradenames and service marks, how acquired – Anyone who lawfully produces or deals in merchandise of any kind or who engages in lawful business, or who renders any lawful service in commerce, <u>by actual use thereof in</u> <u>manufacture or trade</u>, in <u>business and in the service rendered</u>, <u>may</u> <u>appropriate to his exclusive use a trademark</u>, <u>tradename or service</u> <u>mark not so appropriated by another</u>, to distinguish his merchandise, <u>business or service from the merchandise</u>, <u>business or service others</u>. The ownership or possession of a trademark or service mark heretofore or hereafter appropriated, as in this section provided, shall be recognized and protected in the same manner and to the same extent as our other property rights known to the laws. (underscoring provided)"

1.4 By actual use of the mark "PEACOCK AND REPRESENTATION OF A PEACOCK" in commerce in the Philippines since February 1, 1980 continuously up to the present, Petitioner Jimmy K. Tan has acquired ownership of the trademark "PEACOCK AND REPRESENTATION OF A PEACOCK", which ownership as confirmed by the subsequent registration of such mark on January 7, 1983 under Certificate of Registration No. 6102 x x x

1.5 On August 23, 1996, Petitioner Jimmy K. Tan filed an application for the trademark PEACOCK INSIDE A RIBBON DESIGN A PEACOCK DEVICE AGAINST A BACKGROUND OF MEADOWS AND MOUNTAINS" which was subsequently issued Certificate of Registration No. 4-1996-113276 issued March 30, 2001 for a term of twenty years from 30 March 2001 x x x

2. Petitioner Jimmy K. Tan is the real and rightful owner of the mark "PEACOCK AND REPRESENTATION OF A PEACOCK" for goods under Class 21-cawa, tallase, kettle, and cooking pan being the prior and actual user of the mark "PEACOCK adopter AND REPRESENTATION OF A PEACOCK" in commerce in the Philippines since 1980 up to the present. THE PRIOR ADOPTER AND ACRUAL USER of the mark PEACOCK AND **REPRESENTATION OF A PEACOCK in commerce in the Philippines** is the basis for acquiring ownership over the mark, as provided under Section 20-A which provision of law was not repealed by Republic Act No. 8293 as it is not inconsistent with any provisions of R.A. No. 8293.

2.1 In this regard, Sec. 239 of R.A. No. 8293 provides that – "Sec. 239. Repeals. – 239.1 All acts and parts of Acts <u>inconsistent herewith</u>, more particularly Republic Act No. 165, as amended; Republic Act No. 166 as amended; and Articles 188 and 189 of the Revised Penal Code; Presidential Decree No. 49, including Presidential Decree No. 285, as amended, are hereby repealed."

3. Respondent Registrant King Sy Go is not entitled to register the trademark "PEACOCK" because at the time of filing of his application and even at the time of his registration thereof, the trademark "PEACOCK AND REPRESENTATION OF A PEACOCK" is owned, registered, and has been continuously used on other products being sold by Petitioner Jimmy K. Tan under Class 21 since February 1, 1980 continuously up to the present, through his business Jim Metal Products, and registered in favor of Petitioner Jimmy K. Tan under Certificate of Registration No. 4-1996-113276 issued March 30, 2001 x x x

3.1 In fact when respondent King Sy Go first applied for the registration of the mark PEACOCK on December 7, 2009 under Application Serial No. 4-2009-012475, his application was REFUSED REGISTRATION because of the existence of Petitioner's Certificate of Registration No. 4-1996-113276 issued March 30, 2001

4. Respondent –Registrant King Sy Go is not the rightful owner of the mark "PEACOCK AND REPRESENTATION OF A PEACOCK" as it has already been exclusively appropriated and has been continuously used by Petitioner Jimmy K. Tan in commerce in the Philippines as early as February 1, 1980 continuously up to present and even on September 6, 2011 when respondent King Sy Go filed his application for "PEACOCK" which matured into registration, subject of the present Petition for Cancellation.

4.1 It is a fundamental principle in Philippine Trademark Law that actual use in commerce in the Philippines is a prerequisite to the acquisition of ownership of a trademark or tradename. Adoption alone of a trademark would not give rise to the exclusive right thereto. Such right grows out of their actual use. Mere adoption is not use.

4.2 In regards to actual use of trademarks in commerce, Section 2⁻A of Republic Act No. 166 clearly provides that: "Sec. 2⁻A <u>ownership of</u> <u>trademarks</u>, <u>tradenames and service marks</u>. Anyone who lawfully produces or deals in merchandise of any kind or who engages in any lawful business or renders any lawful service in commerce by actual use thereof in manufacture, or trade in business and in service rendered may appropriate in his exclusive use a trademark,

3/

tradename or a service mark not so appropriated by another, to distinguish his merchandise, business or service from others. xxx

4.3 As aptly enunciated by the Supreme Court in the case of Kabushiki Kaisha ISETAN VS. Intermediate Apellate Court, et. al. G.R. No. 75420, November 15, 1991;

"The mere origination or adoption of a particular tradename <u>without</u> actual thereof in the market is insufficient to give exclusive right to its use (Johnson Manufacturing Co. Vs Leader Station Corp. N.E. 852,291 Mass, 394), even through such adoption is public declared, such as <u>by use of the name in advertisements, circulars, price lists</u> and on signs and stationary. (Consumers Petroleum Co. Vs. Consumers Co. III. 169 F2d 153)"

4.4 Moreover, in the recent case of E.Y. INDUSTRIAL SALES, INC. and ENGRACIO YAP, Petitioners, v. SHEN DAR ELECTRICITY AND MACHINERY CO., LTD., Respondent, G.R. No. 184850, promulgated October 20, 2010, the Supreme Court categorically held that the prior and continuous user of the trademark may overcome the presumptive ownership of a registrant and be held as owner of the mark. It held that

"Notably, <u>the Court has ruled that the prior and continuous use of a</u> <u>mark may even overcome the presumptive ownership of the registrant</u> <u>and be held as the owner of the mark</u>. As aptly stated by the Court in Shangri-la International Hotel Management, Ltd. v. Developers Group of Companies, Inc.

Registration, without more, does not confer upon the registrant an absolute right to the registered mark. The certificate of registration is merely a prima facie proof that the registrant is the owner of the registered mark or trade name. Evidence of prior and continuous use of the mark or trade name by another can overcome the presumptive ownership of the registrant and may very well entitle the former to be declared owner in an appropriate case. $x \times x$

Ownership of a mark or trade name may be acquired not necessarily by registration but by adoption and use in trade or commerce. As between actual use of a mark without registration, and registration of the mark without actual use thereof, the former prevails over the latter. For a rule widely accepted and firmly entrenched, because it has come down through the years, is that actual use in commerce or business is a pre-requisite to the acquisition of the right of ownership. $x \times x$

By itself, registration is not a mode of acquiring ownership. When the applicant is not the owner of the trademark being applied for, he has no right to apply for registration of the same. Registration merely creates a prima facie presumption of the validity of the registration, of the registrants ownership of the trademark and of the exclusive right to the use thereof. Such presumption, just like the presumptive regularity in the performance of official functions, is rebuttable and must give way to evidence to the contrary." 5. Petitioner Jimmy K. Tan was the first to adopt and continuously use in commerce in the Philippines the mark "PEACOCK AND REPRESENTATION OF A PEACOCK" since February 1, 1980 up to the present through his business. Jim Metal Products so that Petitioner has already established a good name and goodwill for the use of the mark "PEACOCK AND REPRESENTATON OF A PEACOCK' for his cawa, tallase, kettle and cooking pan under Class 21 as will be shown by the evidence submitted in this case.

6. The ownership acquired by Petitioner Jimmy K. Tan over the mark "PEACOCK & REPRESENTATION OF A PEACOCK" by virtue of his actual use in commerce in the Philippines since 1980 up to the present which ownership was confirmed by the registrations issued to him by the Bureau of Trademarks, Intellectual Property Office has been preserved under Section 236 of R.A. 8293 and protected under Section 168 of the same law.

61. Sections 236 of R.A. 8293 provides that:

"Section 236. Preservation of Existing Rights." <u>Nothing herein shall</u> <u>adversely affect the rights on the enforcement of rights in patents</u>, utility models, industrial designs, <u>marks</u> and works <u>acquired in good</u> <u>faith prior to the effective date of this Act."</u>

6.2. On the other hand Section 168 provides that-

"Section 168. Unfair Competition, Rights, Regulations, and Remedies.- 168.1 <u>A person who has identified in the mind of the</u> <u>public the goods he manufactures or deals in, his business or service</u> from those of others, whether or not a registered mark is employed, has a property right in the goodwill of the said goods, business or service so identified, which will be protected in the same manner as other property rights. x x x

7. Finally, Petitioner Jimmy K. Tan is the registered owner of the trademark "PEACOCK & REPRESENTATION OF A PEACOCK" initially, under Certificate of Registration No. 6102 issued on January 7, 1983 with the then Philippine Patent Office (Exhibit "B") and subsequently, the trademark.

PEACOCK INSIDE A RIBBON DESIGN WITH A PEACOCK DEVICE AGAINST A BACKGROUND OF THE MEADOWS AND MOUNTAINS" under Certificate of Registration No.4-1996-113270 the term or duration of which is twenty (20) years from 30 March 2001 for the goods cawa, tallase, kettle and cooking pan under Class 21.

To support its claim, the Petitioner submitted the following evidence:

Exhibit "A" - Judicial Affidavit of Jimmy K. Tan;

Exhibit "A-1" - Certification on DTI Business Name registration;

Exhibit "B" – Certificate of Registration No 6102 issued on January 7, 1983 for the mark "PEACOCK AND REP. OF A PEACOCK issued in favor of Jimmy K. Tan;

Exhibit "C" – Certificate of Registration No 4-1996-113276 issued March 30, 2001 for the mark "PEACOCK INSIDE A RIBBON DESIGN WITH A PEACOCK DEVICE AGAINST BACKGROUND OF MEADOWS & MOUNTAINS" issued to Jimmy K Tan;

Exhibit "D" – Declaration of Actual Use filed by Opposer Jimmy K.Tan on April 12, 2006 for the 5th Anniversary;

Exhibit "E" – Actual label bearing the trademark PEACOCK INSIDE A RIBBON DESIGN WITH A PEACOCK DEVICE AGAINST BACKGROUND OF MEADOWS AND MOUNTAINS;

Exhibit "F", "F-1" to "F-3" – Photographs of Petitioner Jimmy K. Tan's products cawa, tallase, cooking pan upon which the trademark PEACOCK AND REP OF PEACOCK is being used;

Exhibit "G" – Application for registration of the trademark PEACOCK INSIDE RIBBON DESIGN WITH PEACOCK DEVICE AGAINST BACKGROUND OF MEADOWS AND MOUNTAINS filed by Petitioner on May 17, 2013;

Exhibit "H" – Written request for priority examination of his application for PEACOCK INSIDE A RIBBON DESIGN WITH PEACOCK DEVICE AGAINST BACKGROUND OF MEADOW AND MOUNTAINS filed by Petitioner Jimmy K. Tan;

Exhibit "I" – Sales invoices of Jim Metal Products issued to different customers from 1984 up to the present;

Exhibit "J" – Judicial Affidavit of Edward Yu, owner of Peter Tan Yu General Merchandise which was later changed to E. Y. Marketing;

Exhibit "K" – Judicial Affidavit of Grace Tan, owner of Silahis Gen. Mdse customer of Jim Metal Products, which business name was later changed to GNJT Enterprise;

Exhibit "L" – Judicial Affidavit of Andres Co Kian An, owner of Jasper Trading now Jasper Commercial, another customer of Jim Metal Products; Exhibit "M" – Respondent's Application Serial No. 4-2009-012475, for PEACOCK which was REFUSED REGISTRATION because of the existence of Petitioner's Certificate of Registration No.4-1996-113276 issued March 30, 2001;

Exhibit "N" – IPOPHL Print-out of Search Result from the Trademark Data Base of IPO wherein Registration No. 42011010582 of King Sy Go for the trademark PEACOCK appears which is the subject of the Petition for Cancellation; and

Exhibit "O" – IPOPHL Print-out of Search Result from the Trademark Database wherein Petitioner Jimmy K. Tan's PEACOCK INSIDE A RIBBON with Registration No.41996113276 issued on March 30, 2001, in the name of Jimmy K. Tan still appears as a Registered trademark.

This Bureau issued a Notice to Answer and served to the Respondent-Registrant on 18 November 2013, requiring the Respondent-Applicant to file a Verified Answer within thirty (30) days from receipt. Notably, the Respondent-Registrant did not file an Answer to the Petitioner. Thus, an Order dated 2 April 2014 was issued declaring the Respondent-Registrant in default. Consequently, this case was deemed submitted for decision.

The primary issue to be resolved in this case is whether the trademark "PEACOCK" covered by Trademark Registration No. 4-2011-010582 should be cancelled.

Our Intellectual Property Code provides that:

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 the 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 was obtained fraudulently or contrary to the provisions of this Act, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used. The actual competing marks of both parties are reproduced below for comparison.

PEACOCK



Respondent-Registrant's Mark

Petitioner's Mark

Evidently, the two marks contain an identical word mark "PEACOCK" While the trademark of Petitioner has a device or illustration, the same device has no distinct and separate identity apart from the wordmark. The said device is only a mere representation of the labeling wordmark. Thus, the two competing trademarks have no actual difference and are confusingly similar to from each other. The two trademarks would therefore leave the same commercial impression on the mind of the consuming public.

Also, a perusal of the evidence submitted shows that the petitioner is the prior adopter and user of the trademark "Peacock & a representation of a Peacock" for Class 21 or utensils and containers for houshold and kitchen use. In fact, the petitioner had used the trademark since the 1980s and first applied for registration of the said trademark as early as 1981 with the then Philippine Patent Office.⁵ On the other hand, the Respondent-Registrant did not submit any controverting evidence to support his own claim over the trademark "Peacock."

It is well-settled that registration of a trademark merely creates a prima facie presumption of the validity of the registration, of the registrant's ownership of the trademark, and of the exclusive right to use thereof.⁶ Such presumption is rebuttable and must give way to the evidence to the contrary.⁷ In the instant case, the Petitioner has sufficiently proven that between the herein parties, it is the Petitioner who is can be considered owner of the subject trademark. Thus, the registration of the Respondent-Registrant's trademark was contrary to the provision of the IP Code and should be cancelled.

WHEREFORE, premises considered, the instant Petition for Cancellation is hereby **GRANTED**. Accordingly, the Certificate of

⁵ Exhibits "B", "I", "I-1", "I-34" "J", "K"and "L"

⁶ Birkenstock Orthopaedic GMBH and Co. KG vs. Philippine Shoe Expo Marketing Corporation, G.R. No. 194307, 20 November 2013. ⁷ ibid

Registration No. 42011010582 is **CANCELLED**. Let the filewrapper be returned together with a copy of this Decision to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, 28 JUN 2017

Atty. Leonardo Øliver Limbo Adjudication Officer

Bureau of Legal Affairs