



VALENTINO S.p. A.,
Opposer,

-versus-

MATSUDA & CO.,
Respondent-Applicant.

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} IPC No. 14-2009-00176
}
} Opposition to:
} Appln. Serial No. 4-2005-006435
} Date filed: July 8, 2005
} TM: "VALENTINO RUDY
} WITH DESIGN"

NOTICE OF DECISION

SAPALO VELEZ BUNDANG & BULILAN
Counsel for the Opposer
11th Floor Security Bank Center
6776 Ayala Avenue, Makati City

**ORTEGA DEL CASTILLO BACCORO
ODULIO CALMA & CARBONELL**
Counsel for the Respondent-Applicant
5th & 6th Floors ALPAP I Building
140 L.P. Leviste St., Salcedo Village
Makati City

GREETINGS:

Please be informed that Decision No. 2012 – 212 dated October 25, 2012 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 25, 2012.

For the Director:


Atty. PAUSI U. SAPAK
Hearing Officer
Bureau of Legal Affairs



VALENTINO S.p.A.,
Opposer,

Inter Partes Case No. 14-2009-00176
Opposition to:

-versus-

Appln. Serial No.: 04-2005-006435
(Filing Date: 08 July 2005)
Trademark: "VALENTINO RUDY
with Design"

MATSUDA & CO.,
Respondent-Applicant

x-----x

Decision No. 2012- 2/2

DECISION

Valentino S.p.A. ("Opposer")¹ filed on 20 July 2009 an opposition to Trademark Application Serial No. 4-2005-006435. The application, filed by Matsuda & Co., ("Respondent-Applicant")², seeks the registration of the mark "VALENTINO RUDY with DESIGN" for use on "*leather and imitation of leather, and goods made of these materials and not included in other classes; animal skins, hides, trunks and travelling bags, umbrellas, parasols and walking sticks, whips, harness and saddlery*" falling under class 18 and "*pants, jeans, jackets, parkas, belts (clothing), coats, overalls, skirts, clothing of leather, fur (clothing), suits, polo shirts, T-shirts, bathing suits (clothing), bathing trunks, bathrobes, pajamas, blouses, dresses, sweatshirts, sweaters, underwear, dress shirts, swimsuits, socks, wristbands (clothing), gloves (clothing), neckties, scarf, headbands (clothing), caps and hats, shoes, sandals, slippers*", and other goods under class 25 of the International Classification of goods.³

The Opposer alleges that it is the first to adopt, use and register worldwide including the Philippines, the 'VALENTINO' mark and its derivatives which are well-known internationally and in the Philippines. According to the Opposer, it enjoys under Sec. 147 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), the right to exclude others from registering or using identical or confusingly similar marks such as the Respondent-Applicant's for goods under classes 18 and 25. It claims that VALENTINO RUDY WITH DESIGN nearly resembles its VALENTINO marks in sound/pronunciation, spelling, and appearance to designate identical and similar goods as to be likely to deceive or cause confusion as contemplated under Sec. 123.1 (d) of the IP Code.

To support its opposition, the Opposer submitted as evidence a photo copy of Trademark Application Form (Combined Petition, Statement, Declaration and Power of Attorney) filed by the Opposer's predecessor-in-interest on 31 March 2003, a photocopy of response to Examiner's Paper Action No. 8, dated 16 May 2001 relating to Trademark Application Serial No. 124856, certificates of registration for "VALENTINO & V Logo" marks in the Philippines, copies of brochures/labels and advertisements, the affidavit executed by Antonella Andrioli, a print-out of the Respondent-Applicant's applications for the registration of the mark "VALENTINO & V Logo" for use on goods under classes 25 and 18.⁴

¹ A foreign corporation organized and existing under the laws of Italy with business address at Via Turati 16/08, 20121, Milan, Italy.

² With office address at 91 Machigashiracho, Makagyo-ku, Kyoto 604-8206, Japan.

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 the Registration of Marks concluded in 1957.

⁴ Marked as Exhibits "A" to "L", inclusive.

On 04 January 2010, the Respondent-Applicant filed its Verified Answer alleging that, founded in 1963 by Yasuhiro Matsuda in Kyoto, Japan, it is a global company engaged in designing, producing and marketing products of high quality Nishijin textile using the traditional dyeing and weaving methods. Its products are made from materials imported from leading textile makers in Europe such as those based in Como, Italy and Lyon, France and it has presence in countries such as Japan, Italy, Singapore, Thailand, Malaysia, Brunei, Vietnam, Taiwan, Korea, China and Hong Kong. According to the Respondent-Applicant, VALENTINO RUDY WITH DESIGN is the product of its collaboration with Valentino Rudy, the Italian designer whom Matsuda met in the 1970's. The mark is an adoption of the name of Valentino Rudy, who was born in Bologna, Italy in 1931. In 1975, it had an agreement with Rudy and thus, with the former's support, Rudy developed and marketed his products worldwide, starting in the Asian region.

The Respondent-Applicant also contends that VALENTINO RUDY WITH DESIGN and its variants are registered in many countries worldwide, the first of which, in Japan in January 1988, and internationally in Korea in May 1990. It heavily invests and incurs huge expenses in the promotion of the mark, which earned world-famous reputation and thereby generated substantial sales. There were licensing agreements with a Thai company (Boonsiri International Co. Ltd.) covering initially four and thereafter swelled to ten Asian countries. It even successfully opposed an unauthorized application for the registration of VALENTINO RUDY & DESIGN by a sub-licensee⁵. The Respondent-Applicant also cited the actual use of the mark at Men's World at the Glorietta 3, Ayala Center, Makati City.

Furthermore, the Respondent-Applicant disputes the Opposer's allegations that VALENTINO RUDY WITH DESIGN is confusingly similar to the Opposer's marks and that the latter are well-known internationally. It points out that goods bearing the VALENTINO RUDY marks are high-quality that appeal to discerning consumers of a certain sophistication, intelligence, discriminating taste and a level of selectiveness such that they would purposely purchase them, and not do so by mistake. Such being the case, the protection to the said marks extends to those classes of goods and not to goods in classes 18 and 25, which are unrelated.

The Respondent-Applicant's evidence consists of the Affidavit of Itoko Matsuda and the annexes thereto, brochure describing the history of the VALENTINO RUDY, copy of the decision in 360 F-3d 125-U.S. Court of Appeals (2nd Circuit, 2004) re: *Brennan's Inc., v. Brennan's Restaurant, LLC*, samples of co-existing or co-existed trademarks, and copies of certificates of registrations in several countries for the mark VALENTINO RUDY WITH DESIGN or the "V" device.⁶

Should the Respondent-Applicant be allowed to register the mark VALENTINO RUDY WITH DESIGN?

The Opposer submitted evidence that at the time the Respondent-Applicant filed its trademark application on 08 July 2005, it already has the following trademark registrations:

1. Reg. No. 53234 for the mark "V" Logo, issued on 07 August 1992, for use on "*optical apparatus and instruments, namely, eyewear, spectacles, sunglasses, spectacle, frames, spectacle lenses*" under class 9;
2. Reg. No. 4-1997-124857 for the mark "Valentino & V Logo", issued on 01 July 2004, for use on "*scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers; recording discs; automatic vending machines and mechanism for coin operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire extinguishing apparatus*" under class 9; and

⁵ Inter Partes Case No. 14-2007-00007 (TM Appln. Serial No. 4-2003-008519).

⁶ Marked as Exhibits "1" to "5", inclusive.

3. Reg. No. 4-1997-124856 for the mark VALENTINO & V, issued on 17 January 2005 for use on "*perfumes*" under class 3.

Obviously, the goods covered by the aforementioned trademark registrations however are different, not even related, to those indicated in the Respondent-Applicant's trademark application in terms of composition, function or purpose.

But the Opposer claims that its marks are well-known marks and therefore covered by the protection under Sections 123.1(d) and 147.2 of the IP Code. Corollarily, Rule 102 of the Trademark Regulations sets forth the criteria for determining whether a mark is well-known, to wit:

Rule 102. *Criteria for determining whether a Mark is Well-known.* In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- a. the duration, extent and geographical area of any 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 acquired by the mark;
- e. the extent to which the mark has been registered in the world;
- f. the exclusivity of registration attained by the mark in the world;
- g. the extent to which the mark has been used in the world;
- h. the exclusivity of use attained by the mark in the world;
- i. the commercial value attributed to the mark in the world;
- j. the record of successful protection of the rights in the mark;
- k. the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
- l. the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark.

This Bureau finds that the evidence submitted by the Opposer is insufficient to substantiate its claim that its marks are well-known under the afore-cited rule.

Nevertheless, it must be stressed that an opposition proceeding is essentially a review of the trademark application in question, succinctly, to determine whether the requirements under the law are met. As such, this Bureau is and may take cognizance of the records of the Intellectual Property Office of the Philippines, including the Trademark Registry, via judicial notice. In this regard, aside from the Opposer's trademarks, this Bureau noticed that prior to the filing of the Respondent-Applicant's trademark application, there are other VALENTINO marks belonging to other proprietors which are already registered or applied for registration in the Philippines for use on goods under classes 24 and 25, to wit:

1. Reg. No. 028953 issued on 27 February 1981 for "*shoes*" and Reg. No. 41981044517 issued on 26 April 2003 for "*shirts, t-shirts, pants, jeans, shorts, blouses, skirts, hankies and socks*", both in favour of Elpidio Valentino;
2. Reg. No. 2004003024 issued to Valentino Shoes, Inc. on 22 September 2008 for "*sandals, slippers, boots*"; and
3. Trademark Application Serial No. 4-1989-070274, filed by the Opposer on 13 December 1989, for use on "*clothing: bathing suits, beachwear, coats, dresses, dressing gowns, hosiery, jackets, knitwear, overcoats, pants, pyjamas, scarves, shirts, blouses, suits, sweaters, trousers, skirts, underwear, headwear*".

Thus, this Bureau finds application of Sec. 123.1(d) of IP Code, which provides that a mark shall not be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier 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.

This Bureau is of no doubt of the likelihood of confusion or even deception, if two marks each consisting of or featuring exactly the same word or name VALENTINO and used on similar goods. Consumers would likely believe or assume that the similar products all bearing the word or name VALENTINO came from one source only. The presence of the word or name "RUDY" in the Respondent-Applicant's mark is insufficient for the consumers to easily make a distinction, in respect of origin or manufacture, between said party's shirts and shoes and the shirts and shoes of the other entrepreneurs.

It is stressed that the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. To constitute an infringement of an existing trademark, patent and warrant a denial of an application for registration, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake; it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.⁷ The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court.⁸

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED** insofar the goods under Class 25 as indicated in Trademark Application Serial No. 4-2005-006435. With respect to goods under Class 18, the opposition is **DISMISSED**. Let the filewrapper of the subject trademark application be returned, together with a copy of this **DECISION**, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 25 October 2012.


ATTY. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs



⁷ *American Wire and Cable Co. v. Director of Patents et al.*, (31 SCRA 544) G.R. No. L-26557, 18 Feb. 1970.

⁸ *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*, G.R. No. L-27906, 08 Jan. 1987.