

SECOND DIVISION

[G.R. No. 185917, June 01, 2011]

FREDCO MANUFACTURING CORPORATION, PETITIONER, VS. PRESIDENT AND FELLOWS OF HARVARD COLLEGE (HARVARD UNIVERSITY), RESPONDENTS.

DECISION

CARPIO, J.:

The Case

Before the Court is a petition for review^[1] assailing the 24 October 2008 Decision^[2] and 8 January 2009 Resolution^[3] of the Court of Appeals in CA-G.R. SP No. 103394.

The Antecedent Facts

On 10 August 2005, petitioner Fredco Manufacturing Corporation (Fredco), a corporation organized and existing under the laws of the Philippines, filed a Petition for Cancellation of Registration No. 56561 before the Bureau of Legal Affairs of the Intellectual Property Office (IPO) against respondents President and Fellows of Harvard College (Harvard University), a corporation organized and existing under the laws of Massachusetts, United States of America. The case was docketed as Inter Partes Case No. 14-2005-00094.

Fredco alleged that Registration No. 56561 was issued to Harvard University on 25 November 1993 for the mark "Harvard Veritas Shield Symbol" for decals, tote bags, serving trays, sweatshirts, t-shirts, hats and flying discs under Classes 16, 18, 21, 25 and 28 of the Nice International Classification of Goods and Services. Fredco alleged that the mark "Harvard" for t-shirts, polo shirts, *sandos*, briefs, jackets and slacks was first used in the Philippines on 2 January 1982 by New York Garments Manufacturing & Export Co., Inc. (New York Garments), a domestic corporation and Fredco's predecessor-in-interest. On 24 January 1985, New York Garments filed for trademark registration of the mark "Harvard" for goods under Class 25. The application matured into a registration and a Certificate of Registration was issued on 12 December 1988, with a 20-year term subject to renewal at the end of the term. The registration was later assigned to Romeo Chuateco, a member of the family that owned New York Garments.

Fredco alleged that it was formed and registered with the Securities and Exchange Commission on 9 November 1995 and had since then handled the manufacture, promotion and marketing of "Harvard" clothing articles. Fredco alleged that at the time of issuance of Registration No. 56561 to Harvard University, New York Garments had already registered the mark "Harvard" for goods under Class 25. Fredco alleged that the registration was cancelled on 30 July 1998 when New York Garments inadvertently failed to file an affidavit of use/non-use on the fifth anniversary of the registration but the right to the mark "Harvard" remained with its predecessor New York Garments and now with Fredco.

Harvard University, on the other hand, alleged that it is the lawful owner of the name and mark "Harvard" in numerous countries worldwide, including the Philippines. Among the countries where Harvard University has registered its name and mark "Harvard" are:

1. Argentina 26. South Korea

2. Benelux^[4]
3. Brazil
4. Canada
5. Chile
6. China P.R.
7. Colombia
8. Costa Rica
9. Cyprus
10. Czech Republic
11. Denmark
12. Ecuador
13. Egypt
14. Finland
15. France
16. Great Britain
17. Germany
18. Greece
19. Hong Kong
20. India
21. Indonesia
22. Ireland
23. Israel
24. Italy
25. Japan
27. Malaysia
28. Mexico
29. New Zealand
30. Norway
31. Peru
32. Philippines
33. Poland
34. Portugal
35. Russia
36. South Africa
37. Switzerland
38. Singapore
39. Slovak Republic
40. Spain
41. Sweden
42. Taiwan
43. Thailand
44. Turkey
45. United Arab Emirates
46. Uruguay
47. United States of America
48. Venezuela
49. Zimbabwe
50. European Community^[5]

The name and mark "Harvard" was adopted in 1639 as the name of Harvard College^[6] of Cambridge, Massachusetts, U.S.A. The name and mark "Harvard" was allegedly used in commerce as early as 1872. Harvard University is over 350 years old and is a highly regarded institution of higher learning in the United States and throughout the world. Harvard University promotes, uses, and advertises its name "Harvard" through various publications, services, and products in foreign countries, including the Philippines. Harvard University further alleged that the name and the mark have been rated as one of the most famous brands in the world, valued between US \$750,000,000 and US \$1,000,000,000.

Harvard University alleged that in March 2002, it discovered, through its international trademark watch program, Fredco's website www.harvard-usa.com. The website advertises and promotes the brand name "Harvard Jeans USA" without Harvard University's consent. The website's main page shows an oblong logo bearing the mark "Harvard Jeans USA®," "Established 1936," and "Cambridge, Massachusetts." On 20 April 2004, Harvard University filed an administrative complaint against Fredco before the IPO for trademark infringement and/or unfair competition with damages.

Harvard University alleged that its valid and existing certificates of trademark registration in the Philippines are:

1. Trademark Registration No. 56561 issued on 25 November 1993 for "Harvard Veritas Shield Design" for goods and services in Classes 16, 18, 21, 25 and 28 (decals, tote bags, serving trays, sweatshirts, t-shirts, hats and flying discs) of the Nice International Classification of Goods and Services;

2. Trademark Registration No. 57526 issued on 24 March 1994 for "Harvard Veritas Shield Symbol" for services in Class 41; Trademark Registration No. 56539 issued on 25 November 1998 for "Harvard" for services in Class 41; and
3. Trademark Registration No. 66677 issued on 8 December 1998 for "Harvard Graphics" for goods in Class 9. Harvard University further alleged that it filed the requisite affidavits of use for the mark "Harvard Veritas Shield Symbol" with the IPO.

Further, on 7 May 2003 Harvard University filed Trademark Application No. 4-2003-04090 for "Harvard Medical International & Shield Design" for services in Classes 41 and 44. In 1989, Harvard University established the Harvard Trademark Licensing Program, operated by the Office for Technology and Trademark Licensing, to oversee and manage the worldwide licensing of the "Harvard" name and trademarks for various goods and services. Harvard University stated that it never authorized or licensed any person to use its name and mark "Harvard" in connection with any goods or services in the Philippines.

In a Decision^[7] dated 22 December 2006, Director Estrellita Beltran-Abelardo of the Bureau of Legal Affairs, IPO cancelled Harvard University's registration of the mark "Harvard" under Class 25, as follows:

WHEREFORE, premises considered, the Petition for Cancellation is hereby GRANTED. Consequently, Trademark Registration Number 56561 for the trademark "HARVARD VERITAS 'SHIELD' SYMBOL" issued on November 25, 1993 to PRESIDENT AND FELLOWS OF HARVARD COLLEGE (HARVARD UNIVERSITY) should be CANCELLED only with respect to goods falling under Class 25. On the other hand, considering that the goods of Respondent-Registrant falling under Classes 16, 18, 21 and 28 are not confusingly similar with the Petitioner's goods, the Respondent-Registrant has acquired vested right over the same and therefore, should not be cancelled.

Let the filewrapper of the Trademark Registration No. 56561 issued on November 25, 1993 for the trademark "HARVARD VERITAS 'SHIELD' SYMBOL", subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.^[8]

Harvard University filed an appeal before the Office of the Director General of the IPO. In a Decision^[9] dated 21 April 2008, the Office of the Director General, IPO reversed the decision of the Bureau of Legal Affairs, IPO.

The Director General ruled that more than the use of the trademark in the Philippines, the applicant must be the owner of the mark sought to be registered. The Director General ruled that the right to register a trademark is based on ownership and when the applicant is not the owner, he has no right to register the mark. The Director General noted that the mark covered by Harvard University's Registration No. 56561 is not only the word "Harvard" but also the logo, emblem or symbol of Harvard

University. The Director General ruled that Fredco failed to explain how its predecessor New York Garments came up with the mark "Harvard." In addition, there was no evidence that Fredco or New York Garments was licensed or authorized by Harvard University to use its name in commerce or for any other use.

The dispositive portion of the decision of the Office of the Director General, IPO reads:

WHEREFORE, premises considered, the instant appeal is GRANTED. The appealed decision is hereby REVERSED and SET ASIDE. Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of Bureau of Legal Affairs for appropriate action. Further, let also the Directors of the Bureau of Trademarks and the Administrative, Financial and Human Resources Development Services Bureau, and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this Decision for information, guidance, and records purposes.

SO ORDERED.[10]

Fredco filed a petition for review before the Court of Appeals assailing the decision of the Director General.

The Decision of the Court of Appeals

In its assailed decision, the Court of Appeals affirmed the decision of the Office of the Director General of the IPO.

The Court of Appeals adopted the findings of the Office of the Director General and ruled that the latter correctly set aside the cancellation by the Director of the Bureau of Legal Affairs of Harvard University's trademark registration under Class 25. The Court of Appeals ruled that Harvard University was able to substantiate that it appropriated and used the marks "Harvard" and "Harvard Veritas Shield Symbol" in Class 25 way ahead of Fredco and its predecessor New York Garments. The Court of Appeals also ruled that the records failed to disclose any explanation for Fredco's use of the name and mark "Harvard" and the words "USA," "Established 1936," and "Cambridge, Massachusetts" within an oblong device, "US Legend" and "Europe's No. 1 Brand." Citing *Shangri-La International Hotel Management, Ltd. v. Developers Group of Companies, Inc.*,[11] the Court of Appeals ruled:

One who has imitated the trademark of another cannot bring an action for infringement, particularly against the true owner of the mark, because he would be coming to court with unclean hands. Priority is of no avail to the bad faith plaintiff. Good faith is required in order to ensure that a second user may not merely take advantage of the goodwill established by the true owner.[12]

The dispositive portion of the decision of the Court of Appeals reads:

WHEREFORE, premises considered, the petition for review is DENIED. The Decision dated April 21, 2008 of the Director General of the IPO in Appeal No. 14-07-09 Inter Partes Case No. 14-2005-00094 is hereby AFFIRMED.

SO ORDERED.[13]

Fredco filed a motion for reconsideration.

In its Resolution promulgated on 8 January 2009, the Court of Appeals denied the motion for lack of merit.

Hence, this petition before the Court.

The Issue

The issue in this case is whether the Court of Appeals committed a reversible error in affirming the decision of the Office of the Director General of the IPO.

The Ruling of this Court

The petition has no merit.

There is no dispute that the mark "Harvard" used by Fredco is the same as the mark "Harvard" in the "Harvard Veritas Shield Symbol" of Harvard University. It is also not disputed that Harvard University was named Harvard College in 1639 and that then, as now, Harvard University is located in Cambridge, Massachusetts, U.S.A. It is also unrefuted that Harvard University has been using the mark "Harvard" in commerce since 1872. It is also established that Harvard University has been using the marks "Harvard" and "Harvard Veritas Shield Symbol" for Class 25 goods in the United States since 1953. Further, there is no dispute that Harvard University has registered the name and mark "Harvard" in at least 50 countries.

On the other hand, Fredco's predecessor-in-interest, New York Garments, started using the mark "Harvard" in the Philippines only in 1982. New York Garments filed an application with the Philippine Patent Office in 1985 to register the mark "Harvard," which application was approved in 1988. Fredco insists that the date of actual use in the Philippines should prevail on the issue of who has the better right to register the marks.

Under Section 2 of Republic Act No. 166,[14] as amended (R.A. No. 166), before a trademark can be registered, it must have been actually used in commerce for not less than two months in the Philippines prior to the filing of an application for its registration. While Harvard University had actual prior use of its marks abroad for a long time, it did not have actual prior use in the Philippines of the mark "Harvard Veritas Shield Symbol" before its application for registration of the mark "Harvard" with the then Philippine Patents Office. However, Harvard University's registration of the name "Harvard" is based on home registration which is allowed under Section 37 of R.A. No. 166.[15] As pointed out by Harvard University in its Comment:

Although Section 2 of the Trademark law (R.A. 166) requires for the registration of trademark that the applicant thereof must prove that the same has been actually in use in commerce or services for not less than two (2) months in the Philippines before the application for registration is filed, where the trademark sought to be registered has already been registered in a foreign country that is a member of the Paris Convention, the requirement of proof of use in the commerce in the Philippines for the said period is not necessary. An applicant for registration based on home certificate of registration need not

even have used the mark or trade name in this country.[16]

Indeed, in its Petition for Cancellation of Registration No. 56561, Fredco alleged that Harvard University's registration "is based on 'home registration' for the mark 'Harvard Veritas Shield' for Class 25." [17]

In any event, under Section 239.2 of Republic Act No. 8293 (R.A. No. 8293), [18] "[m]arks registered under Republic Act No. 166 shall remain in force **but shall be deemed to have been granted under this Act** x x x," which does not require actual prior use of the mark in the Philippines. Since the mark "Harvard Veritas Shield Symbol" is now deemed granted under R.A. No. 8293, any alleged defect arising from the absence of actual prior use in the Philippines has been cured by Section 239.2. [19] In addition, Fredco's registration was already cancelled on 30 July 1998 when it failed to file the required affidavit of use/non-use for the fifth anniversary of the mark's registration. Hence, at the time of Fredco's filing of the Petition for Cancellation before the Bureau of Legal Affairs of the IPO, Fredco was no longer the registrant or presumptive owner of the mark "Harvard."

There are two compelling reasons why Fredco's petition must fail.

First, Fredco's registration of the mark "Harvard" and its identification of origin as "Cambridge, Massachusetts" falsely suggest that Fredco or its goods are connected with Harvard University, which uses the same mark "Harvard" and is also located in Cambridge, Massachusetts. This can easily be gleaned from the following oblong logo of Fredco that it attaches to its clothing line:

Fredco's registration of the mark "Harvard" should not have been allowed because Section 4(a) of R.A. No. 166 prohibits the registration of a mark "which may disparage or **falsely suggest a connection with** persons, living or dead, **institutions**, beliefs x x x." Section 4(a) of R.A. No. 166 provides:

Section 4. *Registration of trade-marks, trade-names and service-marks on the principal register.* ? There is hereby established a register of trade-mark, trade-names and service-marks which shall be known as the principal register. The owner of a trade-mark, a trade-name or service-mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless it:

(a) Consists of or comprises immoral, deceptive or scandalous manner, or matter which may disparage or **falsely suggest a connection with** persons, living or dead, **institutions**, beliefs, or national symbols, or bring them into contempt or disrepute;

(b) x x x (emphasis supplied)

Fredco's use of the mark "Harvard," coupled with its claimed origin in Cambridge, Massachusetts, obviously suggests a false connection with Harvard University. On this ground alone, Fredco's registration of the mark "Harvard" should have been disallowed.

Indisputably, Fredco does not have any affiliation or connection with Harvard University, or even with Cambridge, Massachusetts. Fredco or its predecessor New York Garments was not established in 1936, or in the U.S.A. as indicated by Fredco in its oblong logo. Fredco offered no explanation to the Court

of Appeals or to the IPO why it used the mark "Harvard" on its oblong logo with the words "Cambridge, Massachusetts," "Established in 1936," and "USA." Fredco now claims before this Court that it used these words "to evoke a 'lifestyle' or suggest a 'desirable aura' of petitioner's clothing lines." Fredco's belated justification merely confirms that it sought to connect or associate its products with Harvard University, riding on the prestige and popularity of Harvard University, and thus appropriating part of Harvard University's goodwill without the latter's consent.

Section 4(a) of R.A. No. 166 is identical to Section 2(a) of the Lanham Act,^[20] the trademark law of the United States. These provisions are intended to protect the *right of publicity* of famous individuals and institutions from commercial exploitation of their goodwill by others.^[21] What Fredco has done in using the mark "Harvard" and the words "Cambridge, Massachusetts," "USA" to evoke a "desirable aura" to its products is precisely to exploit commercially the goodwill of Harvard University without the latter's consent. This is a clear violation of Section 4(a) of R.A. No. 166. Under Section 17(c)^[22] of R.A. No. 166, such violation is a ground for cancellation of Fredco's registration of the mark "Harvard" because the registration was obtained in violation of Section 4 of R.A. No. 166.

Second, the Philippines and the United States of America are both signatories to the Paris Convention for the Protection of Industrial Property (Paris Convention). The Philippines became a signatory to the Paris Convention on 27 September 1965. Articles *6bis* and 8 of the Paris Convention state:

ARTICLE *6bis*

(i) The countries of the Union undertake either administratively if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration and to prohibit the use of a trademark which constitutes a reproduction, imitation or translation, liable to create confusion or a mark considered by the competent authority of the country as being **already the mark of a person entitled to the benefits of the present Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.**

ARTICLE 8

A trade name shall be protected in all the countries of the Union **without the obligation of filing or registration**, whether or not it forms part of a trademark. (Emphasis supplied)

Thus, this Court has ruled that the Philippines is obligated to assure nationals of countries of the Paris Convention that they are afforded an effective protection against violation of their intellectual property rights in the Philippines in the same way that their own countries are obligated to accord similar protection to Philippine nationals.^[23]

Article 8 of the Paris Convention has been incorporated in Section 37 of R.A. No. 166, as follows:

Section 37. *Rights of foreign registrants.* -- Persons who are nationals of, domiciled in, or have a bona fide or effective business or commercial establishment in any foreign country, which is a party to any international convention or treaty relating to marks or trade-names, or the repression of unfair competition to which the Philippines may be a party, shall be entitled to the benefits and subject to the provisions of this Act to the extent and under the conditions essential to give effect to any such convention and treaties so long as the

Philippines shall continue to be a party thereto, except as provided in the following paragraphs of this section.

x x x x

Trade-names of persons described in the first paragraph of this section shall be protected without the obligation of filing or registration whether or not they form parts of marks.[24]

x x x x (Emphasis supplied)

Thus, under Philippine law, a trade name of a national of a State that is a party to the Paris Convention, whether or not the trade name forms part of a trademark, is protected "without the obligation of filing or registration."

"Harvard" is the trade name of the world famous Harvard University, and it is also a trademark of Harvard University. Under Article 8 of the Paris Convention, as well as Section 37 of R.A. No. 166, Harvard University is entitled to protection in the Philippines of its trade name "Harvard" even without registration of such trade name in the Philippines. This means that no educational entity in the Philippines can use the trade name "Harvard" without the consent of Harvard University. Likewise, no entity in the Philippines can claim, expressly or impliedly through the use of the name and mark "Harvard," that its products or services are authorized, approved, or licensed by, or sourced from, Harvard University without the latter's consent.

Article 6bis of the Paris Convention has been administratively implemented in the Philippines through two directives of the then Ministry (now Department) of Trade, which directives were upheld by this Court in several cases.[25] On 20 November 1980, then Minister of Trade Secretary Luis Villafuerte issued a Memorandum directing the Director of Patents to reject, pursuant to the Paris Convention, all pending applications for Philippine registration of signature and other world-famous trademarks by applicants other than their original owners.[26] The Memorandum states:

Pursuant to the Paris Convention for the Protection of Industrial Property to which the Philippines is a signatory, you are hereby directed to reject all pending applications for Philippine registration of signature and other world-famous trademarks by applicants other than its original owners or users.

The conflicting claims over internationally known trademarks involve such name brands as Lacoste, Jordache, Vanderbilt, Sasson, Fila, Pierre Cardin, Gucci, Christian Dior, Oscar de la Renta, Calvin Klein, Givenchy, Ralph Lauren, Geoffrey Beene, Lanvin and Ted Lapidus.

It is further directed that, in cases where warranted, Philippine registrants of such trademarks should be asked to surrender their certificates of registration, if any, to avoid suits for damages and other legal action by the trademarks' foreign or local owners or original users.

You are also required to submit to the undersigned a progress report on the matter.

For immediate compliance.[27]

In a Memorandum dated 25 October 1983, then Minister of Trade and Industry Roberto Ongpin affirmed the earlier Memorandum of Minister Villafuerte. Minister Ongpin directed the Director of Patents to implement measures necessary to comply with the Philippines' obligations under the Paris Convention, thus:

1. Whether the trademark under consideration is well-known in the Philippines or is a mark already belonging to a person entitled to the benefits of the CONVENTION, this should be established, pursuant to Philippine Patent Office procedures in inter partes and ex parte cases, according to **any of the following criteria** or any combination thereof:
 - (a) a declaration by the Minister of Trade and Industry that the trademark being considered is already well-known in the Philippines such that permission for its use by other than its original owner will constitute a reproduction, imitation, translation or other infringement;
 - (b) that the trademark is used in commerce internationally, supported by proof that goods bearing the trademark are sold on an international scale, advertisements, the establishment of factories, sales offices, distributorships, and the like, in different countries, including volume or other measure of international trade and commerce;
 - (c) **that the trademark is duly registered in the industrial property office(s) of another country or countries, taking into consideration the dates of such registration;**
 - (d) that the trademark has been long established and obtained goodwill and general international consumer recognition as belonging to one owner or source;
 - (e) that the trademark actually belongs to a party claiming ownership and has the right to registration under the provisions of the aforesaid PARIS CONVENTION.
2. **The word trademark, as used in this MEMORANDUM, shall include tradenames, service marks, logos, signs, emblems, insignia or other similar devices used for identification and recognition by consumers.**
3. The Philippine Patent Office shall refuse all applications for, or cancel the registration of, trademarks which constitute a reproduction, translation or imitation of a trademark owned by a person, natural or corporate, who is a citizen of a country signatory to the PARIS CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY.

x x x x[28] (Emphasis supplied)

In *Mirpuri*, the Court ruled that the essential requirement under Article 6bis of the Paris Convention is that the trademark to be protected must be "well-known" in the country where protection is sought.[29] The Court declared that the power to determine whether a trademark is well-known lies in the competent authority of the country of registration or use.[30] The Court then stated that the competent

authority would either be the registering authority if it has the power to decide this, or the courts of the country in question if the issue comes before the courts.[31]

To be protected under the two directives of the Ministry of Trade, an internationally well-known mark need not be registered or used in the Philippines.[32] All that is required is that the mark is well-known internationally and in the Philippines for identical or similar goods, whether or not the mark is registered or used in the Philippines. The Court ruled in *Sehwani, Incorporated v. In-N-Out Burger, Inc.*: [33]

The fact that respondent's marks are neither registered nor used in the Philippines is of no moment. The scope of protection initially afforded by Article 6bis of the Paris Convention has been expanded in the 1999 *Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks*, wherein the World Intellectual Property Organization (WIPO) General Assembly and the Paris Union agreed to a nonbinding recommendation that **a well-known mark should be protected in a country even if the mark is neither registered nor used in that country.** Part I, Article 2(3) thereof provides:

(3) [*Factors Which Shall Not Be Required*] (a) A Member State shall not require, as a condition for determining whether a mark is a well-known mark:

(i) *that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, the Member State:*

(ii) that the mark is well known in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, any jurisdiction other than the Member State; or

(iii) that the mark is well known by the public at large in the Member State.[34] (Italics in the original decision; boldface supplied)

Indeed, Section 123.1(e) of R.A. No. 8293 now categorically states that "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,**" cannot be registered by another in the Philippines. Section 123.1(e) does not require that the well-known mark be used in commerce in the Philippines but only that it be well-known in the Philippines. Moreover, Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers, which implement R.A. No. 8293, provides:

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. (Emphasis supplied)

Since "**any combination**" of the foregoing criteria is sufficient to determine that a mark is well-known, it is clearly not necessary that the mark be used in commerce in the Philippines. Thus, while under the territoriality principle a mark must be used in commerce in the Philippines to be entitled to protection, internationally well-known marks are the exceptions to this rule.

In the assailed Decision of the Office of the Director General dated 21 April 2008, the Director General found that:

Traced to its roots or origin, HARVARD is not an ordinary word. It refers to no other than Harvard University, a recognized and respected institution of higher learning located in Cambridge, Massachusetts, U.S.A. Initially referred to simply as "the new college," the institution was named "*Harvard College*" on 13 March 1639, after its first principal donor, a young clergyman named John Harvard. A graduate of Emmanuel College, Cambridge in England, John Harvard bequeathed about four hundred books in his will to form the basis of the college library collection, along with half his personal wealth worth several hundred pounds. The earliest known official reference to Harvard as a "university" rather than "college" occurred in the new Massachusetts Constitution of 1780.

Records also show that the first use of the name HARVARD was in 1638 for educational services, policy courses of instructions and training at the university level. It has a Charter. Its first commercial use of the name or mark HARVARD for Class 25 was on 31 December 1953 covered by UPTON Reg. No. 2,119,339 and 2,101,295. Assuming *in arguendo*, that the Appellate may have used the mark HARVARD in the Philippines ahead of the Appellant, it still cannot be denied that the Appellant's use thereof was decades, even

centuries, ahead of the Appellee's. More importantly, the name HARVARD was the name of a person whose deeds were considered to be a cornerstone of the university. The Appellant's logos, emblems or symbols are owned by Harvard University. The name HARVARD and the logos, emblems or symbols are endemic and cannot be separated from the institution.[35]

Finally, in its assailed Decision, the Court of Appeals ruled:

Records show that Harvard University is the oldest and one of the foremost educational institutions in the United States, it being established in 1636. It is located primarily in Cambridge, Massachusetts and was named after John Harvard, a puritan minister who left to the college his books and half of his estate.

The mark "Harvard College" was first used in commerce in the United States in 1638 for educational services, specifically, providing courses of instruction and training at the university level (Class 41). Its application for registration with the United States Patent and Trademark Office was filed on September 20, 2000 and it was registered on October 16, 2001. The marks "Harvard" and "Harvard Ve ri tas `Shield' Symbol" were first used in commerce in the the United States on December 31, 1953 for athletic uniforms, boxer shorts, briefs, caps, coats, leather coats, sports coats, gym shorts, infant jackets, leather jackets, night shirts, shirts, socks, sweat pants, sweatshirts, sweaters and underwear (Class 25). The applications for registration with the USPTO were filed on September 9, 1996, the mark "Harvard" was registered on December 9, 1997 and the mark "Harvard Ve ri tas `Shield' Symbol" was registered on September 30, 1997.[36]

We also note that in a Decision[37] dated 18 December 2008 involving a separate case between Harvard University and Streetward International, Inc.,[38] the Bureau of Legal Affairs of the IPO ruled that the mark "Harvard" is a "well-known mark." This Decision, which cites among others the numerous trademark registrations of Harvard University in various countries, has become final and executory.

There is no question then, and this Court so declares, that "Harvard" is a well-known name and mark not only in the United States but also internationally, including the Philippines. The mark "Harvard" is rated as one of the most famous marks in the world. It has been registered in at least 50 countries. It has been used and promoted extensively in numerous publications worldwide. It has established a considerable goodwill worldwide since the founding of Harvard University more than 350 years ago. It is easily recognizable as the trade name and mark of Harvard University of Cambridge, Massachusetts, U.S.A., internationally known as one of the leading educational institutions in the world. As such, even before Harvard University applied for registration of the mark "Harvard" in the Philippines, the mark was already protected under Article 6*bis* and Article 8 of the Paris Convention. Again, even without applying the Paris Convention, Harvard University can invoke Section 4(a) of R.A. No. 166 which prohibits the registration of a mark "which may disparage or **falsely suggest a connection with** persons, living or dead, **institutions**, beliefs x x x."

WHEREFORE, we **DENY** the petition. We **AFFIRM** the 24 October 2008 Decision and 8 January 2009 Resolution of the Court of Appeals in CA-G.R. SP No. 103394.

Carpio, (Chairperson), Nachura, Peralta, Abad, and Mendoza, JJ.

Endnotes:

[1] Under Rule 45 of the 1997 Rules of Civil Procedure.

[2] *Rollo*, pp. 103-116. Penned by Associate Justice Remedios A. Salazar-Fernando with Associate Justices Rosalinda Asuncion-Vicente and Ramon M. Bato, Jr., concurring.

[3] *Id.* at 118-119. Penned by Associate Justice Remedios A. Salazar-Fernando with Associate Justices Arcangelita M. Romilla-Lontok and Ramon M. Bato, Jr., concurring.

[4] Belgium, the Netherlands and Luxembourg.

[5] Exhibits "5" to "5-r." *Rollo*, pp. 288-306.

[6] Originally called "New College," founded in 1636. *Rollo*, p. 129.

[7] *Id.* at 135-156.

[8] *Id.* at 156.

[9] *Id.* at 121-133. Penned by Director General Adrian S. Cristobal, Jr.

[10] *Id.* at 133.

[11] G.R. No. 159938, 31 March 2006, 486 SCRA 405.

[12] *Rollo*, p. 114.

[13] *Id.* at 115-116.

[14] An Act to Provide for the Registration and Protection of Trade-Marks, Trade-Names and Service-Marks, Defining Unfair Competition and False Markings and Providing Remedies Against the Same, and For Other Purposes.

[15] Decision of the Bureau of Legal Affairs, *rollo*, p. 154; Decision of the Director General, *rollo*, p. 122.

[16] *Id.* at 157.

[17] *Id.* at 122.

[18] Intellectual Property Code.

[19] Harvard University filed Affidavits of Use for the 5th and 10th Anniversaries of Registration No. 56561. Decision of the Director General, *rollo*, p. 132.

[20] Roger E. Schechter and John R. Thomas, INTELLECTUAL PROPERTY: THE LAW OF COPYRIGHTS, PATENTS AND TRADEMARKS (2003), p. 603.

[21] *Id.* at 263.

[22] Section 17(c) of R.A. No. 166, as amended, provides: "Grounds for cancellation. -- Any person, who believes that he is or will be damaged by the registration of a mark or trade-name, may, upon the payment of the prescribed fee, apply to cancel said registration upon any of the following grounds:

(a) x x x

x x x

(c) That the registration was **obtained** fraudulently or **contrary to the provisions of section four, Chapter II hereof;**

x x x." (Emphasis supplied)

[23] See *La Chemise Lacoste, S.A. v. Hon. Fernandez, etc., et al.*, 214 Phil. 332 (1984).

[24] The original version of R.A. No. 166 already contains this provision.

[25] *Mirpuri v. Court of Appeals*, 376 Phil. 628 (1999); *Puma Sportschuhfabriken Rudolf Dassler, K.G. v. IAC*, 241 Phil. 1029 (1988); *La Chemise Lacoste, S.A. v. Hon. Fernandez, etc., et al.*, *supra* note 23.

[26] *Mirpuri v. Court of Appeals*, *id.*

[27] *Id.* at 656-657.

[28] *Id.* at 658-659. Also cited in *La Chemise Lacoste, S.A. v. Hon. Fernandez, etc., et al.*, *supra* note 23.

[29] *Id.* at 656.

[30] *Id.*

[31] *Id.*

[32] *Sehwani, Incorporated v. In-N-Out Burger, Inc.*, G.R. No. 171053, 15 October 2007, 536 SCRA 225.

[33] *Id.*

[34] *Id.* at 240.

[35] *Rollo*, pp. 129-130.

[36] *Id.* at 112-113.

[37] *Id.* at 1251-1263. Penned by Bureau of Legal Affairs Director Estrellita Beltran-Abelardo.

[38] IPC No. 14-2008-00107; Decision No. 2008-232.