

Title:

Ecole De Cuisine Manille (Cordon Bleu of the Philippines), Inc. vs. Renaud Cointreau & Cie and Le Cordon Bleu Int'l., B.V.

Facts:

Renaud Cointreau & Cie (Cointreau), a French partnership, filed a trademark application for "LE CORDON BLEU & DEVICE" in the Philippines on June 21, 1990, based on a home registration in France from November 25, 1986. Ecole De Cuisine Manille, Inc. (Ecole) opposed the application in 1993, claiming use of "LE CORDON BLEU" in the Philippines since 1948 and fearing public confusion due to their longstanding presence and goodwill in the same field. Cointreau responded, asserting its prior use since 1895 and international registrations, including prior students from the Philippines attending its culinary school in France.

The case escalated through the IPO, with the Bureau of Legal Affairs (BLA) initially siding with Ecole, citing the territoriality principle. Cointreau appealed to the IPO Director General, who reversed the BLA's decision, allowing Cointreau's registration based on the principles of international treaties (Paris Convention) and acknowledging Cointreau's prior use and registrations. Ecole took the matter to the Court of Appeals (CA), which upheld the IPO Director General's decision, leading to Ecole petitioning the Supreme Court.

Issues:

The pivotal issue for the Supreme Court was determining the actual and lawful owner of the "LE CORDON BLEU & DEVICE" mark, eligible for registration in the Philippines, while navigating the complexities of national and international trademark laws, particularly under the old Trademark Law (R.A. No. 166).

Court's Decision:

The Supreme Court denied Ecole's petition, affirming the CA's decision and recognizing Cointreau as the rightful owner of the mark. The Court highlighted that ownership and the right to register derive from actual use of the trademark, as stipulated by R.A. No. 166, further enforced by the Philippines' obligations under the Paris Convention. Despite Ecole's prior use in the Philippines, its lack of registration and appropriation in bad faith (given its awareness of Cointreau's preexisting use and international reputation) invalidated its claim. The Court also noted changes under the Intellectual Property Code (Republic Act No. 8293), removing the prior use requirement in the Philippines for registration, which bolstered Cointreau's position.

Doctrine:

The decision reiterated the principle of international reciprocity under the Paris Convention, highlighting the protection against infringement and unfair competition even for unregistered foreign marks in signatory countries. It also clarified the application of trademark laws concerning ownership, actual use, and the effects of international agreements on local statutes.

Class Notes:

- Trademark Ownership: Determined by actual use in commerce; not necessarily confined within national borders, especially considering international treaties.
- Prior Use Requirement: Under R.A. No. 166, actual use in the Philippines for at least two (2) months before registration was necessary but is no longer required under the Intellectual Property Code (R.A. No. 8293).
- International Treaties: The Paris Convention ensures reciprocal protections for trademark owners among member countries, influencing local intellectual property adjudications.
- Doctrine of Territoriality: While fundamental in trademark law, exceptions apply due to international treaties, allowing certain protections for foreign trademarks.

Historical Background:

This case underscores the evolution of trademark laws in the Philippines, transitioning from the territoriality principle with stringent local use requirements under R.A. No. 166, to more globally integrated intellectual property practices under R.A. No. 8293, reflecting shifts towards globalization and adherence to international agreements like the Paris Convention for the Protection of Industrial Property.