



Republic of the Philippines  
Supreme Court  
Manila

THIRD DIVISION

GLORIA MARIS SHARK'S FIN  
RESTAURANT, INC.,

Petitioner,

G.R. No. 264919–21

Present:

- versus -

CAGUIOA, J., *Chairperson*,  
INTING,  
GAERLAN,  
DIMAAMPAO, and  
SINGH, JJ.

PACIFICO Q. LIM,

Respondent.

Promulgated:

May 20, 2024

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DECISION

SINGH, J.:

Before the Court is a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court filed by petitioner Gloria Maris Shark's Fin Restaurant, Inc. (**Gloria Maris**), assailing the Decision,<sup>2</sup> dated March 18, 2022, and the Resolution,<sup>3</sup> dated December 19, 2022, of the Court of Appeals (CA) in CA-G.R. SP Nos. 162466, 162467 and 162468. The assailed Decision reversed the separate Decisions, all dated August 6, 2019, issued by the Office of the Director General (ODG) of the Intellectual Property Office (IPO) in Appeal

<sup>1</sup> *Rollo*, pp. 37–76.

<sup>2</sup> *Id.* at 9–30. Penned by Associate Justice Alfredo D. Ampuan and concurred in by Associate Justices Pedro B. Corales and Jennifer Joy C. Ong of the Sixteenth Division, Court of Appeals, Manila.

<sup>3</sup> *Id.* at 32–33. Penned by Associate Justice Alfredo D. Ampuan and concurred in by Associate Justices Pedro B. Corales and Jennifer Joy C. Ong of the Former Sixteenth Division, Court of Appeals, Manila.

Nos. 14-2012-0009,<sup>4</sup> 14-2012-0010,<sup>5</sup> and 14-2012-0011.<sup>6</sup> The assailed Decision reinstated the separate Decisions, all dated February 23, 2012, of the Bureau of Legal Affairs (BLA) of the IPO in Decision Nos. 2012-32,<sup>7</sup> 2012-33,<sup>8</sup> and 2012-34.<sup>9</sup>

### *The Facts*

Respondent Pacifico Q. Lim (**Lim**) is engaged in construction, as well as in the restaurant business. He avers that prior to the establishment of Gloria Maris, he already concocted the name “Gloria Maris Shark’s Fin Restaurant.” He further claims that he had already thought of the logo, which shall be a fin of a shark enclosed in a plate of irregular shape.<sup>10</sup>

Thus, in 1993, Lim allegedly offered a proposal to the owners of a restaurant located on the premises of the Cultural Center of the Philippines (CCP), which, as Lim claimed, was about to go out of business.<sup>11</sup>

After several meetings, “Gloriamaris Shark’s Fin Restaurant Inc.” was registered with the Securities and Exchange Commission (SEC) on January 26, 1994,<sup>12</sup> by the following incorporators: Dominador B. Menguito (**Menguito**), Pedro O. Manalo, Lorenzo Q. Dy, Edmundo L. Tan, and respondent Lim.<sup>13</sup>

Gloria Maris avers that a graphic artist was hired to submit a sample drawing of the Gloria Maris trademark. After the approval of the said trademark, the Board of Directors entrusted to Lim the trademark’s registration with the IPO.<sup>14</sup>

However, it was only in 2005 or more than 10 years after Gloria Maris’ registration with the SEC, that three trademarks were registered with the IPO: “GLORIA MARIS WOK SHOP & DESIGN” on August 28, 2005,<sup>15</sup> “GLORIA MARIS DIMSUM KITCHEN WITH LOGO AND DESIGN” on August 28, 2005,<sup>16</sup> and “GLORIA MARIS SHARK’S FIN RESTAURANT

<sup>4</sup> *Id.* at 1143–1154. Penned by Director General Josephine R. Santiago.

<sup>5</sup> *Id.* at 1155–1166. Penned by Director General Josephine R. Santiago.

<sup>6</sup> *Id.* at 1167–1178. Penned by Director General Josephine R. Santiago.

<sup>7</sup> *Id.* at 1120–1130. Penned by Director IV Nathaniel S. Arevalo.

<sup>8</sup> *Id.* at 1132–1142. Penned by Director IV Nathaniel S. Arevalo.

<sup>9</sup> *Id.* at 1109–1118. Penned by Director IV Nathaniel S. Arevalo.

<sup>10</sup> *Id.* at 1123, BLA Decision in Decision No. 2012-32.

<sup>11</sup> *Id.* at 1124.

<sup>12</sup> *Id.* at 118, SEC Registration.

<sup>13</sup> *Id.* at 1121.

<sup>14</sup> *Id.*

<sup>15</sup> *Id.* at 319–324, IPO Registration No. 4-2004-009149.

<sup>16</sup> *Id.* at 325–330, IPO Registration No. 4-2004-009150.



AND LOGO” on October 31, 2005.<sup>17</sup> All these trademarks, however, were registered in the name of Lim as the owner.

Thereafter, Lim ventured into franchising where he was able to franchise the concept of Gloria Maris restaurant to several companies.<sup>18</sup>

Gloria Maris allegedly discovered, that contrary to what they had thought, the registration of the trademark entrusted to Lim was registered in his own name and after he had left the company.<sup>19</sup>

On December 4, 2009, Gloria Maris filed separate petitions to cancel Trademark Registration Nos. 4-2004-009149,<sup>20</sup> 4-2004-009150,<sup>21</sup> and 4-2004-009151.<sup>22</sup>

### ***The Ruling of the BLA-IPO***

On February 23, 2012, the BLA-IPO issued three separate Decisions dismissing Gloria Maris’ petitions for cancellation:

#### **Decision No. 2012-32**

WHEREFORE, premises considered, the instant Petition for Cancellation is hereby DISMISSED. Let the filewrapper of Certificate of Registration No. 4-2004-009150 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and propriate action.

SO ORDERED.<sup>23</sup>

#### **Decision No. 2012-33**

WHEREFORE, premises considered, the instant Petition for Cancellation is hereby DISMISSED. Let the filewrapper of Certificate of Registration No. 4-2004-009151 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and propriate action.

SO ORDERED.<sup>24</sup>

<sup>17</sup> *Id.* at 314–318, IPO Registration No. 4-2004-009151.

<sup>18</sup> *Id.* at 1125, BLA Decision in Decision No. 2012-32.

<sup>19</sup> *Id.* at 1121.

<sup>20</sup> *Id.* at 1109, BLA Decision in Decision No. 2012-34.

<sup>21</sup> *Id.* at 1120, BLA Decision in Decision No. 2012-32.

<sup>22</sup> *Id.* at 1132, BLA Decision in Decision No. 2012-33.

<sup>23</sup> *Id.* at 1130.

<sup>24</sup> *Id.* at 1142.



**Decision No. 2012-34**

WHEREFORE, premises considered, the instant Petition for Cancellation is hereby DISMISSED. Let the filewrapper of Certificate of Registration No. 4-2004-009149 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and propriate action.

SO ORDERED.<sup>25</sup>

Relying on the evidence presented by Lim, as well as the *prima facie* presumption as the registered owner, the BLA-IPO found that the marks were coined or created by Lim prior to Gloria Maris' SEC registration.<sup>26</sup> Particularly, Lim's claim was corroborated by the Affidavit of Joey Rodriguez (**Rodriguez**), the graphic artist hired by Lim.

Rodriguez narrated that in 1993, Lim expressed to him his idea and concept for the Gloria Maris restaurant's theme and design. Thereafter, Lim instructed Rodriguez to create a design to be used as a logo of Gloria Maris. They discussed the drawing and design which centered on the image of a shark's fin in a plate of an irregular shape.<sup>27</sup>

On the contrary, no evidence was adduced by Gloria Maris that it authorized Lim to register the Gloria Maris trademark on its behalf. Moreover, the BLA-IPO found that after the challenged trademarks were published in the IPO Gazette, neither Gloria Maris nor any of its officials opposed the trademark application filed by Lim.<sup>28</sup>

Gloria Maris filed three separate Appeals with the ODG, dated April 20, 2012.<sup>29</sup>

***The Ruling of the ODG***

On August 6, 2019, the ODG issued three separate Decisions reversing the Decisions of the BLA-IPO:

**Appeal No. 14-2012-0009**

Wherefore, premises considered, the appeal is hereby GRANTED. The decision of the Director dismissing the Appellant's petition to cancel the registration of GLORIA MARIS WOK SHOP AND DESIGN is hereby

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<sup>25</sup> *Id.* at 1118.

<sup>26</sup> *Id.* at 1116; 1127; 1139.

<sup>27</sup> *Id.* at 1117; 1128–1129; 1140–1141.

<sup>28</sup> *Id.* at 1118; 1129; 1141.

<sup>29</sup> *Id.* at 19.



set aside. Accordingly, Certificate of Registration No. 4-2004-009149 for GLORIA MARIS WOK SHOP AND DESIGN is hereby ordered cancelled.

Let a copy of this decision and the records be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this decision for information, guidance, and records purposes.<sup>30</sup>

**Appeal No. 14-2012-0010**

Wherefore, premises considered, the appeal is hereby GRANTED. The decision of the Director dismissing the Appellant's petition to cancel the registration of GLORIA MARIS SHARK'S FIN RESTAURANT AND LOGO is hereby set aside.

Accordingly, Certificate of Registration No. 4-2004-009151 for GLORIA MARIS SHARK'S FIN RESTAURANT AND LOGO is hereby ordered cancelled. Let a copy of this decision and the records be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this decision for information, guidance, and records purposes.<sup>31</sup>

**Appeal No. 14-2012-0011**

Wherefore, premises considered, the appeal is hereby GRANTED. The decision of the Director dismissing the Appellant's petition to cancel the registration of GLORIA MARIS DIMSUM KITCHEN WITH LOGO is hereby set aside. Accordingly, Certificate of Registration No. 4-2004-009150 for GLORIA MARIS DIMSUM KITCHEN WITH LOGO is hereby ordered cancelled.

Let a copy of this decision and the records be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this decision for information, guidance, and records purposes.<sup>32</sup>

In ruling in favor of Gloria Maris, the ODG found, among others, that Gloria Maris has been using the name "Gloria Maris" as part of its corporate name and as the identity of its business. In fact, it has been using "Gloria Maris" for more than 10 years prior to Lim's registration.<sup>33</sup>

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<sup>30</sup> *Id.* at 1153–1154.

<sup>31</sup> *Id.* at 1165–1166.

<sup>32</sup> *Id.* at 1177–1178.

<sup>33</sup> *Id.* at 1150–1151; 1162–1163; 1174–1175.



The ODG ruled that while Rodriguez was allegedly hired by Lim, nothing in his Affidavit categorically stated that it was Lim who coined or created the name “Gloria Maris.”<sup>34</sup>

In all, the ODG found that Lim’s subsequent registration and use of “Gloria Maris” is unlawful.<sup>35</sup>

### *The Ruling of the CA*

On March 18, 2022, the CA reversed the Decisions of the ODG and reinstated the Decisions of the BLA-IPO. The dispositive portion reads as follows:

**WHEREFORE**, the instant consolidated Petitions for Review are **GRANTED**. The assailed Decisions dated [August 6,] 2019, issued by the Office of the Director General of the Intellectual Property Office (ODG-IPO) in Appeal Nos. 14-2012-0009, 14-2012-0011, and 14-2012-0010, are **REVERSED AND SET ASIDE**.

The separate Decisions dated [February 23,] 2012 rendered by the Bureau of Legal Affairs of the Intellectual Property Office (BLA-IPO) are **REINSTATED**.

**SO ORDERED**.<sup>36</sup> (Emphasis in the original)

*First.* The CA ruled that Lim’s right to speedy disposition of cases was not violated. Lim failed to adduce proof that the unjustified postponements were deliberately obtained by Gloria Maris. Nor was it proven that the proceedings were tainted with vexatious, capricious, and oppressive delays.<sup>37</sup>

*Second.* The documents submitted by Gloria Maris, i.e., its version of the trademark of “Gloria Maris,” the photographs of said trademark as used in its restaurant chains, its Articles of Incorporation, and the affidavit of Menguito, are insufficient to overcome Lim’s *prima facie* ownership of the subject trademarks. Hence, the CA found that the ODG erred in ordering the cancellation of the Certificates of Registration.<sup>38</sup>

*Lastly,* the CA found that Gloria Maris is barred by laches from enforcing its alleged right over the name “Gloria Maris.” It is apparent that

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<sup>34</sup> *Id.* at 1151; 1163; 1173.

<sup>35</sup> *Id.* at 1152; 1164; 1174.

<sup>36</sup> *Id.* at 29–30.

<sup>37</sup> *Id.* at 25.

<sup>38</sup> *Id.* at 26–27.



Gloria Maris had been aware that Lim has been using the name “Gloria Maris,” and yet only filed the Petition for Cancellation years thereafter.<sup>39</sup>

In its Resolution,<sup>40</sup> dated December 19, 2022, the CA denied Gloria Maris’ Motion for Reconsideration for lack of merit.

Thus, Gloria Maris filed the present Petition for Review on *Certiorari* under Rule 45 of the Rules of Court.

### *The Issue*

Whether the CA committed any error in reversing the Decisions of the ODG and reinstating the Decisions of the BLA-IPO.

### *The Ruling of the Court*

In its Petition, Gloria Maris asserts that the later use and registration by Lim is unlawful.<sup>41</sup> Gloria Maris insists that Lim is not the owner of the “Gloria Maris” mark and trade name.<sup>42</sup> Finally, it claims that it is not estopped from asking for the cancellation of Lim’s registrations since the subject trademarks were obtained in bad faith.<sup>43</sup>

In his Comment,<sup>44</sup> Lim maintains that he is the owner of the trademarks. He echoes the ruling of the CA that the evidence adduced by Gloria Maris failed to overcome the presumption that he is the *prima facie* owner of the trademarks.<sup>45</sup> Moreover, laches had set in against Gloria Maris.<sup>46</sup>

Gloria Maris, in its Reply,<sup>47</sup> counters that Lim’s registration is only *prima facie* evidence of his ownership of the registered trademarks. Hence, the said trademarks may still be canceled since these were made in bad faith. Therefore, Gloria Maris is not estopped from assailing its validity.<sup>48</sup>

Gloria Maris further argues that the evidence that it presented

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<sup>39</sup> *Id.* at 28–29.

<sup>40</sup> *Id.* at 32–33.

<sup>41</sup> *Id.* at 54–63, Petition for Review on *Certiorari*.

<sup>42</sup> *Id.* at 63–71.

<sup>43</sup> *Id.* at 72–75.

<sup>44</sup> *Id.* at 1423–1439.

<sup>45</sup> *Id.* at 1432–1437.

<sup>46</sup> *Id.* at 1437–1438.

<sup>47</sup> *Id.* at 1614–1633.

<sup>48</sup> *Id.* at 1615.





constituted substantial evidence to establish that it owns the trademark “Gloria Maris.”<sup>49</sup>

The Petition is meritorious.

Before delving into the merits, the Court notes that the apparently confusing similarity between Gloria Maris’ trade name and the trademarks registered by Lim is not at issue in this case, as aptly determined by the ODG.<sup>50</sup> The sole issue in this case is the propriety of Lim’s registration of the subject marks.

As a general rule, a petition for review on *certiorari* filed under Rule 45 of the Rules of Court should only and strictly involve questions of law. However, intellectual property disputes, especially when it comes to trademarks, are highly factual in nature and require a review of the evidence presented by the parties. Moreover, among the exceptions to the rule is when, as in the present case, the findings of the ODG and the CA are conflicting.<sup>51</sup>

In relation to this, proceedings before the IPO are administrative in nature. Therefore, they are governed by the principles and doctrines of the law on administrative adjudication.<sup>52</sup> Consequently, the quantum of proof required in intellectual property cases is substantial evidence, or evidence a reasonable mind might accept as adequate to support a conclusion. Furthermore, administrative agencies are not bound by the technical rules of procedure that are usually applicable in courts of law.<sup>53</sup> Indeed, the primordial purpose of the rules of procedure is to facilitate the attainment of justice, rather than its frustration. It should never be used to defeat the substantive rights of any party.<sup>54</sup>

On appeal before the ODG, Gloria Maris submitted, among others, its Bureau of Internal Revenue Certificate of Registration under the name of “Gloriamaris Shark’s Fin Restaurant,” the registration date of which is dated March 17, 1997.

It bears to stress that “Gloriamaris Shark’s Fin Restaurant Inc.” was incorporated in 1994. It is, likewise, not disputed that Lim was among its

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<sup>49</sup> *Id.* at 1622–1631.

<sup>50</sup> *Id.* at 1151; 1163; 1173.

<sup>51</sup> *Lim v. See*, G.R. No. 193569, January 25, 2023 [Per J. J. Lopez, Second Division].

<sup>52</sup> *Cymar International, Inc. v. Farling Industrial Co., Ltd.*, G.R. Nos. 177974, 206121, 219072 & 228802, August 17, 2022 [Per J. Gaerlan, Third Division].

<sup>53</sup> *Id.*

<sup>54</sup> *Birkenstock Orthopaedie GmbH and Co. KG v. Phil. Shoe Expo Marketing Corp.*, 721 Phil 867, 875 (2013) [Per J. Perlas-Bernabe, Second Division].





incorporators.<sup>55</sup>

Given the foregoing, the Court rules that based on the evidence on record, Gloria Maris was able to prove through substantial evidence that it has been using the name “Gloria Maris” in the conduct of its business, years before Lim’s registration and, more importantly, Lim knew about it.

Lim, however, claims that prior to the incorporation of Gloria Maris, he had already thought of the name “Gloria Maris.” To establish his allegation, he offered as proof the Affidavit of Rodriguez.

However, the Court agrees with the ODG that nothing in Rodriguez’s Affidavit establishes that it was Lim who concocted the name “Gloria Maris.” If at all, Rodriguez’s Affidavit actually reveals that there was already an existing restaurant in the area of the CCP to be transformed into a Chinese restaurant and to be called Gloria Maris.<sup>56</sup> The pertinent portions of Rodriguez’s Affidavit read:

3. Sometime in 1993, *Engineer Pacifico Q. Lim engaged my services to design, and renovate a restaurant in the area of the [CCP]. I learned from Mr. Pacifico Lim that the p[l]anned restaurant is a fine-dining chinese restaurant to be known as ‘Gloria Maris Shark's Fin Restaurant[.]’*

4. The task/work I performed for the project was the interior design of the restaurant.

In that connection, I often held meetings with Engineer Pacifico Q. Lim to talk about the project. Engineer Pacifico Q. Lim expressed to me his ideas and the concept he wanted for the theme and design of Gloria Maris Restaurant. We would have discussions, and after I give my inputs, Engineer Pacifico Q. Lim and I would make adjustments on the design of [the] interior of the restaurant. In short, Engineer Pacifico Q. Lim laid down the ideas and concept, and [I] interpreted them, and externalized them in the proper drawings/plans. Of course, my design drawings and plans were subject to the approval of Engineer Pacifico Q. Lim

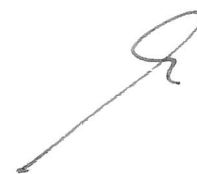
5. After Engineer Pacifico Q. Lim and I finished the interior of the restaurant, he discussed to me the design of the signage and logo of the restaurant.

I likewise handled the designing of the logo in accordance with the idea and concept of Engineer Pacifico Lim, subject to consultation and his approval.

6. After several discussions, and consultations with Engineer

<sup>55</sup> *Rollo*, pp. 1109–1111; 1120–1122; 1132–1143.

<sup>56</sup> *Id.* at 1151; 1163; 1173.



Pacifico Q. Lim, he instructed me to use in the logo of Gloria Maris [sic] the image of a ‘shark’s fin[.]’ Engineer Pacifico Q. Lim gave me a draft of a drawing/image of a ‘shark’s fin[.]’ Thereafter, I drafted a design/drawing of the proposed logo of Gloria Maris - containing the image of a ‘sharek’s [sic] fin’ in a plate of an irregular shape. My initial submission was not immediately approved by Engineer Pacifico Q. Lim, so we sat down and discussed the revisions needed. Right in our meeting, Engineer Pacifico Q. Lim commented on the design of the logo, and I immediately noted and made a rough draft of the logo, based on the inputs of Engineer Pacifico Q. Lim.

Ultimately after our discussion, Engineer Pacifico Q. Lim approved the design of the logo that would be used in the restaurant of Gloria Maris. Engineer Pacifico Q. Lim approved the logo of Gloria Maris which included an image of a shark’s fin, with various marks/shorts lines surrounding it, all of which were contained in a plate shaped somewhat like a square but with variations.

7. All the time that I was working on the project, I was only talking to, and consulting Engineer Pacifico Q. Lim All the designs, plans, drawings, and the logo design made were completed upon discussion/consultation and approval of Engineer Pacifico Q. Lim.<sup>57</sup> (Emphasis supplied)

Since there was already a plan for a Chinese restaurant to be named “Gloria Maris” and to be renovated at the CCP area when Lim engaged the services of Rodriguez, Lim’s claim that he thought of the name beggars belief.

Therefore, even assuming that the Court does not admit the evidence submitted by Gloria Maris which were presented for the first time on appeal, the Court is still left with the Certificate of Registration to rely on. It is worth repeating that Gloria Maris was incorporated in 1994. Since its incorporation, it has been using the name “Gloria Maris” for its fine-dining Chinese restaurant.<sup>58</sup> It was only more than 10 years thereafter when Lim registered the questioned trademarks. As will be further discussed later, several circumstances clearly show that Lim registered the subject marks in bad faith, with prior active knowledge of its long-term use by Gloria Maris.

A trademark registered in bad faith is considered as unfair competition under the IP Code:

SEC. 168. Unfair Competition, Rights, Regulation and Remedies.

168.2. Any person who shall employ deception or any other means contrary to good faith by which he shall pass off the goods manufactured

<sup>57</sup> *Id.* at 1117; 1128–1129; 1140–1141.

<sup>58</sup> *Id.* at 1150–1151; 1163; 1174–1175.



by him or in which he deals, or his business, or services for those of the one having established such goodwill, or who shall commit any acts calculated to produce said result, shall be guilty of unfair competition, and shall be subject to an action therefor.

Thus, in *Shangri-La International Hotel Management, Ltd. v. Developers Group of Companies, Inc.*,<sup>59</sup> the respondent was found to be in bad faith when it appropriated and registered the “Shangri-La” mark, having the exact same lettering and logo design, after having been found that the respondent’s president had previously stayed as a guest at the petitioner’s hotel in Kowloon.<sup>60</sup>

Similarly, the Court in *Ecole de Cuisine Manille, Inc. v. Renaud Cointreau & Cie*<sup>61</sup> upheld the CA’s finding of bad faith when it noted that petitioner had been fully aware of the respondent’s prior use of the marks because its directress had trained in the respondent’s culinary school in Paris, France.<sup>62</sup>

In *Emzee Foods, Inc. v. Elarfoods, Inc.*,<sup>63</sup> the Court held that the petitioner’s officers acted in bad faith since its president and incorporators were former employees of the respondent corporation. Clearly, they had knowledge of the subject trademarks which had been consistently and continuously used by the latter since 1989.<sup>64</sup>

In *Cymar International, Inc. v. Farling Industrial Co., Ltd.*,<sup>65</sup> Cymar was found to be in bad faith since at the time of the filing of the application, Cymar knew fully well of Farling’s history of use of the mark:

*Given the timing and circumstances of Cymar’s applications, it is obvious that they were filed with full knowledge of Farling’s history of use of the **FARLUN** mark, and therefore, in bad faith. Moreover, by representing itself as the prior user of the **FARLUN** mark, even with full knowledge of its distributorship relation with the actual prior user, Cymar deliberately made a false claim in its trademark applications, which amounts to fraud.*<sup>66</sup>  
(Emphasis supplied)

Thus, bad faith in the context of trademark registration means that the applicant or registrant has knowledge of prior creation, use and/or registration

<sup>59</sup> 520 Phil. 935 (2006) [Per J. Garcia, Second Division].

<sup>60</sup> *Id.* at 956–957.

<sup>61</sup> 710 Phil. 305 (2013) [Per J. Perlas-Bernabe, Second Division].

<sup>62</sup> *Id.* at 314–315.

<sup>63</sup> G.R. No. 220558, February 17, 2021 [Per J. Gaerlan, First Division].

<sup>64</sup> *Id.*

<sup>65</sup> G.R. Nos. 177974 et al., August 17, 2022 [Per J. Gaerlan, Third Division].

<sup>66</sup> *Id.*



by another of an identical or similar trademark.<sup>67</sup>

In the present case, the following circumstances establish that Lim’s registration of the subject trademarks was done in bad faith:

*First.* Lim registered the subject trademarks, *with full knowledge* that the mark and the name “Gloria Maris” is being used by petitioner Gloria Maris for more than 10 years.

*Second.* Lim not only knew of Gloria Maris’ use of the mark and name, but he was precisely an incorporator and a director of the company. He even insisted that he remain as a shareholder of Gloria Maris even after registering the said trademarks and offering, by himself, for franchise the concept of the restaurant Gloria Maris to other companies.<sup>68</sup>

*Third.* It was bad faith on Lim’s part to reap the fruits of the goodwill built by the Gloria Maris brand when he registered the subject marks in his own name. Obviously, it was the corporation as a whole that built and established the brand “Gloria Maris.”

Consequently, the trademarks registered by Lim which bear the name “Gloria Maris” have been unlawfully registered.

A certificate of registration may be canceled if, among others, it was fraudulently made:

SEC. 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:

....

(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. If the registered mark becomes the generic name for less than all of the goods or services for which it is registered, a petition to cancel the registration for only those goods or services may be filed. A registered mark shall not be deemed to be the generic name of goods or services solely

<sup>67</sup> *Lim v. See*, G.R. No. 193569, January 25, 2023 [Per J. J. Lopez, Second Division].

<sup>68</sup> *Rollo*, pp. 1111; 1122; 1134.



because such mark is also used as a name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used.<sup>69</sup> (Emphasis supplied)

It has been held that fraud and bad faith, in terms of trademark, go hand-in-hand. In simple words, there is no distinction between these concepts since one necessarily presupposes the existence of the other.<sup>70</sup>

Finally, Lim claims that Gloria Maris is barred by laches.

The Court disagrees.

Laches is an equitable doctrine, the application of which is evaluated by fair considerations. As such, it cannot be used to defeat justice, or to condone fraud.<sup>71</sup>

More importantly, Section 151 of the IP Code expressly states that the registration of a mark may be canceled *at any time* if, among others, the registration was obtained fraudulently or is contrary to the provisions of the IP Code.

In the present case, laches cannot run against Gloria Maris. As earlier explained, Lim unlawfully registered the subject trademarks. Moreover, Gloria Maris was not less remiss in protecting its right, proof of which are the proceedings *a quo*, which has finally reached this Court.

**ACCORDINGLY**, the Petition for Review on *Certiorari* filed by petitioner Gloria Maris Shark's Fin Restaurant, Inc. is **GRANTED**. The Decision dated March 18, 2022, and the Resolution, dated December 19, 2022, of the Court of Appeals in CA-G.R. SP Nos. 162466, 162467 and 162468 are **REVERSED**.

Consequently, the following Certificates of Registration in the name of Pacifico Q. Lim are ordered **CANCELLED**:

1. Certificate of Registration No. 4-2004-009149 for GLORIA

<sup>69</sup> INTELL. PROP. CODE, sec. 151(b).

<sup>70</sup> See *Zuneca Pharmaceutical v. Natrapharm, Inc.*, 882 Phil. 278, 339 (2020) [Per J. Caguioa, *En Banc*].

<sup>71</sup> See *Ebancuel v. Acierito*, G.R. No. 214540, July 28, 2021 [Per J. Gaerlan, Second Division].



- MARIS WOK SHOP AND DESIGN;
2. Certificate of Registration No. 4-2004-009150 for GLORIA MARIS DIMSUM KITCHEN WITH LOGO; and
  3. Certificate of Registration No. 4-2004-009151 for GLORIA MARIS SHARK'S FIN RESTAURANT AND LOGO.

Let a copy of this Decision be furnished to the Director of the Bureau of Legal Affairs for appropriate action. Let the Director of the Bureau of Trademarks and the Library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this Decision as well.


**SO ORDERED.**

  
**MARIA FILOMENA D. SINGH**  
Associate Justice

WE CONCUR:

  
**ALFREDO BENJAMIN S. CAGUIOA**  
Associate Justice

*See separate concurring opinion*  
  
**HENRI JEAN PAUL B. INTING**  
Associate Justice

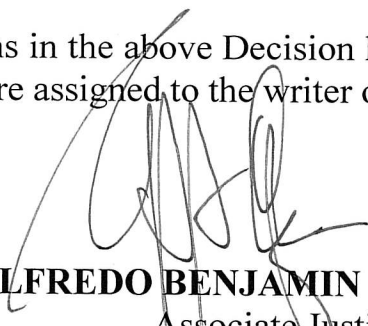
  
**SAMUEL H. GAERLAN**  
Associate Justice

*See Separate Concurring Opinion*  
  
**JAPAR B. DIMAAMPAO**  
Associate Justice



**ATTESTATION**


I attest that the conclusions in the above Decision had been reached in consultation before the cases were assigned to the writer of the opinion of the Court's Division.



**ALFREDO BENJAMIN S. CAGUIOA**  
Associate Justice  
Chairperson

**CERTIFICATION**

Pursuant to Article VIII, Section 13 of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the cases were assigned to the writer of the opinion of the Court's Division.



**ALEXANDER G. GESMUNDO**  
Chief Justice

