

REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
Securities Investigation And Clearing Department
SEC Bldg., EDSA, Greenhills, Mandaluyong City

WORLD SIKARAN BROTHERHOOD
OF THE PHILIPPINES, INC.,
Complainant,

- versus -

SEC CASE NO. 11-94-4926

FOREMOST SIKARAN ARNIS
BROTHERHOOD, INC., ET AL.,
Respondents.

x _____ x

TO:

~~ATTY. AMADOR A. MAGDAMIT, JR.~~
Counsel for Complainant
No. 2104 Fernando St. corner
Buendia Avenue, Pasay City

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8/10

~~ATTY. PERFECTO A. SOTORIDONA, JR.~~
Counsel for Respondents
No. 46 Canley Road, Bagong Ilog
Pasig City

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GENTLEMEN:

DECISION

Transmitted to you herewith is a copy of the _____ of the Hearing Officer in
the above-entitled case dated AUG. 10, 1998.

Please acknowledge receipt hereof.

City of Mandaluyong

AUG. 10 1998.

[Handwritten signature]
NATIVIDAD P. QUERIJERO
Acting Chief
Docket and Process Division
Securities Investigation and
Clearing Department

8:10 - 9:48 at 3:21 P.M.



Republic of the Philippines
SECURITIES AND EXCHANGE COMMISSION
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DECISION

Lodged before the Commission is the complaint of WORLD SIKARAN BROTHERHOOD OF THE PHILIPPINES, INC., herein represented by its president and founder Meliton C. Geronimo, against FOREMOST SIKARAN-ARNIS BROTHERHOOD, INC. and PHILIPPINE FEDERATION OF SIKARAN-ARNIS BROTHERHOOD, INC.

Complainant alleges that WORLD SIKARAN BROTHERHOOD OF THE PHILIPPINES, INC. was originally registered as KARATE BROTHERHOOD OF THE PHILIPPINES on December 20, 1965 and was later amended and renamed to WORLD SIKARAN BROTHERHOOD OF THE PHILIPPINES, INC. on September 1, 1992.

The use of the word "sikaran" and its propagation as a distinct Filipino art of self-defense was started as early as 1958 by the group of Meliton C. Geronimo. Its popularity and acceptance in local and international tournaments prompted Mr. Geronimo to change his group's corporate name to WOLRD SIKARAN BROTHERHOOD OF THE PHILIPPINES, INC. on September 1, 1992.

The coinage of the word "sikaran" and the use of Filipino terminologies in the commands of "sikaran" as a martial art received recognition and award from the Institute of National Language (Exhibits "C" and "C-7").

While, the respondent corporations FOREMOST SIKARAN-ARNIS BROTHERHOOD, INC. and PHILIPPINE FEDERATION OF SIKARAN-ARNIS BROTHERHOOD, INC. were respectively registered in 1993 and on March 2, 1994. The main organizer and leader of the respondent corporations is respondent Osias Banaag who was a former member and student of complainant (Exhibits "H-1", "H-2" and "H-3").

Complainant claims that the continuous use of the word "sikaran" by respondents might ruin and destroy its reputation, corporate name and goodwill; will confuse and misled the public to think that complainant and respondents are the same.

For such usurpation of its corporate name, complainant prays that respondents' registration be canceled and nullified or the word "sikaran" be removed and erased from respondents' corporate names.

Complainant also prays for payment of damages and attorneys fees from respondents.

Respondents in their answer allege that the incorporation of FOREMOST SIKARAN-ARNIS BROTHERHOOD, INC. and PHILIPPINE FEDERATION OF SIKARAN-ARNIS BROTHERHOOD, INC., do not create a confusion nor will it ever mislead the public that such corporate names are similar to or identical with complainant's corporate name. And by way of counterclaim respondents claim for payment of exemplary damages and attorneys fees.

Records, however, would show that after respondents presented their last witness Osias Banaag, the latter was not subjected to cross-examination for his failure to attend future hearings, nor respondents was able to formally submit their evidence.

For failure of respondents to attend previously scheduled hearings, petitioner filed a motion that the case be submitted for decision. There being no objection on the part of respondents, the motion to submit the case for decision was approved.

Complainant was able to prove that it was registered with this Commission ahead of the two respondent corporations, that the word "sikaran" was coined by Meliton C. Geronimo, propagated it as a unique Filipino art of self-defense, with exhibitions and tournaments conducted inside and outside the country, formally naming his club WORLD SIKARAN BROTHERHOOD OF PHILIPPINES, INC. While respondent Osias Banaag was once a student and member of petitioner, under the tutelage of his master Meliton C. Geronimo before breaking away from the club (complainant) who thereafter formed and incorporated his own FOREMOST SIKARAN-ARNIS BROTHERHOOD, INC. and PHILIPPINE

FEDERATION OF SIKARAN-ARNIS BROTHERHOOD, INC., propagating the same art of self-defense he learned from the club (complainant).

It would appear that respondent Osias Banaag, after learning "sikaran" as an art of self-defense from the club (complainant), would break away from the latter and appropriate the distinctive name "sikaran" already used by complainant.

To protect the corporate name of complainant from being usurped by respondents, petitioner invoked the decision of this Commission in the case of "Quezon (Tayabas) Association, Inc. vs. the Original (Tayabas) Association, 1993, Inc., docketed as Sec Case No. 4751. Also, the Supreme Court found a basic similarity between trade names "Universal Converse and Device" and "Converse Rubber Corporation" as in both names "Converse" is the dominant word which identified the latter from corporations engaged in similar business. Appropriation by another of the dominant part of a corporate name is an infringement (Converse Rubber Corp. vs. Universal Rubber Product Inc., 147 SCRA 154 [1987]).

In this case, the dominant word is "sikaran" being a distinctive Filipino art of self-defense originated and propagated by complainant.

WHEREFORE, in view of the foregoing it is hereby ordered that the use of the word sikaran be removed and erased from the corporate name of:

a). FOREMOST SIKARAN-ARNIS BROTHERHOOD, INC., under SEC Registration No. AN093-000566; and

b). PHILIPPINE FEDERATION OF SIKARAN-ARNIS BROTHERHOOD, INC., under SEC Registration No. AN094-000840.

The claim for damages and attorneys fee are hereby denied for lack of evidence, and there is no proof that respondents had ill motives in using the word sikaran in registering its corporate names.

SO ORDERED.

City of Mandaluyong.

Aug. 10, 1998.



GEORGE P. PALMARES
Hearing Officer