

PROFESSIONAL GOLFERS ASSOCIATION
OF AMERICA,
Opposer,

Inter Partes Case No. 14-2010-00030
Case Filed: 29 January 2010
Opposition to:

Appl'n Serial No.: 04—2008-006882

-versus-

Date Filed: 12 June 2008
Trademark: PGA NATIONAL RESORT
ASIA & DEVICE

TRILLENIUM LLC,
Respondent-Applicant

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Decision No. 2011-37

DECISION

Professional Golfers Association of America, (“Opposer”), an association duly organized and existing under the laws of the United States of America (“U.S.A.”), with principal address at 100 Avenue of Champions, Palm Beach Gardens, Florida 33110, U.S.A., filed on 29 January 2010 an opposition to Trademark Application No. 1-2008-006882. The application, filed by Trillenum LLC., Respondent-Applicant, a with principal address at 9903 Santa Monica & Boulevard, No. 88 Beverly Hills, California 90212, U.S.A., seeks the registration of the mark “PGA National Resort Asia & Device for use on *branding and management services relating to the planning, design, development operation and promotion of gold resorts, golf courses, country clubs; golf shops, restaurants, hotels, spas and residential communities* falling under class 35 of the International Classification Of goods.

The Opposer alleges the following:

- “1. PGA of America, an association duly organized and existing under the laws of the United States, with principal Office at 100 Avenue of Champions, Palm Brach Garden, Florida 334.10, USA the internationally well-known marks PGA TOUR LOGO. PGA TOUR CHAMPION LOGO and other related PGA marks which are registered in appropriately 80 countries and used worldwide on goods and/or services in International Classes 16, 25, 35,35,36, 41 among others.
- “2. The Opposer is also the owner of the following marks which are registered with the intellectual Property Office of the Philippines: (a) PGA TOURS & DESIGN (MAN PLAYING GOLF INSIDE A RECTANGULAR FRAME) under Registration Serial No 4-1996-113108 for entertainment services, namely, conducting professional golf tournaments in Class 41; (b) PGA TOURS CHAMPIONS TOUR DESIGN & under Registration Serial No. 4-2003-002417 for entertainment services, namely, conducting professional golf tournaments and the production of televised golf events in Class 4I (c) PGA TOUR & DESIGN under Registration Serial No. 5966 for goods, namely, shirts, slacks, sweaters, shorts, jackets, hats, socks and rainwater in Class 25; and (d) PGA TOUR & DESIGN under Registration No 4-1996-12829 for sporting goods, namely: golf clubs, golf bags, golf clubs head covers and golf balls in Class 28. (The marks owned by PGA of America are collectively referred hereto as the ‘PGA MARKS’.)
- “3. Applicant’s mark PGA NATIONAL RESORT ASIA & DEVICE for services in Class 35, so resembles Opposer’s PGA Marks as to be likely, when applied to or used in connection with the services of the Applicant, to create a connection between Applicant’s services and the Opposer’s goods and services, and damage the latter’s interest as owners of the PGA MARKS.
- “4. Thus, the registration of the mark PGA NATIONAL RESORT ASIA & DEVICE in the name of the Applicant will violate Section 123.1 (e) of the Intellectual Property

Code of the Philippines or Republic Act No. 8293 ('IP Code') which provides that 'a mark is identical with, or confusingly similar to, or constitutes a translation of 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*, as being already the mark of a person other than the applicant for registration, and *used for identical or similar goods or services*' cannot be registered. Section 125.1(e) therefore precludes the registration of Applicant's PGA NATIONAL RESORT ASIA & DEVICE as many of the PGA MARKS which are registered in other countries and in the Philippines are used for *identical or similar goods or services* in Class 35.

- "5. Applicant's PGA NATIONAL RESORT ASIA & DEVICE covers the following services in Class 35: *'branding and management services relating to the planning, design, development, operation and promotion of golf resorts, golf courses, country clubs, golf shops, restaurants, hotels, spas and residential communities.'*
- "6. Upon the other hand, Opposer's PGA MARKS covers services that are either identical or similar to Class 35 services covered by applicant's PGA NATIONAL RESORT ASIA & DEVICE. Some of these PGA MARKS are as follows: (a) U.S. Registration No. 3,579,150 which covers the following services in Class 41 — *'golf course facility services'*; (b) U.S. Registration No. 2,675,275 which covers the following services in Class 35- *'real estate brokerage services, namely offering properties for sale or rental'*; (c) U.S. Registration NO. 1,351,309 which covers the following services in Class 41 — *'promoting recreational, amateur and professional golf in the United States and organizing and conducting golfing exhibitions, competitions and instruction in the United States'*; (d) U.S. Registration No. 2,901,708 which covers the following services in Class 41 — *'golf course services'*; (e) U.S. Registration No. 1,711,394 which covers the following services in Class 25 - *'women's, men's and children's tennis and golf apparel' namely, slacks, shorts, skirts, shirts, blouses and shoes'*; and (1) Registration No. 3,563,653 which covers the following services in Class 16, namely, magazines in the field of golf.
- "7. Opposer also owns the following Philippine registrations: (a) PGA TOUR & DESIGN (MAN PLAYING GOLF INSIDE A RECTANGULAR FRAME) under Registration Serial No. 4-1996-113102 for entertainment services, namely, conducting professional golf tournaments in Class 4.1; (b) PGA TOUR CHAMPIONS TOUR & DESIGN under Registration Serial No. 4-2003-002417 for entertainment services, namely, conducting professional golf tournaments and the production of televised golf events in Class 1.1; (c) PGA TOUR & DESIGN under Registration Serial No. 58966 for goods, namely, shirts, slacks, sweaters, shorts, jackets, hats, socks and rainwater in Class 25; and (d) PGA TOUR & DESIGN under Registration No. 4-1996-112829 for sporting goods, namely, golf clubs, golf bags, golf club head covers and golf balls in Class 28.
- "8. Thus, considering that the services covered by Applicant's mark and the Opposer's PGA MARKS are either identical or similar, Opposer's PGA MARKS cannot be registered in accordance with Section 123.1 (e) of the IP Code.
- "9. Section 147.2 of the IP Code likewise protects the Opposer as it similarly provides that the exclusive right of the owner of a well-known mark defined in Subsection 123.1 (e) which is registered in the Philippines shall extend to goods and services that are *not similar* to those in respect of which the mark is registered, provided, that the use of the mark (being opposed) in relation to those goods or services would indicate a connection between those goods or services

and the owner of the registered mark, and that the interest of the owner of the registered mark are likely to be damaged by such use.

- “10. The dominant features of most of Opposers registered PGA MARKS consists of letters PGA (which is the acronym for the name of the Opposer) and two golf sticks crossed and one bill laid right on the tee. On the other hand, applicant’s PGA NATIONAL RESORT ASIA & DEVICE is much similar to, or more exactly, a reproduction of the PGA MARKS, in particular the PGA of America’s Logo which has been used since 1916. Applicant’s adoption of the confusingly similar mark PGA NATIONAL RESORT ASIA & DEVICE for services in Class 35 is likely to indicate a connection between Applicant’s services and those of Opposers goods and/or services. Applicant’s unauthorized use of the mark PGA NATIONAL RESORT ASIA DEVICE is likely to mislead consumers into believing that Applicant’s services are affiliated with or sponsored and licensed by Opposer, the latter having been identified as the owner of the well-known PGA MARKS. Applicant adopted the mark PGA NATIONAL RESORT ASIA & DEVICE for the purpose of riding on the renown of Opposer’s mark and the goodwill it has earned among patrons.
- “11. Thus. Applicant’s unauthorized appropriation of PGA NATIONAL RESORT ASIA & DEVICE infringe upon Opposers right to the internationally well known PGA MARKS. Such unauthorized appropriation and use are likely to mislead and deceive the public into believing that applicants services are licensed, authorized and sponsored by Opposer and such would likely damage PGA of America In view of the above, protection must be given to the PGA MARKS of the Opposer in accordance with Section 147.2 of the IP Code.
- “12. Section 123.1 (f) of the IP Code also prohibits the registration of a mark which is identical with, or confusingly similar to or constitute a translation of a mark considered well-known internationally and in the Philippines which is registered in the Philippines with respect to goods or services that are not similar to those with respect to which registration is applied for. Pursuant to said section, the Opposer’s internationally well-known registered marks namely, (a) PGA TOUR & DFSIGN (MAN PLAYING GOLF INSIDE A RECTANGULAR FRAME) under Registration Serial No 4-1996-113102 for entertainment services, namely, conducting professional golf tournaments in Class 41; (b) PGA TOUR CHAMPIONS TOUR & DESIGN under Registration Serial No. 4-2003-002417 for entertainment services, namely, conducting professional golf tournaments and the production of televised golf events in Class 41, (c) PGA TOUR & DESIGN under Registration Serial No. 58966 for goods, namely, shirts, slacks, sweaters, shorts, jackets, hats, socks and rainwater in Class 25; and (d) PGA TOUR & DESIGN under Registration No 4-1996-112829 for sporting goods, namely, golf clubs, golf bags, golf club head covers and golf balls in Class 28 should be given protection.
- “13. The registration of the mark PGA NATIONAL RESORT ASIA & DEVICE in the name of the Applicant will likewise violate Section 6 bis of the Paris Convention and Article 16(3) of the Agreement on Trade Related Aspects of Intellectual Property Rights which both provide protection for well-known trademarks. The expanded protection under the Agreement on Trade Related Aspects of Intellectual Property Rights enabled owners of the well-known marks to prevent the use of their trademarks even on ‘goods or services which are not similar to those in respect of which a trademark is registered.
- “14. In addition, the registration and use by the Applicant of the mark PGA NATIONAL RESORT ASIA & DEVICE will diminish the distinctiveness and dilute the goodwill of Opposer’s PGA MARKS. Protection of the PGA MARKS from such diminution

and dilution is warranted because the following elements are present: (a) the PGA MARKS are famous and distinctive; (b) the use by Applicant of the PGA NATIONAL RESORT ASIA & DEVICE began after the Opposer's PGA MARKS became famous; and (c) such subsequent use blurs the distinctiveness of the PGA MARKS or tarnished or disparages them (Levi Strauss & Co., et al. v. Clinton Apparel, Inc., GR No. 188900, September 20, 2005).

- “15. The registration of the mark PGA NATIONAL RESORT ASIA & DEVICE in the name of the Applicant is contrary to the other provisions (in addition to the previously cited sections) of the IP Code. As mentioned above, the dominant features of Opposer's registered PGA MARKS include the letters PGA (which is the acronym for the name of the Opposer) and two golf sticks crossed and one ball laid right on the tee. Applicant's use an appropriation of these dominant features amount to trademark infringement under Section 155.1 of the IP Code, and accordingly, such infringement must be addressed by, among other reliefs, refusing the registration of the mark PGA NATIONAL RESORT ASIA & DEVICE.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 04 March 2010. The Respondent-Applicant filed on 07 April 2010 a Motion for Extension of Time to file verified answer, which was granted giving said party until 02 June 2010 to file its answer. On 03 June 2010, instead of filing the required answer, the Respondent-Applicant filed another motion for extension, which was also granted. However, the Respondent-Applicant did not file an answer on or before the deadline (02 July 2010). Hence, pursuant to Rule 2, Section 11 of the Regulations in Inter Partes Proceedings, as amended, the case was deemed submitted for decision on the basis of the opposition and evidence submitted by the Opposer.

Resolving this case, it is emphasized that the essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against and sale of inferior and different articles as his products.

In this regard, the Opposer anchors its case on its claim that its mark is well-known and that the registration of the Respondent-Applicant's mark will violate Section 123.1, paragraphs (e) and (f) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines. Paragraph (e) of the same section also proscribes registration if the mark is:

“identical with, or confusingly similar to, or constitute a translation of a mark considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark.”

Corollary to the afore-quoted provision is Rule 102 of the Trademark Regulations which sets forth the criteria in determining whether a mark is considered to be well-known, to wit:

Rule 102. Criteria for determining whether a mark is a 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;

(l) 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.

The Opposers evidence consists of the following:

1. Exh. "A" - List of the worldwide trademark registration under the name of PGA of America;
2. Exh. "B" to "B-5"- Certified copies of samples of the registrations certificates of the US. PGA marks owned by Opposer;
3. Exh. "C" - Print-outs from the website of PGA of America, www.pga.com showing its detailed history starting from its inception in February 1916 up to the latest development in golf;
4. Exh. "D" to "D-1" - Print-outs from the website Golf Digest, www.golfdigest.com showing that the PGA of America's PGA Village is ranked No. 30 in Golf Digest's Readers Choice Awards Top 50 Public Golf Course and ranked No. 51 in the 75 Best Golf Resort in North America;
5. Exh. "E" - Copy of Golf Range Magazine;
6. Exh. "F" - Print-outs From the website of Golf Digest;
7. Exh. "G" to 'G9—ExampleS of articles and advertisements detailing the tournaments and every other activity that the PGA of America have sponsored;
8. Exh. H" - Examples of International article and advertisements running articles about PGA of America and its various activities;

9. Exh. "I" - Documents proving that international popularity of the PGA of America's tournament; and
10. Exh. "J" to "K-1" - Print-outs from website showing that PGA is well-known in the Philippines and numerous golf courses in the Philippines were designed by PGA Masters.

This Bureau noticed that the "PGA trademark" of the Opposer exists in different variations. But, the distinguishing feature in all of these is the acronym "PGA", which stands for "Professional Golfer's Association". Accordingly, this Bureau, taking into account the relevant sector of the public - the golfing community - finds that the evidence submitted by the Opposer is sufficient to constitute at least a combination of the criteria under Rule 102 of the Trademark Regulations. The PGA marks, or collectively the PGA mark, is well-known under the aforementioned rule.

Records also show that at the time the Respondent-Applicant filed its trademark application on 12 June 2008, the Opposer already has the following existing trademark registrations in the Philippines for the mark PGA:

1. Reg. No. 4-1996-113102, issued on 22 June 2002, for the mark PGA TOUR & DESIGN for use on entertainment services, particularly, conducting professional golf tournament under Class 41;
2. Reg. No. 58966, issued on 29 July 1994, for the mark PGA TOUR & DESIGN for use on "shirts, slacks, sweaters, shorts, jackets, hats, socks and rainwear" under Class 28; and
3. Reg. No. 4-1996-112829, issued on 08 May 2001, for the mark PGA TOUR & DESIGN for use on "sporting goods" under Class 28.

The Opposer's Philippine registrations cover goods and services that are similar or closely related to those indicated in the Respondent-Applicants trademark application. But, would the Respondent-Applicant's registration and/or use of its mark cause confusion, mistake or deception.

As discussed above, while the Opposer's PGA mark exists in different variations, the distinguishing feature in all of these is the acronym PGA, which was appropriated by the Respondent-Applicant. Considering that the Respondent-Applicant's mark is used on services that are connected and/or related to the sport of golf, the PGA in its mark becomes a highly noticeable feature thereof. The relevant sector of the public, and possibly, even the general public as well, will be reminded of the Opposer, the organization or entity called the "Professional Golfers Association" or "PGA".

It is stressed that confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.

In fact, the mark that the Respondent-Applicant applied for registration almost look like most of the PGA marks that the Opposer registered in the U.S., including the one below, under registration No. 1,331,309 and date 16 April 1985, with claim of first use in commerce as early 16 October 1956:



As shown above, the Respondent-Applicant did not only use the acronym PGA, it also copied the Opposers mark concentric design and the configuration of two (2) golf sticks crossed and a golf all laid on the tee.

The Respondent-Applicant's mark therefore, is obviously a colorable imitation of the Opposer's mark which could likely result in confusion and deception. Aptly, 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 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. Corollarily, the law does not require actual confusion, it being sufficient that confusion is likely to occur. The likelihood of confusion would mean subsist not only on the public's perception of services but on the origins thereof as held by the Supreme Court.

Thus, the public would likely think that the Respondent-Applicant's mark is owned by, or is affiliated or connected with the Opposer. The inclusion of the word "ASIA" in the opposed mark would even make one presume that the Respondent-Applicant is the Opposer's marketing or business arm in Asia. In this scheme of things, the Respondent-Applicant will unduly and unfairly enjoy advantages like benefiting from the Opposer's advertisement and promotional activities, reputation and prestige, among other things. As held by the Supreme Court:

"of course as in all other cases of colorable imitations, the unanswered riddle is why of the millions of terms and combinations of letters and designs available, the appellee had to choose those so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark "

With the finding that the Opposer's mark met the criteria under Rule 102 of the Trademark Regulations, the Respondent-Applicant's trademark application is proscribed by par. (e) of Sec. 123.1 of the IP Code. In addition, this Bureau also finds that the Respondent-Applicant's mark should not be registered pursuant to par. (d) of the same section, which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or 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.

It is emphasized that the law on trademarks and trade names is based on the principle of business integrity and common justice. This law, both in letter and spirit is laid upon the premise that, while it encourage fair trade in every way and aims to foster, and not to hamper competition, no one especially a trader, is justified in damaging or jeopardizing others business by fraud, necessarily precludes the trading by one dealer upon the good name and reputation built by another.

The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services. The intellectual property system is not a haven for people who would take advantage of the intellectual creation of others, whether a local resident or a foreigner.

WHEREFORE premises considered, the Opposition is hereby SUSTAINED. Let the filewrapper of the Trademark Application No. 4-2008-006882 together with a copy of this DECISION, be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Makati City, 31 March 2011.

NATHANIEL S. AREVALO
Director, Bureau of Legal Affairs
Intellectual Property Office