

UNITED STATES POLO ASSOCIATION,
Opposer,

IPC No. 14-2008-00128
Case Filed :
Opposition to :

- versus -

Appln. Ser. No.: 4-2007-0011238
Date Filed : 09 October 2007
Trademark : "SWISS POLO and
Device"

LOHMUN LEATHER PRODUCTS
PTE., LTD.,
Respondent-Applicant.
x-----x

Decision No. 2009-90

DECISION

For decision is the Notice of Opposition filed by United States Polo Association (hereinafter referred to as opposer), a corporation organized and existing under the laws of Illinois, United States, with office at 771 Corporate Drive, Suite 430, Lexington, Kentucky against Application Serial No. 4-2007-011238 for the mark SWISS POLO AND DEVICE for goods under class 18, namely: "luggage, luggage straps, travelling bag, leather wallets, handbags, backpacks, duffle bags, tote bag, shoe bag, waist poach, suitcases, sling bags, overnight case, garment bag and shoulder bag" filed on 9 October 2007 by Lohmun Leather Products Pte, Ltd. (hereinafter referred to as respondent-applicant) with address at 153 Kampong Ampat #03-04 Junjie Industrial Building, Republic of Singapore.

Opposer relied on the following grounds:

4.1 Respondent-Applicant's "SWISS POLO AND DEVICE" mark is identical with, or nearly resembles, Opposer's registered USPA Trademarks, in particular, the USPA Polo Trademark, so as to deceive and cause confusion.

4.2 Respondent-Applicant's "SWISS POLO AND DEVICE" mark is confusingly similar to Opposer's well-known USPA Trademarks and USPA Polo Trademark, in violation of the IP Code and international treaties.

4.3 The representation of the flag of Switzerland in Respondent-applicant's "SWISS MISS AND POLO DEVICE" mark is violative Section 123.1 (b) of the IP Code which prohibits the registration of a mark consisting of a flag of a foreign nation.

4.4. The use of the representation of a flag of Switzerland and the word "SWISS" in Respondent-Applicant's "SWISS POLO AND DEVICE MARK" is likely to mislead the public, particularly as to the geographic origin of its goods as it creates a false impression that the said goods originate from Switzerland, in violation of Section 123.1 (g) of the IP Code."

In support of the opposition, oppose submitted the following evidence:

EXHIBIT	DESCRIPTION
"A"	Certificate of Registration No. 4-2005-05531
"B"	Certificate of Registration No. 4-2000-04899
"C"	Trademark Application No. 4-2005-05533

“D”	Trademark Application No. 4-2005-05532
“E”	Trademark Application No. 4-2000-04898
“F”	Trademark Application No. 4-2000-04901
“G”	Trademark Application No. 4-2007-005105
“H”	Print-out of web page of opposer’s history
“I”	Print-out of web page of corporate structure
“J”-“K”	Print-out of information on its products from the web
“L”	Master license structure
“M”	List of pending applications and registrations of mark
“N”, “O”, “P”, “Q” “R”, “S”, “T”	Registration Certificates in Australia, Canada, European Union, Thailand, Singapore, Japan, U.S.A.
“U”	Compact Disc of advertising/promotional materials
“V”	Summary of Financial statements
“W”	Affidavit of Mr. Peter J. Rizzo
“X”	Letter dated 23 May 2008 to the Director General
“Y”, “Z”, “AA”	Certificates of Registration from Brazil, Turkey, United Arab Emirates

In the Answer filed on 11 November 2008, respondent-Applicant raised the following special and affirmative defenses:

“3. In support of its specific denials and amplification of its position, Respondent-Applicant respectfully raises the following arguments:

Respondent-Applicant’s mark “SWISS POLO and Device” is not confusingly similar to any of Opposer’s USPA Trademarks, even the USPA Polo Trademark

3.1 Respondent-Applicant respectfully states that its mark “SWISS POLO and Device” is not confusingly similar to any of Opposer’s USPA Trademarks, even the USPA Polo Trademark.

3.2 Pursuant to Section 155.1 of the Intellectual Property Code, the dominance test, through a consideration and comparison of the dominant features of the competing marks, will determine whether they are confusingly similar. Hence, Courts give greater weight to the similarity of the appearance of the product arising from the adoption of the dominant features of the registered mark, whereby the aural and visual impressions created by the marks in the public mind shall be considered more, giving little weight to factors like prices, quality, sales outlets and market segments.

3.3 Despite the commonality in the process by which confusing similarities of the competing marks is determined, Opposer has unreasonably stretched the truth in finding that they are confusingly similar. In fact, the dominance test clearly proves that the

dominant features of the competing marks definitively point to the fact that they are not confusingly similar.

3.4 At the onset, Respondent-Applicant made of record through a Manifestation to the Director of Trademarks on 19 August 2008 that the “device of a cross used in the mark will not be in red on a white background, or in white on a red background.” Further, at the present time, Respondent-Applicant has limited the use of the mark to colours other than white or red, for example, the colours white cross with a pale green background. On this alone, Respondent-Applicant’s mark does not resemble, connote, signify or can be interpreted as the Swiss flag.

3.5 In addition, the word common to the competing marks is “POLO”. This is a word which pertains to a game played by two teams on horseback using long-handed mallets to drive a wooden ball. That being so, “POLO” is merely a generic/common/descriptive word which cannot be appropriated and used to the exclusion of others as this belongs to the public domain. In truth, such word was used to describe the kind of association Opposer had.

3.6 As held in the case *Asia Brewery, Inc. vs. Court of Appeals (224 SCRA 449) citing Ong Ai Gui vs. Director of Patents, 96Phil. 673, 676*, “A word or a combination of words which is merely descriptive of an article of trade, or of its composition characteristics or qualities, cannot be appropriated and protected as a trademark to the exclusion of its use by others in as much as all persons have an equal right to produce and vend similar articles, they also have the right to described them properly and to use any appropriate language or words for that purpose, and no person can appropriate to himself exclusively any word or expression, properly descriptive of the article, its qualities, ingredients or characteristics, and thus limit other person in the use of language appropriate to the description of their manufactures, the right of the use of such language being common to all. This rule excluding descriptive terms has also been held to apply to trade-names. As to whether words employed fall within this prohibition, it is said that the true test is not whether they exhaustively descriptive of the article designated, but whether in themselves, and as they are commonly used by those who understand their meaning, they are reasonably indicative and descriptive of the thing intended. If they are thus descriptive, and not arbitrary, they cannot be appropriated from general use and become the exclusively property of anyone. (52 Am. Jur. 542-543.)”

3.7 To be sure, many trademarks with the word “POLO”, whether or not involving goods covered by class 25, have already been registered by the Intellectual Property Office - that is, Osaka Polo House and Device, English Polo League, Manila Polo Club, Inc., Beverly Hills Polo Club and Device, Santa Barbara Polo & Racquet Club, to name some. Clearly, the word “POLO” is commonly used in trademarks. In fact, the pictorial representations of these marks, among many others, show variations of a drawing of a polo player. In view thereof, the Opposer evidently does not have exclusive use and ownership of the word “POLO”, much less the device of a polo player. Hardly therefore can it be said that the public will be misled or confused by the sheer number of “POLO” trademarks and polo player devices already available in the market.

3.8 To indulge the Opposer’s insistence that these marks are confusingly similar, Respondent-Applicant respectfully submits the following aural/phonetic, visual and connotative comparison of the USPA Trademarks with Respondent-Applicant’s mark “SWISS POLO and Device”

In support of the defense, respondent-applicant submitted the following exhibits, to wit:

EXHIBIT	DESCRIPTION
“1”	Manifestation dated 19 August 2008

Affidavit of Joyce Lim Hua Guek

“2”, “3”, “4”

Pertinent pages of publications Switzerland in
Sight; Switzerland in Diversity

The preliminary conference was set on 12 January 2009 and terminated on 13 April 2009 but no amicable settlement was obtained between the parties. The issues for resolution are whether SWISS POLO AND DEVICE resembles or is confusingly similar to Opposer’s registered marks U.S. POLO ASSN., UNITED STATES POLO ASSOCIATION AND LOGO and other marks as to deceive and cause confusion; whether SWISS POLO AND DEVICE is a representation of the Swiss flag which is prohibited from registration under provisions of the Intellectual Property Code; whether the SWISS POLO AND DEVICE will mislead the public as to the geographic origin of the goods of the respondent-applicant. Corollary is whether the opposer’s marks are well-known.

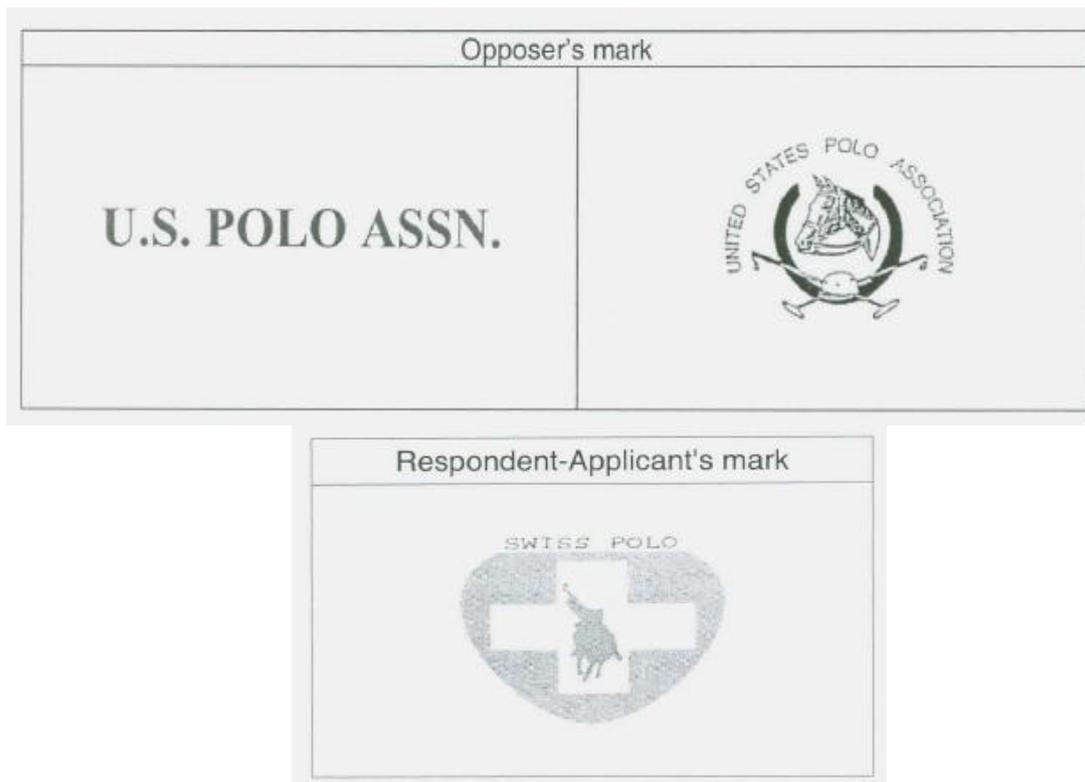
The Intellectual Property Code states:

“Section 123. Registrability. -123.1 A mark cannot be registered if it:
xxx

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of:

- i) The same goods or services, or
- ii) Closely related goods or services, or
- ii) If it nearly resembles such a mark as to be likely to deceive or cause confusion”

The opposer has two registered marks in the Philippines, namely U.S. Polo Assn. under Certificate of Registration No. 4-2005-05531 (Exhibit “A”) for class 18 and Certificate of Registration No. 4-2000-04899 for classes 18 and 25 (Exhibit “B”). The marks of the opposer and respondent-applicant are reproduced below for comparison:



In McDonald's Corporation, et. al., vs. L.C. Big Mak Burger, Inc., et. al., G.R. No. 143993, August 18, 2004, the Supreme Court held that:

"In determining the likelihood of confusion, jurisprudence has developed two tests, the dominance test and the holistic test. The dominance test focuses on the similarity of the prevalent features of the competing trademarks that might cause confusion. In contrast, the holistic test requires the court to consider the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity.

The test of dominance is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code which defines infringement as the "colorable imitation of a registered mark xxx or a dominant feature thereof."

Applying the dominance test, the Court finds that respondents' use of the "Big Mak" mark results in likelihood of confusion. First, "Big Mak" sounds exactly the same as "Big Mac". Second, the first word in "Big Mak" is exactly the same as the first word in "Big Mac". Third, the first two letters in "Mak" are the same as the first two letters in "Mac". Fourth, the last letter in "Mak" while a "K" sounds the same as "c" in spelling, thus "Caloocan" is spelled "Kaloocan".

Applying the dominance standard explained in the above-cited cases, the dominant feature of opposer's registered marks are the letters U. S. POLO ASSN., and in the other mark is the device consisting of a the head of a horse, polo helmet and polo sticks and the words UNITED STATES POLO ASSOCIATION in a semi-circle. On the other hand, Respondent-applicant's composite mark consists of the words SWISS and POLO and a device described as "a device with a shape akin to a shield. Further, within said shield-like device is a representation of a cross. Furthermore, within said representation of a cross is a silhouette of a polo player saddles on a horse, with arms raised geared to hit or swing his mallet." Thus, the marks do not resemble each other. Opposer also points out that the mark consisting of a DEVICE OF TWO POLO PLAYERS under Application No. 4-2007-005105 for class 18 (Exhibit "G") is confusingly similar to respondent-applicant's SWISS POLO AND DEVICE. We disagree. For one, respondent applicant's single polo player appears inside a cross within a shield-like device. There also appears to be two polo players in action in opposer's marks. These differences in the dominant visual features are enough to dispel any likelihood of confusion.

The word POLO standing by itself does not point out to the opposer, United States Polo Association. Thus, no deceit or confusion can arise. In Philip Morris, Inc. Benson & Hedges (Canada), Inc., and Fabriques de Tabac Reunies, SA v. Fortune Tobacco Corporation, GR No. 15859, 27 June 2006, the Supreme Court held:

"In contrast, the holistic test entails a consideration of the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity. Xxx

For one, as rightly concluded by the CA after comparing the trademarks involved in their entirety as they appear on the products, the striking dissimilarities are significant enough to warn any purchaser that one is different from the other. "Indeed, although the perceived offending word "MARK" is itself prominent in petitioner's trademarks "MARK VII" and "MARK TEN," the entire marking system should be considered as a whole and not dissected, because a discerning eye would focus not only on the predominant word but also on the other features appearing in the labels. Only then would such discerning observer draw his conclusion whether one mark would be confusingly similar to the other and whether or not sufficient differences existed between the marks.

As regards to the issue that respondent-applicant adopted the word SWISS and representation similar to the Swiss flag, Section 123.1 (b) of the Intellectual Property Code states:

"Sec. 123.1 A mark cannot be registered if:

b) Consists of the flag or coat of arms or other insignia of the Philippines or any of its political subdivisions, or any foreign nation, or any simulation thereof...”

Records show in a Manifestation dated 19 August 2008, submitted by the respondent-applicant to the Director of Trademarks, it has manifested that “the device of a cross used in the mark will not be in red on a white background, or in white on a red background”. Aside from the difference in color, the cross is not on a plain surface like a flag. The cross is on a shield like device or shape. Furthermore, a representation of a polo player is inside the cross. Thus, respondent-applicant’s mark is not a simulation of the Swiss flag.

On the issue of whether the mark SWISS POLO and device will mislead the public as to the geographic origin of the goods, the Bureau finds that the adoption of the word SWISS, when used in an arbitrary or fanciful manner is not deceptively misdescriptive of the origin of the goods.

This Bureau adopts our reasoning in Decision No. 2006-128 dated 15 November 2006 in IPC Case No. 3661 that involved the mark “SWISS MISS”. J. McCarthy, in *Unfair Competition and Trademark*, 1972 (citing *World Carpets Inc. v. Dick Littrell’s New World Carpets* (1971, CA5)438 F2d 482; *Re Amerise* (1969, TMT & App Bd) 160 US Pat Quart 687; *Consolidated Cigar Corp. v. Liverant* (155, Comm Pat) 106 Pat Quart 333; *Re: Sweden Freezer Mfg. Co.* (1968, TMT & App Bd) 159 US Pat Quart 246; *Re: Plymouth Motor Corp.* (1931) 18 Cust & Pat App (pat) 838, 46 F2d 211), enumerated guideposts in determining whether or not a geographic term is descriptively used.

- (1) Is the mark the name of the place or region from which the goods actually come? If yes, then the geographic term is used in a descriptive sense, and secondary meaning is required for protection. If no, then the geographic term is probably being used either in an arbitrary sense or in a deceptive sense depending upon the probable reaction of customers.
- (2) Is the geographic term likely to suggest to reasonable buyers that the goods come from the region or the place named? If no, then this is evidence of an arbitrary usage.
- (3) Are buyers likely to care whether the goods come from the place or region named?
- (4) Would buyers be likely to care whether the goods came from the place or region named?
- (5) Is the place or region named noted for these particular goods? If buyers don’t really care whether the goods come from the place named, then this is evidence that the mark is used in an arbitrary sense.”

As correctly argued by respondent-applicant, Switzerland is not known for its leather bags and luggage. It lists as its products, time pieces, knives, artificial hip joints, highly specialized tools, textile machines, lifts, automobiles, chocolates, milk and cheese among others enumerated in publications in Switzerland. (Exhibits “2”, “3” and “4”). Therefore, the adoption of the word SWISS is not misdescriptive of the geographic origin of the goods.

As regard to opposer’s contention that it is a well-known mark, this Bureau cannot agree that Opposer’s mark is a well-known mark, Section 123 of the Intellectual Property Code of the Philippines (Republic Act No. 8293, hereafter “IP Code”) also provides:

“Sec. 123. Registrability. – 123.1 A mark cannot be registered if it:

x x x

(e) 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: *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; x x”[Underscoring supplied.]

Also, Rule 102 of the Rules and Regulations on Trademarks contain the criteria to be taken into account in determining well-knownness of a trademark. Thus, Rule 102 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”

The law provides that a mark is well-known internationally and in the Philippines. Opposer was unable to show evidence of long commercial use in the Philippines. Opposer's evidence of registration abroad (Exhibits “Y”- “AA”; “N”-'T'), nor the information on the internet of its history (Exhibit “H”) or corporate structure (Exhibit “I”) on the internet does not raise its status to well-known in the Philippines. Besides, its two registered marks in the Philippines are not confusingly similar to respondent-applicant's mark.

WHEREFORE, premises considered the OPPOSITION filed by United States Polo Association, is, as it is hereby, DISMISSED. Accordingly, Application Serial No. 14-2008-00128 by Respondent-Applicant, Lohmun Leather products Pte., Ltd. is as it is hereby, GIVEN DUE COURSE.

Let the filewrapper of "SWISS POLO AND DEVICE", 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.

Makati City, 29, 2009.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office