OFFICE OF THE DIRECTOR GENERAL

UNITED STATES POLO ASSOCIATION,
Appellant,

-versus-

LOHMUN LEATHER PRODUCTS PTE LTD.,
Appellee.
x----------x

APPEAL NO. 14-09-58
IPC No. 14-2008-00128
Opposition to:
Application No. 4-2007-011238
Date Filed: 9 October 2007
Trademark: SWISS POLO AND DEVICE

NOTICE

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Technology Transfer Bureau
Intellectual Property Office
Taguig City

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DATE: OCT 17 2014
BY: _____

NATHANIEL S. AREVALO
Director, Bureau of Legal Affairs
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GREETINGS:

Please be informed that on 07 October 2014, the Office of the Director General issued a Decision in this case (copy attached).

Taguig City, 07 October 2014.

Very truly yours,

ROBERT NEREO B. SAMSON
Attorney V

OFFICE OF THE DIRECTOR GENERAL

UNITED STATES POLO ASSOCIATION,
Opposer-Appellant,

-versus-

LOHMUN LEATHER PRODUCTS PTE LTD.,
Respondent-Appellee.

x----------x

Appeal No. **14-09-58**
IPC No. **14-2008-00128**
Opposition to:
App. Ser. No. 4-2007-011238
Filed: October 9, 2007
Trademark: **SWISS POLO and DEVICE**

DECISION

This is an Appeal from Decision No. 2009-90, dated July 29, 2009, of the Director of the Bureau of Legal Affairs (BLA), dismissing the Opposition and giving due course to the application for registration of the mark SWISS POLO AND DEVICE.

CASE SUMMARY

Respondent-Appellee applied for registration of the mark "SWISS POLO AND DEVICE" under Class 18 (leather goods) on October 9, 2007. Opposer-Appellant, being the owner of the "UNITED STATES POLO ASSOCIATION" (USPA) trademarks, specifically the "DEVICE OF TWO POLO PLAYERS" mark, for goods under Classes 18 and 25 (clothing for ladies, men and children), alleged that[1]:

1. SWISS POLO AND DEVICE is confusingly similar to USPA Polo trademark. The Respondent-Appellee appropriated the dominant element of the USPA Polo trademark (polo player on horseback swinging a polo club) as the dominant component of its mark and affixing the word "POLO", referring to the sport for which the Opposer-Appellant was established. The use of the words SWISS and POLO falsely creates the impression that the Respondent-Appellee is associated with or is the counterpart or agent of the Opposer-Appellant, to the damage and prejudice of the latter.

[1] See Verified Notice of Opposition, dated October 9, 2008.

2. USPA trademarks are well-known marks, which have acquired substantial goodwill and reputation over the years, in view of the extensive and worldwide advertising/promotional campaigns, coupled with the continuous use and worldwide registration thereof.

3. The representation of the flag of Switzerland in SWISS POLO AND DEVICE is violative of Sec. 123.1(b) of Republic Act No. 8293, the Intellectual Property Code of the Philippines (IP Code), which prohibits the registration of a mark consisting of a flag or coat of arms or other insignia of a foreign nation. It also violates Sec. 123.1(g) of the IP Code as it is likely to mislead the public, particularly as to the geographic origin of the goods, creating a false impression that the goods originate from Switzerland. Such use is also a form of false advertising, which is considered deceptive, and as such, may be prevented as an unfair competition. The Swiss Government had taken exception and had expressed its objection to the registration of SWISS POLO AND DEVICE in an official letter dated May 23, 2008, addressed to the Director General of the herein Office;

In its Answer[2], the Respondent-Appellee averred:

1. SWISS POLO AND DEVICE is not confusingly similar to any of the Opposer-Appellant's marks. The Dominancy Test clearly proves that the dominant features of the competing marks definitely point to the fact that they are not confusingly similar.

2. The device used does not resemble, connote, signify or cannot be interpreted as the Swiss flag. As stated in a manifestation to the Director of Trademarks on Aug. 19, 2008, the device will not be in red on a white background, or in white on a red background, but in other combinations, like white cross on a pale green background.

3. POLO, pertaining to a game played by two teams on horseback using long-handed mallets to drive a wooden ball, is a generic/common/descriptive word that cannot be appropriated and used to the exclusion of others. Many trademarks with the word POLO, whether or not involving goods covered by Class 25, have already been registered by the Intellectual Property Office and pictorial representations of these marks show variations of a drawing of a polo player.

The BLA dismissed the Opposition on the following grounds:

1. There is no confusing similarity between the subject mark and the marks of the Opposer-Appellant as the differences in the dominant visual features are enough to dispel any likelihood of confusion.

2. No deceit or confusion can arise as the word POLO standing by itself does not point out to the Opposer-Appellant under the Holistic Test.

[2] See Verified Answer to the Opposition, dated November 11, 2008.

3. The Respondent-Appellee's mark is not a simulation of the Swiss flag, considering the difference in color and placement of specific elements of the said mark in comparison with the said flag.

4. The use of the word SWISS in an arbitrary manner is not deceptively misdescriptive of the origin of the goods; and

5. Opposer-Appellant's mark is not well known internationally and in the Philippines, as the latter was unable to show evidence of long commercial use in the Philippines.

Hence, this Appeal.

ISSUES:

The issues[3] to be resolved in this Appeal are as follows:

1. Whether the Respondent-Appellee's SWISS POLO AND DEVICE mark is confusingly similar to Opposer-Appellant's USPA Trademarks, specifically the DEVICE OF TWO POLO PLAYERS mark;

2. Whether the Respondent-Appellee's SWISS POLO AND DEVICE mark is a simulation of the Swiss flag;

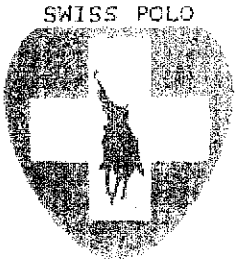
3. Whether the Respondent-Appellee's SWISS POLO AND DEVICE mark is deceptive of the geographic origin of the goods; and

4. Whether the Opposer-Appellant's USPA Trademarks are well-known marks.

RULING:

For a better appreciation of the issues, the opposing marks are reproduced below:

Opposer-Appellant's Marks



Respondent-Appellee's Mark

[3] *See* Appeal Memorandum, p. 7, dated October 16, 2009.

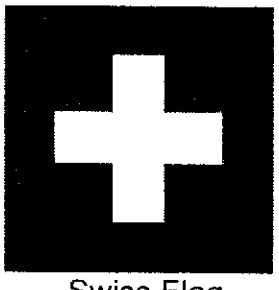
Anent the first issue, a comparison of the contending marks illustrated above clearly demonstrates a lack of confusing similarity between the two. As correctly ruled by the BLA Director:

> 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 the 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.

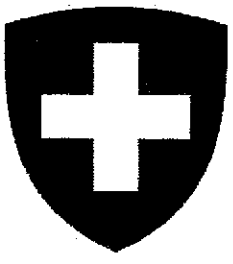
As to the second issue, it is significant that Sec. 123.1 (b) of the IP Code, expressly prohibits the registration of a mark that:

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

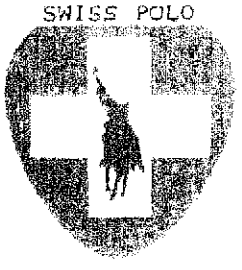
A comparison with the national flag and coat of arms of Switzerland[4] and the Respondent-Appellee's mark readily shows that the latter is a simulation of the former:



Swiss Flag



Swiss Coat of Arms



Respondent-Appellee's Mark

It is obvious from the above comparison that the Respondent-Appellee's mark simulates the Swiss flag and coat of arms, particularly as regards the shield-like device with a white cross inside. Moreover, the fact that the word SWISS is placed on top of the shield-like device undoubtedly indicates that a connection with Switzerland is intended to be conveyed to the public.

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[4] The Federal Authorities of the Swiss Confederation, available at http://www.admin.ch/index.html?lang=en& (last accessed June 13, 2014).

Furthermore, Article 6ter (1)*(a)* of the Paris Convention for the Protection of Industrial Property, of which both the Philippines and Switzerland are members, specifically states that:

> (1)*(a)* The countries of the Union agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorization by the competent authorities, either as trademarks or as elements of trademarks, of armorial bearings, flags, and other State emblems, of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by them, and any imitation from a heraldic point of view.

Hence, as to this issue, we rule that the Respondent-Appellee's SWISS POLO AND DEVICE mark is a simulation of the Swiss flag and coat of arms and, as a consequence, cannot be registered as a trademark.

This leads us to the third issue. As the use of the Swiss flag and the word SWISS in Respondent-Appellee's mark creates a link to Switzerland in the public's mind, there would be a deception as to the geographical origin of the goods covered by the said mark. It is clear from the records that Respondent-Appellee is a company based and incorporated in Singapore. Their products do not originate from Switzerland. Thus, the registration of SWISS POLO AND DEVICE is also proscribed under Sec. 123.1(g) of the IP Code, to wit:

> (g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services.

At this point, it is significant to stress that upon perusal of the records, this Office failed to find a Declaration of Actual Use (DAU) for the Respondent-Appellee's mark SWISS POLO AND DEVICE. The same fact is validated by a Certification issued by the Bureau of Trademarks, dated January 21, 2014, that as of even date, no DAU had been filed for the subject mark, which should have been due on October 9, 2010 (3rd year Declaration of Actual Use).

For this reason alone, the application for registration of the mark SWISS POLO AND DEVICE can be considered refused for failure to file the necessary DAU under Sec. 124.2 of the IP Code, to wit:

> 124.2. The applicant or the registrant shall file a declaration of actual use of the mark with evidence to that effect, as prescribed by the Regulations within three (3) years from the filing date of the application. Otherwise, the application shall be refused or the mark shall be removed from the register by the Director.

In view of the above findings, this Office deems that the fourth issue – the determination of whether or not the Opposer-Appellant's marks are well known – is moot and academic.

Wherefore, in view of the foregoing, the appeal is hereby GRANTED. The BLA Decision No. 2009-90, dated July 29, 2009, dismissing the Opposition against Trademark Application No. 4-2007-011238 is hereby REVERSED and SET ASIDE.

Let a copy of this Decision as well as the trademark application and records be furnished to the Director of the Bureau of Legal Affairs and the Bureau of Trademarks for their appropriate action. Further, let a copy of this Decision also be furnished to the library of the Documentation, Information and Technology Transfer Bureau for information, guidance and records purposes.

SO ORDERED.

07 OCT 2014 , Taguig City.

RICARDO R. BLANCAFLOR
Director General