



OFFICE OF THE DIRECTOR GENERAL

TECHNICAL KNOCKOUT, INC.,
Appellant,

Appeal No. 04-2010-0009

-versus-

Application No. 4-2003-008640

Date Filed: 17 September 2003

DIRECTOR OF BUREAU OF
TRADEMARKS,
Appellee.

Trademark: TKO

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DECISION

TECHNICAL KNOCKOUT, INC. (“Appellant”) appeals the decision¹ of the Director of Bureau of Trademarks (“Director”) sustaining the final rejection of the Appellant’s application to register the mark “TKO”.

Records show that the Appellant filed on 17 September 2003 Trademark Application No. 4-2003-0008640 for TKO covering the goods under the following Nice Classification²:

- Class 5, for vitamins, mineral supplements, food supplements and nutritional supplements;
- Class 9, for protective boxing helmets;
- Class 16, for exercise manuals, printed instructional, educational, and teaching materials concerning health, fitness and exercise, and product manuals materials concerning health, fitness and exercise;
- Class 18, for luggage used in the field of boxing and martial arts, namely, all-purpose sports bags, backpacks and waistpacks;
- Class 25, for athletic footwear and athletic head wear in the field of boxing and martial arts, men’s, women’s and children’s swimwear, jeans, leather jackets, and collared sport shirts, sunglasses;
- Class 27, for exercise mats, yoga mats;
- Class 28, for boxing and martial art equipment, namely, boxing gloves, training gloves, bag gloves, heavy bags, striking and speed bags, free-standing bags, double-ended bags, body shields, weightlifting wrist supports, knee supports, push up bars, pull up bars, handgrips, jump ropes, mouth guards, head gear, cup protectors, focus mitts, hand wraps, boxing bag swivel mechanisms, speed bag platform, heavy bag swivel mechanisms, speed bag platforms, heavy bag stands, boxing rings, safety ropes and corner pads, shin guards, foot protectors, rib protectors, medicine balls, trainer’s tape, hand and forearm pads and reflex punching bags; toy and juvenile boxing and martial art equipment,

¹ DECISION dated 29 March 2010.

² The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

namely boxing gloves, training gloves, heavy bags, striking and speed bags, jump ropes, mouth guards, head gear, cup protectors, focus mitts, hand wraps, boxing bag swivel mechanisms, speed bags, speed bag platform, heavy bag stands, reflex punching bags, hand wraps, shin guards, foot protectors, rib protectors, hand and forearm pads, inflatable punching bags and bag gloves, sporting goods and related merchandise namely, weight lifting belts, support belts, practice fitness boxing gloves, and martial art hand and foot protectors; and toy and juvenile sporting goods, namely, weight lifting belts, practice fitness boxing gloves and martial art hand and foot protectors; and toy and juvenile sporting goods, namely, weight lifting belts, practice fitness boxing gloves, and martial art hand and foot protectors, weight sets, weight plates, dumbbells, weight bars, ankle and wrist weights;

- Class 31, for toys, namely, inflatable punching bags and hand held electronic games;
- Class 32, for sports drinks; and
- Class 41, for gymnasium; boxing and martial arts instruction, training and exercise workout services, physical fitness and exercise instructions and exercise programs.

Subsequently, the Examiner-in-Charge (“Examiner”) issued an official action³ stating that the registration of TKO is proscribed because it is in conflict with other marks belonging to different proprietors, namely:

1. TKO – Application No. 4-2002-005625 filed 07-10-2002 by Willie Lao for t-shirts, sando, muscle shirt, pants, shorts, jackets, jeans, sweat shirt, socks, polo, cap, bags (cloth); and
2. TKR – Application No. 4-1999-004825 filed 07-06-1999 by TLA Corporation for chains, sprocket, rim, spoke, connecting rod kit, main switch, piston ring and other parts.

On 16 November 2004, the Appellant filed a response⁴ claiming that the meaning of TKO is “Technical Knockout” and that TKO is a commonly used acronym, which is a term used in the sport of boxing to refer to a knockout declared by the referee who judges that a boxer is unable to continue. The Appellant maintained that TKO is used to refer to its corporate name, “Technical Knockout, Inc.”. The Appellant stated that the mark “TKR” is distinct and distinguishable from TKO as these marks look different, sound different, and portray different commercial meanings. The Appellant averred that TKR is used for motorcycles and related parts while TKO covers goods related to boxing and working out. In addition, according to the Appellant, the other cited mark TKO (Application No. 4-2002-005625) is used for different and absolutely unrelated and non-competing goods and services of the Appellant. The Appellant contended that the prevailing legal view and practice in the Philippines is that there is no confusion on the part of the public if the trademarks are used on entirely unrelated and non-competing goods. The Appellant asserted that it has been using TKO even before the mark TKO cited by the Examiner was filed in 2002 and that it is the registrant and/or applicant in the United States of America of this mark TKO.

The Examiner issued his finding that TKO cannot be registered as it is identical with a registered mark belonging to a different proprietor.⁵ On 17 January 2007, the Appellant filed a response⁶ reiterating its argument that its mark and the mark cited by the Examiner are not

³ Paper No. 3 mailed on 16 July 2004.

⁴ RESPONSE TO OFFICE ACTION, PAPER NO. 3 dated 12 November 2004.

⁵ Paper No. 07 mailed on 22 November 2006.

⁶ RESPONSE TO OFFICE ACTION, PAPER NO.7 dated 17 January 2007.

confusingly similar because they cover goods from different classes. Consequently, the Examiner issued a "FINAL REJECTION"⁷ of the Appellant's trademark application for TKO because this mark is identical with a registered mark⁸ for goods falling under Class 25 of the Nice Classification.

The Appellant appealed to the Director who sustained the Examiner's Final Rejection. The Appellant filed on 05 May 2010 a "MOTION FOR RECONSIDERATION" which was denied by the Director in her Order dated 20 May 2010.

On 08 June 2010, the Appellant filed an "APPEAL MEMORANDUM" citing the following assignment of errors:

- I. THE DIRECTOR OF THE BUREAU OF TRADEMARKS ERRED WHEN SHE HELD THAT APPELLANT-APPLICANT'S MARK IS CONFUSINGLY SIMILAR WITH THE CITED MARK UNDER REGISTRATION NUMBER 4-2002-005625 IN THE NAME OF WILLIE LAO FOR GOODS FALLING UNDER INTERNATIONAL CLASS 25 OF THE NICE CLASSIFICATION.
- II. THE DIRECTOR OF THE BUREAU OF TRADEMARKS ERRED WHEN SHE HELD THAT THE GOODS AND SERVICES OF APPELLANT-APPLICANT'S MARK ARE CLOSELY RELATED WITH THE GOODS OF THE CITED MARK.
- III. THE DIRECTOR OF THE BUREAU OF TRADEMARKS ERRED WHEN SHE FAILED TO RECOGNIZE THAT APPELLANT-APPLICANT'S MARK IS AN INTERNATIONALLY WELL-KNOWN MARK ENTITLED TO PROTECTION UNDER PHILIPPINE LAW.

The Appellant contends that its mark is distinct in appearance and written in unique stylized lettering with the letter "K" bigger than the other letters while the mark cited by the Examiner is in plain block letters. The Appellant claims that it acted in good faith when it applied for the registration of TKO as it merely made use of the initials of its corporate name, Technical Knockout, Inc. in order to identify its products in the minds of the consuming public. The Appellant argues that its goods and services are different from, unrelated from and non-competing with the goods covered by the mark cited by the Examiner. According to the Appellant, except for those goods under Class 25, the goods/services covered by its mark and the mark cited by the Examiner are very different from each other such that no confusion will likely arise. The Appellant avers that to further avoid any confusion, it is deleting all the goods under Class 25 covered by its trademark application for TKO. The Appellant further contends that its mark TKO is an internationally well-known mark which deserves protection under Philippine law.

The Director filed on 29 June 2010 her comment maintaining that the Appellant's mark and the mark cited by the Examiner are almost identical with the letters "T", "K", and "O" as dominant in both marks. According to the Director, the minor visual differences between these marks are insufficient to overcome the likelihood of confusion that would result because of the shared dominant element between them. The Director posits that the goods covered by the marks are closely related as to likely cause confusion to the buying

⁷ Paper No. 10 with mailing date of 27 September 2007.

⁸ Reg. No. 4-2002-005625 issued in the name of Willie Lao for goods under Class 25.

public. The Director claims that all the goods under the different classes share the same descriptive properties that there would be confusion as to the source of the products. The Director asserts that the holder of a registered mark enjoys protection in product and market areas that are normal potential expansion of business.

The issue in this case is whether the Director was correct in sustaining the final rejection of the Appellant's trademark application for TKO.

Sec. 123.1 (d) of the IP Code provides that a mark cannot be registered if it:

- (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
 - (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

It is not disputed that the mark TKO cited by the Examiner is registered to a different proprietor named Willie Lao for goods falling under Class 25, namely t-shirts, sando, muscle shirt, pants, shorts, jacket, jeans, sweatshirt, socks, polo and cap.⁹

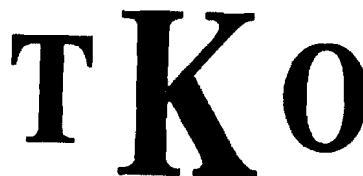
The relevant question, therefore, in this case is whether the registration of the Appellant's mark for TKO is likely to deceive or cause confusion.

In trademark cases, particularly in ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set of rules can be deduced. Each case is decided on its own merits.¹⁰ As the likelihood of confusion of goods or business is a relative concept, to be determined only according to the particular, and sometimes peculiar, circumstances of each case,¹¹ the complexities attendant to an accurate assessment of likelihood of such confusion requires that the entire panoply of elements constituting the relevant factual landscape be comprehensively examined.¹²

Below are the illustrations of the Appellant's mark and the mark cited by the Examiner.



Appellant's Mark



Mark cited by the Examiner

⁹ IPOPHL Trademarks Database available at <http://www.wipo.int/branddb/ph/en/> (last accessed 04 April 2014).

¹⁰ Emerald Garment Manufacturing Corporation v. Court of Appeals, 251 SCRA 600 (1995).

¹¹ Esso Standard Eastern, Inc. v. Court of Appeals, 116 SCRA 336 (1982).

¹² Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 2001.

At a glance, one can see the similarity of the marks as both contain the letters "T", "K" and "O" to form the term "TKO". Nonetheless, this similarity is not sufficient to likely deceive or cause confusion as except for the goods under Class 25, the goods/services covered by the Appellant's mark are different from those covered by the mark cited by the Examiner.

The mere fact that one person has adopted and used a trademark on a particular kind of goods does not prevent the adoption and use of the same trademark by others on unrelated articles of a different kind. A certificate of trademark registration confers upon the trademark owner the exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.¹³ The protection given to the registered mark TKO is limited to the goods and services and those related thereto as specified in the certificate of registration. Hence, the protection given to the mark cited by the Examiner cannot extend to the entirely different goods/services of the Appellant.

Moreover and contrary to the holding of the Director, except for the goods falling under Class 25, the goods/services covered by the Appellant's mark do not have the same descriptive properties as those covered by the mark cited by the Examiner. As correctly discussed by the Appellant:

10. Assuming arguendo that there will be confusion between the two (2) marks, the confusion will arise only with respect to related and competing goods, i.e. goods of both marks under the same International Class 25. With respect however to the goods and services covered by appellant-applicant's mark in International Classes 05, 09, 16, 18, 28, 31, 32 and 41, no confusion will arise since such goods and services are absolutely different and unrelated and absolutely non-competing from the goods of the cited mark. Clearly, appellant-applicant's "*vitamins, et al.*" under International Class 5 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; appellant-applicant's "*protective boxing helmet*" under International Class 9 does not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; appellant-applicant's "*exercise manuals, et al.*" under International Class 16 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; appellant-applicant's "*luggage used in the field of boxing and martial arts, et al.*" under International Class 18 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; appellant-applicant's "*exercise mats, et al.*" under International Class 27 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; appellant-applicant's "*boxing and martial art equipment, et al.*" under International Class 28 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; appellant-applicant's "*toys, et al.*" under International Class 31 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; appellant-applicant's "*sports drinks et al.*" under International Class 32 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25; and appellant-applicant's "*gymnasium, et al.*" under International Class 41 do not share the same descriptive properties as the cited mark's "*t-shirt, et al.*" under International Class 25.¹⁴

In view of the different descriptive properties of vitamins and food supplements, boxing helmets, exercise manuals, luggage used in the field of boxing and martial arts, toys,

¹³ Sec. 138 of the IP Code.

¹⁴ APPEAL MEMORANDUM dated 08 June 2010, pages 13-14.


sports drinks and physical and fitness programs, the venture into these goods and services are not the natural, potential or logical expansion of the zone of activities for clothing.

Accordingly, the Director should have not fully rejected the Appellant's trademark application on the sole basis of the similarity of TKO with a registered mark. The circumstances attendant in this case bars a likelihood of confusion that all of the goods covered by the Appellant's mark would be mistaken as owned by the same proprietor of the mark cited by the Examiner. The Director should have limited the rejection of the Appellant's mark on the goods falling under Class 25.

Wherefore, premises considered, the appeal is hereby granted. The Appellant's Trademark Application No. 4-2003-008640 for TKO for goods falling under Classes 05, 09, 16, 18, 28, 31, 32 and 41 is hereby allowed publication. Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of the Bureau of Trademarks for appropriate action. Let a copy of this Decision be furnished also the library of the Documentation, Information and Technology Transfer Bureau for its information and records purposes.

SO ORDERED.

22 SEP 2014 Taguig City


RICARDO R. BLANCAFLOR
Director General