

PERRY ELLIS INTERNATIONAL, INC.,
Opposer,

-versus-

CHARLIE GAW,
Respondent- Applicant.

X-----X

}
} IPC No. 14-2013-00159
} Opposition to:
} Appln. Serial No. 4-2012-007816
} Date Filed: 29 June 2012
} TM: "GRANDSLAMTOUR"

NOTICE OF DECISION

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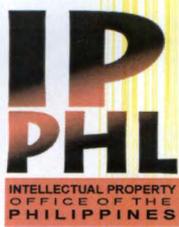
GREETINGS:

Please be informed that Decision No. 2017 - 315 dated August 22, 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the Decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, August 23, 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



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Opposer,	}	Opposition to:
- versus -	}	Appl. Serial No. 4-2012-007816
CHARLIE GAW,	}	Date Filed: 29 June 2012
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x-----x	x	Decision No. 2017- <u>315</u>

DECISION

PERRY ELLIS INTERNATIONAL, INC¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-007816. The application, filed by CHARLIE GAW² ("Respondent-Applicant"), covers the mark "GRANDSLAMTOUR" for use on "clothing, footwear, headgear" under Class 25 of the International Classification of Goods.³

The Opposer alleges the following grounds:

"1. Opposer, Perry Ellis International, Inc., is a leading apparel company based in the USA. Perry Ellis manages a portfolio of major brands, some of which were established over one hundred (100) years ago. Perry Ellis designs, sources, markets and licenses its products in the USA and other countries at multiple price points and across major levels of retail distribution in approximately 15, 000 selling doors. Opposer's portfolio of highly recognized brands include Anchor Blue, Axist, Ben Hogan, C&C, California, Cubavera, Farah, Gotcha, Grand Slam, Jantzen, John Henry, Laundry by Shelli Segal, Manhattan, Munsingwear, Original Penguin by Munsingwear ('Original Penguin'), Perry Ellis, Rafaella and Savane.

"Opposer distributes its products primarily to wholesale customers that represent all major levels of retail distribution including department stores, national and regional chain stores, mass merchants, specialty stores, sporting goods store, the corporate wear market, e-commerce as well as clubs and independent retailers throughout the world. The company's largest customers include Kohl's Corporation ('Kohl's') Macy's Inc. ('Macy's'), Sam's Wholesale Club ('Sam's') The Marmaxx Group and Dillard's Inc ('Dillard's'). As of March 1, 2013, Opposer operates forty (40) Perry Ellis, five (5) Original Penguin and two (2) multi-brand retail outlet stores located primarily in upscale retail outlet malls across the USA, United Kingdom and Puerto Rico. As of March 1, 2013, Opposer also operates three (3) Perry Ellis, two (2) Cubavera and seventeen Original

¹ A foreign corporation organized and existing under the laws of the U.S.A.

² A Filipino resident with address at 645-D Tomas Mapua Street, Sta. Cruz, Manila

³The 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 Registration of Marks concluded in 1957.

Penguin full price retail stores located in the demographic markets in the USA and United Kingdom. In addition, it leverages its design, sourcing and logistics expertise by offering a limited number of private label programs to retailers. In order to maximize the worldwide exposure of its brands and generate high margin royalty income. Opposer licenses its brands through three (3) worldwide, fifty nine (59) domestic and eighty six (86) international license agreements covering over one hundred (100) countries.

"Opposer's licensing business is a significant contributor to its operating income. It licenses these brands to third parties for the manufacturing and marketing of various products in distribution channels and countries, including men's and women's apparel and footwear, men's suits, underwear, loungewear, outerwear, fragrances, eyewear and accessories. These licensing agreements heighten the overall awareness of Opposer's brands without requiring it to make capital investments or incur additional operating expenses.

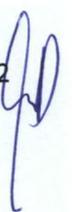
"2. Opposer is the first to adopt, use and register the 'GRAND SLAM' trademark for its goods/services falling under international classes 18, 22, 24, 25 and 42 in many countries worldwide including the Philippines and therefore, enjoys under Section 147 of Republic Act No. 8293 the right to exclude others from registering or using the identical or confusingly similar mark such as Respondent-Applicant's 'GRANDSLAMTOUR' mark.

"3. There is a likelihood of confusion between Opposer's 'GRAND SLAM' trademark and Respondent-Applicant's 'GRANDSLAMTOUR' because the latter's mark is identical in sound, spelling, appearance and meaning to the former's 'GRAND SLAM' trademark. Moreover, Respondent-Applicant's 'GRANDSLAMTOUR' mark covers goods such as 'clothing, footwear, headgear' which are identical to the Opposer's goods, namely, 'clothing, headgear and footwear, upon which the Opposer's 'GRAND SLAM' trademark is used. Hence, it will dilute the distinctiveness and erode the goodwill of Opposer's 'GRAND SLAM' trademark.

"4. The Opposer's 'GRAND SLAM' trademark is well-known internationally and in the Philippines, taking into account the knowledge of the public at large, as being a trademark expressly and directly referring to and owned by the Opposer, hence, the Respondent-Applicant's GRANDSLAMTOUR mark cannot be registered in the Philippines pursuant to the express provision of Section 147.2 of R.A. No. 8293. No doubt, the use of Respondent-Applicant's GRANDSLAMTOUR mark for identical products will indicate a connection between its goods and Opposer's products. Likewise, the interests of the Opposer are likely to be damaged by Respondent-Applicant's use of the 'GRANDSLAMTOUR' mark for identical goods in class 25.

"5. Respondent-Applicant, by using the 'GRANDSLAMTOUR' as his mark, will give his products the general appearance of Opposer's identical products which would likely influence the purchasers to believe that its 'GRAND SLAM' products are authorized by the Opposer thereby deceiving the public and defrauding the Opposer of its legitimate trade, hence, it is guilty of unfair competition as provided in Section 168.3 of R.A. No. 8293.

"6. Respondent-Applicant, by adopting the 'GRANDSLAMTOUR' mark for 'clothing, footwear, headgear' falling under class 25, is likely to cause confusion, or to cause mistake, or to deceive as to affiliation, connection or association with the Opposer, or as to origin, sponsorship, supervision, authorization or approval of its products and services by the Opposer, for which he



is liable for false designation of origin, false description or representation under Section 169 of R.A. No. 8293."

Opposer's evidence consists of the following:

1. Special Power of Attorney;
2. Certified copy of Certificate of Registration No. 4-2007-012103 for the mark GRAND SLAM issued on 21 July 2008;
3. List of GRAND SLAM trademark registrations in other countries;
4. Copies of certificates of registration for its mark GRAND SLAM issued around the world;
5. Copy of advertising expenditures for the GRAND SLAM brand;
6. Copy of the Grand Slam Summer 2012 Brochure;
7. Copy of the photograph of Grand Slam endorsee Marc Leishman on Tour Championship; and
8. Printout of relevant pages of the website, <http://www.grand-slam.com>.

This Bureau issued on 02 July 2013 a Notice to Answer and served a copy thereof to the Respondent-Applicant on 15 July 2013. Despite receipt of the notice, Respondent-Applicant failed to file the answer. On 24 July 2017, this Bureau declared Respondent-Applicant in default for his failure to file the answer. Hence, the case is now deemed submitted for resolution.

Should Respondent-Applicant's mark **GRANDSLAMTOUR** be allowed registration?

Section 123.1 (d) of Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines", as amended, provides for the grounds for registration of a mark, to wit:

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

x x x

(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;

Explicit from the afore-cited provision of the IP Code that whenever a mark subject of an application for registration resembles another mark which has been registered or has an earlier filing or priority date, or resembles a well-known mark, said mark cannot be registered.

Records will show that at the time Respondent-Applicant filed his trademark application for GRANDSLAMTOUR, Opposer already has an existing registration for GRAND SLAM mark issued on 21 July 2008. As such, pursuant to Section 138 of the IP Code, being the holder of a certificate of registration, the certificate of registration is a *prima facie* evidence of the Opposer's ownership of the mark, and of its exclusive right to use the same in connection with the goods or services specified in the certificate and those that are related thereto.

But are the marks of the parties confusingly similar as to likely cause confusion, mistake or deception on the part of the buying public?

The marks of the parties are herein reproduced for comparison:

GRAND SLAM

Opposer's Mark

GRANDSLAMTOUR

Respondent-Applicant's Mark

The manifest similarity of the contending marks is the presence of the words "GRAND" and "SLAM". Opposer's mark consists of the words "GRAND SLAM" written in plain upper case letters. On the other hand, Respondent-Applicant's mark consists also of the words "GRAND SLAM" followed with the word "TOUR" to form the single word "GRANDSLAMTOUR" which is also written in plain upper case letters. As such, the marks of the parties are confusingly similar to each other such that the public will likely be confused, mistaken, misled or deceived into believing that the marks of the parties are one and the same or that one is just a variation of the other or vice versa. The presence of the additional word "TOUR" in Respondent-Applicant's mark is not distinctive enough to veer away from a finding of confusing similarity because the marks are similar visually, aurally as well as in meaning or connotation.

Indeed, confusion cannot be avoided by merely adding, removing or changing some letters or words 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 other⁴. Colorable imitation does not mean such similitude as amounts to identify, nor does it require that all details be literally copied. Colorable imitation refers to such similarity in form, context, words, sound, meaning, special arrangement or general appearance of the trademark or trade name with that of the other mark

⁴ See *Societe Des Produits Nestle, S.A v. Court of Appeals*, G.R. No.112012, 4 Apr. 2001, 356 SCRA 207, 217.

or trade name in their over-all presentation or in their essential, substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article⁵.

The determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. 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 actual 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.⁶ The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:⁷

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

Moreover, the goods upon which the competing marks are used are closely related or competing. Respondent-Applicant's GRANDSLAMTOUR mark is being applied for use on "*clothing, footwear, headgear*" under class 25 which is already covered by Opposer's goods also under class 25 bearing the GRAND SLAM mark. Thus, to allow the registration of the Respondent-Applicant's mark would all the more likely cause confusion, mistake or deception on the part of the consumers into believing that the goods of Respondent -Applicant come from the same source or origin or that any impression or perception on the goods of Respondent-Applicant may be unfairly attributed to Opposer's goods.

The protection of trademarks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trademark is a merchandising shortcut, which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, due aim is the same – to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the

⁵ See *Emerald Garment Manufacturing Corp. v. Court of Appeals*, G.R. No. 100098, 29 Dec. 1995.

⁶ See *American Wire and Cable Co. v. Director of Patents et al.*, G.R. No. L-26557, 18 Feb. 1970.

⁷ See *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*, G.R. No. L-27906, 08 Jan. 1987.



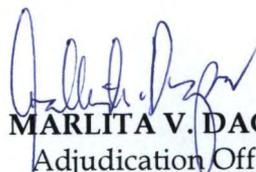
trademark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.⁸

Thus, the registration of Respondent-Applicant's GRANDSLAMTOUR mark is proscribed under Section 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant Opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-007816 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 22 AUG 2017.


MARLITA V. DAGSA
Adjudication Officer
Bureau of Legal Affairs

⁸ *Societe Des Produits Nestle, Et. Al. vs. Court of Appeals. G.R. No. 112012. April 4, 2001*