

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK Application
No: 2042251 to register trade a marks in the name of
5 The Masters Golf Company Limited**

**AND IN THE MATTER OF Opposition
No: 45190 by Augusta National Incorporated.**

10 **Decision**

The Master Golf Company Limited, Unit 1, Harbour Road, Portishead, Bristol, BS20 9B applied to register on 24th October 1995 the mark:

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for goods in Class 28: ‘Sporting articles, parts and fittings for the aforesaid goods; all for use in the game of golf’.

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Augusta National Inc. oppose registration based on ss 3(1)(b), 3(1)(c), 5(2)(a), 5(2)(b), 5(3) and 5(4) of the Act. They also say that they are the owners of earlier marks protected by the Paris Convention, as provided for under s 56 of the Act. The applicants deny these grounds and both parties ask for their costs. The opponents are the proprietors of the marks shown in the Annex to this decision.

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A Hearing took place on 10 January 2000, with Mr Stacey of Messrs. Baron and Warren appearing for the applicants, and Mr Harrison of Messrs. Jordan and Sons appearing or the opponents.

The Evidence

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This case is part of what is called a ‘cross-opposition’. The opponents in this matter applied for the following marks on 27th March 1991 and were opposed, in a consolidated opposition, by the applicants here:

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Application and (opposition numbers)	Mark	Goods
1459735 (44618)	<i>MASTERS AUGUSTA USA</i>	Clothing and footwear for men and women; men’s and women’s golf gloves, golf shoes, t-shirts, collared shirts, sweaters, jackets, coats, pants, shorts, rain-suits, neckties, hats, sun visors, scarfs, belts and socks; all included in Class 25

Application and (opposition numbers)	Mark	Goods
5 1459736 (44616)	<i>MASTERS AUGUSTA USA</i>	Sporting goods in connection with the game of golf; golf bags, golf bag covers, golf balls, golf clubs, golf club covers, golf ball markers and divot repair tools; games, all relating to the game of golf; all included in Class 28.
Application and (opposition numbers)	Mark	Goods
10 1459917 (44647)		Clothing and footwear for men and women; men's and women's golf gloves, golf shoes, t-shirts, collared shirts, sweaters, jackets, coats, pants, shorts, rain-suits, neckties, hats, sun visors, scarfs, belts and socks; all included in Class 25
1459918 (44615)	<i>AUGUSTA USA</i>	Sporting goods in connection with the game of golf; golf bags, golf bag covers, golf balls, golf clubs, golf club covers, golf ball markers and divot repair tools; games, all relating to the game of golf; all included in Class 28.

Subject to appeal, the opposition in these earlier proceedings was successful. Much of the evidence here comes from the earlier proceedings. The opponents' evidence consists of the following:

Statutory Declaration by James Maxwell Stacey, dated 5th May 1998.

JMS 1 Further Declaration by Mr Stacey, dated 17th April 1998

JMS 1 Further Declaration by Mr Stacey, dated 9th January 1995

Exhibits Augusta 1 to 7.

JMS 2

JMS 3 Declaration by James E Johnston Jr Assistant Secretary/Treasurer of Augusta International Inc.

Exhibits AUG 1 to 3.

JMS 4

JMS 2

The second declaration of Mr Stacey was submitted in the earlier proceedings. The third Declaration by Mr Stacey, and that of Mr Johnston, were previously submitted to the Registry to secure initial acceptance of their marks.

5 The applicants evidence contains a Statutory Declaration by Darren Paul Evans, Director of
the Masters Golf Company Limited, dated 15th October 1998, which introduces into evidence
a declaration (under Exhibit DPE 1) from the earlier proceedings, also by Mr Evans, dated 5th
10 March 1997. The latter was accompanied by four exhibits (DEP 1 to 4) and a further
Declaration, consisting of evidence in reply to the applicants' evidence, also by Mr Evans,
dated 5th October 1998.

After a careful consideration of the evidence, I have decided not to include a detailed formal
summary. Rather I will refer to those parts of it that are relevant to the grounds pleaded.

15 The Decision

At the Hearing, the opponents withdrew the s 5(4) ground, but maintained those under s 3 and
s 5. (I take the inclusion of the s 5(2)(a) ground as an error, as the marks are not identical;
this was confirmed at the Hearing). Both in pleadings and at the Hearing the opponents
20 asserted rights under the Article 6bis of the Paris Convention.

S 5 of the Act applies to earlier marks as defined in s 6, which states:

25 '6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a
date of application for registration earlier than that of the trade mark in question, taking account
(where appropriate) of the priorities claimed in respect of the trade marks,

30 (b) ... ,

(c) a trade mark which, at the date of application for registration of the trade mark in question or
(where appropriate) of the priority claimed in respect of the application, was entitled to
protection under the Paris Convention as a well-known trade mark.

35 (2) References in this Act to an earlier trade mark include a trade mark in respect of which an
application for registration has been made and which, if registered, would be an earlier trade mark
by virtue of subsection (1)(a) or (b), subject to its being so registered.'

40 I have already noted the failure of the opponents to register the marks shown on page two.
Consequently, the opponents (subject to appeal) are not the possessors of earlier marks under
s 6(1) in respect of these applications.

45 Under the s 5 grounds pleaded I have to deal with the opponents' rights in their UK
registrations and those claimed under the Paris Convention. In their statement of grounds, the
opponents appear to vest the latter rights in their UK Registrations:

50 '.. the mark applied for has been accepted contrary to the provisions of Section 5(2)(b) in
that there exists a likelihood of confusion on the part of the public which includes a
likelihood of association with the earlier trade marks.

5 In the alternative, the mark applied for is confusingly similar to the Registrations and is to be registered in respect of goods not similar to those for which the earlier marks are protected. However, in that the Registrations having a reputation in the United Kingdom, use of the mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade marks.

10 Further, and in the alternative, the Opponent's earlier trade marks are entitled to protection under Article 6bis of the Paris Convention in that they are internationally famous marks which are also well known in the UK as provided for under Section 56 of the Act. By virtue of being an earlier mark as defined under Section 6(1)(c) of the Act, registration of the mark applied or would be contrary to Section 5(2)(a) or Section 5(3) of the Act.'

15 S 56 essentially requires the opponents to be the proprietors of a mark in a Convention country that is well known in the UK. As fame must have a foundation - it cannot exist in a vacuum - there must be ownership of a mark that is renowned for something. I discuss under s 5(3) below, and I accept, that the opponents are well known for a particular golfing tournament. However, I also note that they do not specifically plead the Paris Convention in relation to this. And they have not submitted any evidence demonstrating their proprietorship of such a mark in the USA. This has implications for their claims under s 5, which I consider
20 below.

I want to deal with the s 5(2)(b) first. This states:

25 '(2) A trade mark shall not be registered if because -

(a)

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

30 there exists a likelihood of confusion on the part of the public which includes the likelihood of association with the earlier trade mark.'

35 The opponents are the owners of the marks shown in the Annex. Though these qualify as earlier marks under s 6(1)(a), the goods shown are not, in my view, similar to those contained in the application. The latter - 'Sporting articles, parts and fittings for the aforesaid goods; all for use in the game of golf' - are sporting items, the former appear to be either souvenirs and trinkets promoting the opponents' tournament, or various media recording it. Though I do not deny that both might be sold at certain specialist golf shops, I do not concede that they would
40 be taken by the average consumer to be similar goods. Thus the registrations shown do not assist the opponents under this ground.

45 There is, however, the matter of their rights under the Paris Convention (s 56). As I have stated, the opponents appear to relate these rights to their existing registrations in the UK. This being the case, they cannot claim protection under the Convention as they are not well known in the UK for the goods shown in their registrations (see s 5(3) below).

50 Strictly, this is the end of the matter. It would be rather harsh, however, if I was to leave it there. I may consider that the opponents have made a claim for protection under s 5(2)(b), by virtue of s 6(1)(c), because they are the proprietors of a mark which is well known in the UK

for a golfing tournament. However, if I do, I do not think it assists them much. S 5(2)(b) requires that the goods or services be similar, and it is a struggle to regard the organisation of a specific golf tournament as similar to 'Sporting articles, parts and fittings for the aforesaid goods; all for use in the game of golf'. Neither, I believe, would the average consumer - any more than he/she would take organisation of the FA Cup to be similar to the supply of football boots. This ground fails.

Turning now to s 5(3), this states:

'(3) A trade mark which -

(a) is identical or similar to an earlier trade mark, and

(b) is to be registered for goods or services which are not similar, to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom .. and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.'

I want to begin by examining the nature of the opponents reputation. I am ready to believe that this is significant, but also very *specific*.

In his declaration dated 17 April 1998 Mr Stacey for the applicant, referring to the Masters Augusta Golf tournament, states:

'It is important to bear in mind the heritage of the tournament in that it dates from 1934 and is the only Grand Slam or "Major" golf tournament which is consistently played on the same golf course. The other tournaments within this group also consist of The US Open, The British Open and the US PGA, all of which are played on different courses each year. The tournament which adopted the name The MASTERS in 1935 has developed to the extent that it is now recognised as by far the most important and prestigious of the world's premier golfing tournaments. Many would argue that the name of The Masters, within the field of golf in its widest context, is uniquely associated with the tournament in question and therefore the Applicants.'

In another Declaration by Mr Stacey, dated 9th January 1995, he records searches of newspaper data bases to determine '..the degree of interest within the United Kingdom for the Augusta Masters Tournament'. The result of one such search allowed Mr Stacey to record '..that between 1982 and 1992 there have been at least 1286 articles which mention the AUGUSTA MASTERS Tournament and at least 80 of these articles which include the word AUGUSTA in the headline..' and state that this was likely to be an underestimate. Various news paper clippings are enclosed, making reference to the tournament held at the Augusta golf course (Exhibit Augusta 3). Later in the same Declaration, he refers to the British involvement in the tournament and says: 'This has all served to raise the public awareness of and interest in the AUGUSTA MASTERS Tournament. Any combined use of the words AUGUSTA and MASTERS on goods and services will be associated with tournaments organised by our clients..'. In Exhibit JMS 2 (to his 17th April 1998 Declaration) Mr Stacey encloses a history of the competition.

Mr Johnston in his Declaration, refers to the goods specified in the opponents various registrations, and to those in their failed applications, and states:

5 ‘With regard to the products listed, I confirm the above items are offered for sale in the
USA and to citizens in the United Kingdom. I further confirm that sales have been made to
United Kingdom citizens and organisations primarily by means of a filling written requests.
Requests are received from United Kingdom citizens for such articles which are thereafter
despatched to the United Kingdom. In addition, United Kingdom citizens from a sizeable
contingent amongst visitors to The Masters/Augusta USA Golf Tournament. These
10 visitors purchase items from the golf club sales facilities for use back in the United
Kingdom’.

15 Exhibit AHG 2 encloses a large amount of material on the products sold by the opponents, in
the USA. This includes clothes, hats, various memorabilia, pens, mugs etc all carrying their
marks. There is no evidence that any of this material has been sold in the UK, and nothing to
support the contention that the opponents have a reputation for these products in this country,
or for any of the products which are the subject of their registrations as displayed in the
Annex.

20 It follows from this that the opponents must fail under s 5(3), as this provision protects to
‘..the extent that the earlier trade mark has a reputation in the United Kingdom.’. They have
none.

25 However, this is not the end of the matter, as based on s 6(1), the opponents are left with
another potential route into the protection bestowed by s 5(3) - that granted to earlier marks
by s 6(1)(c), consequent on the Paris Convention. Were this based on their registrations, they
would be no better off than under s 5(2)(b), as considered above (page 4 line 43).

30 However, I was prepared under that section to consider that the opponents made the necessary
pleadings, and I intend to do so here. Accordingly, the opponents have a protectable right
under s 5(3), as they are the proprietors of a mark well known in the UK which is similar to
the applicants’ mark and the latter is to be registered for goods or services which are not
similar to the organisation of a golf tournament. In this case the opponents have an extensive
reputation, and I must now examine whether use of the applicants’ mark without due cause,
35 would take unfair advantage of, or be detrimental to, the distinctive character or the repute of
the opponents’ mark.

40 For the section to bar registration of a mark certain conditions must apply. In *RBS Advanta v
Barclays Bank plc* [1996] RPC, page 307 Laddie J considered the meaning of the proviso to
Section 10(6) of the Act, which deals with comparative advertising, but contains wording
identical with the wording in Section 5(3) of the Act. Laddie J expressed the following view
on the meaning of the above words in that context:

45 ‘At the most these words emphasise that the use of the mark must take advantage of it or
be detrimental to it. In other words the use must either give some advantage to the
defendant or inflict some harm on the character or repute of the registered mark which is
above the level of *de minimis*.’

Let me state first, that there is no evidence that the applicants have caused harm to the opponents reputation. The applicants first began using their mark in 1991, as indicated in Exhibit DPE 1 of Mr Evans Declaration of 5th March 1997. Sales claimed under the mark were immediate and significant; Mr Evans states:

5 'The wholesale sales figures for years 1991 to 1996 are estimated as follows:

	YEAR	£
10	1991	2,200,000
	1992	2,100,000
	1993	2,500,000
	1994	2,700,000
	1995	3,400,000
15	1996	4,200,000

It is estimated that approximately £50,000 per annum has been expended on advertising and otherwise making known the good sold under the Trade Mark throughout the United Kingdom and Europe.'

20 Mr Evans encloses (see Exhibit DPE3 of this same Declaration) a selection of promotional material and advertisements from trade journals, publications and magazines (Pro-Shop Europe, Golf Monthly, Golf Buyer, Golf Industry News, Golf Europe 95, Profile, N & P Trade Business and The Sunday Times Magazine). He says that his Company's goods have been displayed at a number of exhibitions held in the UK and Europe including Golf Europe and Euro Golf, the largest European golf trade exhibition held at the NEC Birmingham annually.

30 There is nothing in this evidence, or that assembled by the opponents, that would lead me to consider the applicants to be anything other than a conscientious and respectable medium sized business, and I am unable to conclude that use of their mark would somehow taint the opponents' reputation in theirs. It follows from this that the only expectation of success under this ground the opponents can have is that registration of the applicants' mark would ride on the back of their reputation, or borrow from it, in such a way that they (the applicants) might gain some unjust benefit. I have come to the conclusion that it will not, for the following reasons.

40 The first point I would make concerns the similarity of the marks at issue. In a recent decision by Mr Simon Thorley QC, sitting as the Appointed Person, in respect of an opposition by *La Chemise Lacoste* to the registration of a trade mark by *Wilhelm Kaimann*, 7th February 2000 the correct approach to an opposition under section 5(3) was considered:

45 'The word "similar" is a relative term. One has to ask the question "similar for what purpose". The question of similarity accordingly can only be answered within the context of a particular set of facts, once one has identified both the facts and the purpose for which similarity it required. In the case of section 5(3), the purpose of requiring similarity is so that the possibility of detriment or unfair advantage might arise. In any particular case, a conclusion as to whether it does arise must depend not only upon the degree of similarity but on all the other factors of the case, not least the extent of the reputation.

I therefore conclude that the same global appreciation as is required for confusion under section 5(2) is likewise to be applied to the changed circumstances of section 5 (3).'

5 I note that the opponents' reputation rests in their (essentially) word mark MASTERS AUGUSTA USA, and the device alternative. Adopting the approach espoused by Mr Thorley leads me to conclude that the degree of similarity between these marks, and the applicants' mark, would be unlikely to result in use of the latter taking an unfair advantage of the character or repute of the former.

10 Next, I think this possibility is also reduced by dilution of the connection the average consumer might make between the opponents' tournament and the applicants' goods because the word 'Masters' does not appear to be distinctive of the opponents' tournament alone (see paragraph 7 of Mr Evan's second declaration).

15 Further, I consider that any remaining advantage that might accrue to the applicants is very unlikely to be *unfair*. This distinction was made by the Appointed Person in *VISA International Service Association v C A Shiemer (M) Sdn Bhd* 28th December [1999] ETMR 519, where he was not prepared to say that defendants had taken unfair advantage of the distinctive character or repute of the plaintiffs mark, saying that the though the defendants
20 '...would gain attention for its products by feeding on the fame of the earlier trade mark. Whether it would gain anything more by way of a marketing advantage than that is a matter for conjecture on the basis of the evidence before me.' He said that the distinctive character or reputation of the earlier trade mark would need to increase the marketability of the defendants products more substantially than that in order to provide them with an unfair advantage of the
25 kind contemplated by Section 5(3). I have come to the same conclusion here.

Finally, I would hesitate to apply s 5(3) to a mark that has been used in the UK for approximately 3 years before the section came into force in the UK. I think it unlikely that this
30 provision was intended to have the result of providing a right to the opponents in this matter that would apply retrospectively.

It follows from this that the opponents also fail under s 5(3).

I now wish to consider the final grounds under s 3(1)(b) and s 3(1)(c). These state:

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'3.-(1) The following shall not be registered

(a) ,

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(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services..'

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Paragraphs 7 of their statement of grounds, the opponents say that, because the mark applied for is the combination of THE MASTERS and a Golf Flag, it is *prima facie* non-distinctive. They explain that the word 'Masters' is a laudatory term other traders would wish to use as it signifies golf products suitable for use by experts and professionals in the game of golf - the
50 use of the flag reinforces the non-distinctive nature of the mark. I do not accept this. In my

view, THE MASTERS is more of an allusion to the quality of the goods than a direct description that would be used in the trade. Though the golf flag is clearly recognisable as such, it is somewhat stylised. I believe the mark as a whole has trade mark character and would be considered such by the average consumer.

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The opponents also state that word 'Masters' is also associated with various golf tournaments and, in consequence, consists of signs which would, serve, in the trade, to designate the kind, quality, intended purpose or a golfing characteristic which other traders would wish to use. However, I can find no evidence which shows how the mark is descriptive and anything other than golf tournaments. In any event, this only goes to one part of the mark and it cannot therefore be said to consist exclusively of a sign that may serve in trade as a description.

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In case I am wrong in these conclusions, I note that s 3(1)(b) also states that '..trade marks which are devoid of any distinctive character..' shall not be registered, unless '..before the date of application for registration, [they have] in fact acquired a distinctive character as a result of the use made of [them].'

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At the Hearing Mr Harrison said the applicants'

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'..mark has been used to the extent set out in Mr. Evans' declaration.... The extent of use prior to application is pretty nearly five years and the amount of use is substantial and the promotion of mark is substantial. Even if the registrar was wrong in accepting the mark ..[it] surely ... which satisfies the proviso of section 3. It should not be refused registration because, has in fact acquired a distinctive character as a result of the use made of it.'

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I agree. This ground also fails.

The applicants are successful. They are entitled to an award of costs, and I order the opponents to pay to them £835.00. This sum is to be paid within one month the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

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Dated this 16th day of June 2000

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**Dr W J Trott
Principal Hearing Officer
For the Registrar
the Comptroller-General**

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ANNEX

5

Mark	Number	Date	Goods
<i>MASTERS AUGUSTA USA</i>	1460759	09.04.1991	Pre-recorded films and video tapes; teaching apparatus; all of the aforesaid goods pertaining to the game of golf; all included in Class 9
	1459732	27.03.1991	Books, programmes, journals and manuals, all pertaining to the game of golf and to golf tournaments; golf score cards, pairing sheets; posters, calendars, stationery and playing cards; writing instruments; paper weights; instructional and teaching material (except apparatus); all of the aforesaid goods relating to or depicting the game of golf; all included in Class 16
	1459733	27.03.1991	Umbrellas; garment, travel, sport and tote bags; wallets, billfolds; identification tags for golf bags; attache cases and brief cases; ladies' handbags and purses; all included in Class 18
	1459734	27.03.1991	Small domestic utensils and containers; drinking glasses, cups and mugs; plastic cups and mugs; pewter mugs; ornamental glass, plastic cups and mugs; pewter mugs; ornamental glass, plastic and wooden decorative table accessories; glassware, porcelain and earthenware; all included in Class 21.
	1459737	27.03.1991	Production of television programmes and video recordings; all relating to the Augusta Masters Golf Tournament; all included in Class 41.
 <i>MASTERS AUGUSTA USA</i>	1459914	27.03.1991	Books, programmes, journals and manuals, all pertaining to the game of golf and to golf tournaments; golf score cards, pairing sheets; posters, calendars, stationery and playing cards; writing instruments; paper weights; instructional and teaching material (except apparatus); all of the aforesaid goods relating to or depicting the game of golf; all included in Class 16
	1459915	27.03.1991	Umbrellas; garment, travel, sport and tote bags; wallets, billfolds; identification tags for golf bags; attache cases and brief cases; ladies' handbags and purses; all included in Class 18.
	1459919	27.03.1991	Production of television programmes and video recordings; all relating to the Augusta Masters Tournament; all included in Class 41.
	1460764	09.04.1991	Pre-recorded films and video tapes; teaching apparatus; all the aforesaid goods pertaining to the game of golf; all included in Class 9.

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15 The Registrations disclaim exclusive use, separately, of the 'Masters' and 'Augusta USA', the devices of a golf flag and map of the USA.