

O-214-06

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO 1521839  
IN THE NAME OF LADIES PROFESSIONAL GOLF ASSOCIATION  
OF THE TRADE MARK:**



**IN CLASS 28**

**AND THE APPLICATION FOR A DECLARATION OF INVALIDITY  
THERE TO UNDER NO 81525  
BY THE PROFESSIONAL GOLFERS' ASSOCIATION LIMITED**

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**In the matter of registration no 1521839  
in the name of Ladies Professional Golf Association  
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thereto under no 81525  
by The Professional Golfers' Association Limited**

### **Background**

1) An application to register the above trade mark (the trade mark) was filed on 18 December 1992. The registration process was completed on 17 June 1994. The registration has always stood in the name of Ladies Professional Golf Association. It is registered for the following goods:

*golf clubs, golf bags and golf balls.*

The above goods are in class 28 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 26 November 2003 The Professional Golfers' Association Limited filed an application for the invalidation of the registration.

3) I will refer to Ladies Professional Golf Association as US and The Professional Golfers' Association Limited as UK. This is simply to easily and clearly identify the parties, using their home country as the identifier; it is not indicative of anything else. When referring to parts of the evidence I have used the tab and page numbers of the hearing bundles.

4) UK claims an extensive goodwill in the sign PGA, a goodwill that was established by 18 December 1992. Consequently, use of the trade mark is liable to be prevented under the law of passing-off and so registration of the trade mark was contrary to section 5(4)(a) of the Trade Marks Act 1994 (the Act). US filed a counterstatement denying the grounds for invalidation. Both sides seek an award of costs.

5) A hearing was held on 6 and 7 June 2006. UK was represented by Ms McFarland of counsel, instructed by David Keltie Associates. US was represented by Ms Clark of counsel, instructed by Ladas & Parry.

### **The relevant law**

6) At the time of the application section 47 of the Act read:

“(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground——

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that——

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

This section of the Act was subsequently amended by the Trade Marks (Proof of Use, etc.) Regulations 2004 (SI 2004/946) which came into force on 5 May 2004. This amendment has no bearing upon this case.

7) Section 5(4)(a) of the Act states:

“4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented——

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade;”

This part of the Act derives from Article 4.4 (b) of First Council Directive 89/104 of December 21, 1988 (the Directive) which states that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where, and to the extent that:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark and that non-registered trade mark or other sign confers on its proprietor the right to prohibit the use of a subsequent trade mark;”

8) UK is relying upon the law of passing-off. In relation to this matter I intend to adopt the guidance given by, Mr Geoffrey Hobbs QC, sitting as the appointed person, in the *Wild Child case* [1998] RPC 455. In that decision Mr Hobbs stated that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

.....Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact. In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."''

### **Material date(s)**

9) Having received the skeleton arguments, I notified counsel that I considered that it would be helpful to receive submissions in relation to what the material date(s) was. I drew their attention to the comments of Professor Annand, sitting as the appointed person, in BL O/227/05:

“My own view is that the starting point for assessing relative invalidity under section 47(2) is the date of the application for registration of the attacked mark. This is because Article 4 of the Directive: (i) defines “earlier trade marks” for the purposes of relative invalidity as trade marks with a date of application for registration which is earlier than the date of application for registration of the attacked mark; and (ii) requires other earlier rights to have been acquired before the date of the application for registration of the attacked mark. However, I believe the wording of Article 4 (section 47(2)) may allow the tribunal to take into account at the date when invalidation is sought, matters subsequently affecting the earlier trade mark or other earlier right, such as, revocation for some or all of the goods or services, or loss of distinctiveness or reputation. I do not find the fact that the Directive specifically provides for defences to invalidation of non-use, consent and acquiescence indicative either way. A further question concerns the cut-off date for taking into account subsequent events. Is this the date of the application for a declaration of invalidity or the date when the invalidity action or any appeal is heard? The Opinion of Advocate General Colomer in Joined Cases C-456/01 P and C-457/01P *Procter & Gamble v. OHIM*, 6 November 2003, paragraphs 43 – 44, and the Court of First Instance decision in Case T-308/01 *Henkel KGaA v. OHIM (KLEENCARE)*, 23 September 2003, paragraph 26, although concerned with registrability and opposition respectively, indicate the latter. There are indications that timing issues under the harmonised European trade marks law are beginning to be brought to the attention of the ECJ (see, for example, the questions referred in Case C-145/05 *Levi Strauss & Co. v. Casucci SPA*).”

I also asked them to consider the findings of the European Court of Justice (ECJ) in *Levi Strauss & Co v Casucci SpA* Case C-145/05. In that case the ECJ stated:

“17 The proprietor’s right to protection of his mark from infringement is neither genuine nor effective if account may not be taken of the perception of the public concerned at the time when the sign, the use of which infringes the mark in question, began to be used.

18 If the likelihood of confusion were assessed at a time after the sign in question began to be used, the user of that sign might take undue advantage of his own unlawful behaviour by alleging that the product had become less renowned, a matter for which he himself was responsible or to which he himself contributed.

19 Article 12(2)(a) of Directive 89/104 provides that a trade mark is liable to revocation if, after the date on which it was registered, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service in respect of which it is registered. Thus, by balancing the interests of the proprietor against those of his competitors in the availability of signs, the legislator considered, in adopting this provision, that the loss of that mark’s distinctive character can be relied on against the proprietor thereof only where that loss is due to his action or inaction. Therefore, as long as this is not the

case, and particularly when the loss of the distinctive character is linked to the activity of a third party using a sign which infringes the mark, the proprietor must continue to enjoy protection.

20 In the light of all the foregoing, the answer to the first and second questions must be that Article 5(1) of Directive 89/104 must be interpreted as meaning that, in order to determine the scope of protection of a trade mark which has been lawfully acquired on the basis of its distinctive character, the national court must take into account the perception of the public concerned at the time when the sign, the use of which infringes that trade mark, began to be used.

36 Accordingly, after revocation in the particular case has been established, the competent national court cannot order cessation of the use of the sign in question, even if, at the time when that sign began to be used, there was a likelihood of confusion between the sign and the mark concerned.

37 Consequently, the answer to the fourth question must be that it is not appropriate to order cessation of the use of the sign in question if it has been established that the trade mark has lost its distinctive character, in consequence of acts or inactivity of the proprietor, so that it has become a common name within the meaning of Article 12(2) of Directive 89/104 and the trade mark has therefore been revoked.”

Subsequently, counsel produced supplementary skeleton arguments and addressed this matter.

10) Under Article 4.4 (b) the rights must have been acquired prior to the date of application for registration. That right is also qualified as being a right that would confer upon the proprietor the right to prohibit the use of a subsequent trade mark. So one material date is clearly set out in the Directive. UK has to establish that by the date of application for registration, 18 December 1992, it could prevent the use of the trade mark under the law of passing-off. If it cannot do this its case is lost. It is well established that the material date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9). Owing to Article 4.4 (b) the date for establishing the preventive right cannot be later than the date of application, but passing-off is about the behaviour complained of. So one could look to a date earlier than the date of application if the behaviour complained of arose before the date of application. In this case the behaviour complained of is the use of the trade mark in relation to the goods of the registration. There is no evidence of any such use prior to 18 December 1992. So the first material date is the date of application.

11) Article 4.4 (b) of the Directive and section 47(2)(b) of the Act use the present tense. Too much can be easily read into the use of the present tense, it is the natural tense to use in legislative texts; which are not drafted by committees of philologists. The comments of Professor Annand and the judgment of the ECJ in *Levi Strauss & Co v Casucci SpA*

suggest that a later date may also need to be considered; so that an applicant will not only have to succeed in its claim at the date of application but also at a later date. This is clearly the position in relation to grounds relating to the distinctiveness of a trade mark. The proviso to section 47(1) of the Act, derived from Article 3.3 of the Directive, states that a trade mark registered in breach of subsection (3)(1)(b), (c) or (d) of the Act shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered. So the Act recognises, at least in relation to certain grounds, that where the grounds no longer exist a trade mark shall not be declared invalid.

12) One can consider certain situations in relation to applications for invalidation on relative grounds. A registration is attacked on the basis of the law of passing-off. The registration was filed twenty years earlier. At the time that attacker could succeed, however, its goodwill has dissipated and the registered proprietor has built up its own goodwill. So the attacker would not have been able to succeed in a passing-off case for fifteen years. It would seem odd that such an attacker could succeed. A trade mark registration may have lapsed after the date of application for a registration and after it was registered. The attacker could prove use within the relevant period although it no longer had a trade mark registration. Again it would seem odd that a registration should be invalidated because of a trade mark registration that no longer existed. In *Levi Strauss & Co v Casucci SpA* the ECJ clearly considered that matters after registration of a trade mark had to be taken into account in an infringement action and will have a bearing on the remedies of the action.

13) It is difficult to see the purpose of invalidating a trade mark when the basis for the invalidation no longer exists. In these circumstances, I consider that the use of the present tense does have weight and effect; it is intrinsic to the purpose of the Directive and the Act. It is a position that is, in my view, recognised by the ECJ in *Levi Strauss & Co v Casucci SpA*. Consequently, there is a second later date that has to be considered in an invalidation action. What is that date? Ms Clark submitted:

“I think the same must apply here because otherwise you have an open-ended enquiry and it is difficult to see how you could ever complete the rounds of evidence. As a purely practical matter, I would tend towards saying that you are looking at the date of the application for a declaration of invalidity because I cannot see otherwise how you conclude your rounds of evidence or end up at a decision. Supposing you go up on appeal. Fresh evidence as to what has happened since the hearing below. Is it the case that when the rounds of evidence finish as in some cases happen in 2003 and then the parties talk for four years you get to 2007 and they say, "Oh, hang on a minute, things have moved on, Registry.”

So she adopted a pragmatic approach, which gave the second date as that of the date of application for invalidation. It is certainly a pragmatic approach that would be to the administrative convenience of the Registry. However, such an approach could be to the distinct inconvenience of a registered proprietor. The fundamental principle has to be, in

my view, should the trade mark be declared invalid with all the evidence in and considered. In *Scandecor Development AB v Scandecor Marketing AB* [2002] FSR 7 Lord Nicholls stated:

“49 The claim in these proceedings is that, in consequence of the use made of the marks by Scandecor Marketing and Scandecor Ltd with the consent of Scandecor International, the marks are "liable to mislead the public". That is essentially a question of fact. That question of fact must be answered having regard to matters as they now are, not as they were at some time in the past. In deciding this issue of fact the court must have due regard, as I have been at pains to emphasise, to the message which a trade mark conveys. But since the question is whether the marks are currently liable to mislead, the message which is relevant is the message which use of the marks conveys today, not the message it would have conveyed to the public in the past.”

So he was looking at the date of trial as the date at which the question had to be considered. This was a case dealing with section 46(1)(d) of the Act, revoking a trade mark registration on the basis that in the consequence of the use made of it, it is liable to mislead the public. The principle seems good for an invalidation action on relative grounds. If at the date of the trial/hearing there is no longer a basis to invalidate a trade mark, should it be invalidated for administrative convenience. If one is attaching one self to the date of application for invalidation, does one ignore evidence filed in the evidence rounds dealing with matters after the date of application? The latter course of action would seem to be untenable. Taking the date of hearing as the second material date may give rise to administrative problems at times but administrative convenience should not override the purpose of the law. If late evidence is filed, there can always be compensation in costs for the other side. I consider that the second material date has to be the date of the hearing.

**14) So the first material date is the date of application for registration and there is a second material date, the date of the hearing. So for UK to succeed it has to establish that it could have prevented use of the trade mark as of 18 December 1992 and that it could also have prevented use of the trade mark on 6 June 2006. It has to succeed on both dates; if it fails in relation to the first material date, its case fails.**

#### **The relevant consumer**

15) Mr Jones, who is the chief executive of UK, in his second statement at paragraph 5b of 17 October 2005 says:

“Whilst representatives of associations of professional golfers may be able to distinguish between different golf bodies and associations with similar names, this is not so for the average golf player, who is not a professional, and goes to a sports shop to buy golf equipment and has to choose between golf equipment bearing the LPGA and device mark displayed next to golf equipment bearing the PGA mark.”

Ms Clark picked this up as an admission that the professional and person in the trade would not be confused. She saw the relevant consumer, therefore, as the average, recreational golfer. I do not think that Ms McFarland deferred from this position. The expert is going to know his or her own trade and I consider that the consumer concerned, in relation to whether there would be passing-off, is the recreational golfer. If UK cannot succeed in relation to this consumer, I cannot see that it can succeed in relation to the “expert” consumer.

### **History and use of PGA by UK**

16) The Professional Golfers Association was established in 1901. The members are golf professionals in the United Kingdom and Republic of Ireland. They are employed at golf courses and driving ranges where they give tuition in golf and usually run golf shops. The golf shops sell golfing related products eg clubs and clothing. The professionals are also trained to repair golf clubs. The professionals receive training in all aspects of their profession under the aegis of UK. On 1 January 1985 the PGA European Tour was formed from the old European Tournament Players’ Division of UK as a separate limited company by mutual consent. UK became the Professional Golfers’ Association Limited. The PGA European Tour was allowed to use the PGA trade mark as part of the arrangement. The PGA European Tour promotes and organises competitions in Europe; it is the tournament tour for the top 200 professional golfers in Europe. It is the body that runs and organises ‘The PGA Championship’ in the United Kingdom and Ireland. No material is exhibited in relation to the relationship between the two undertakings, nor are the agreements between the two undertakings exhibited. There are always a number of trainee professionals. As of 19 April 2004 the membership of the PGA stood at 6,769. The membership for the period from 1979 to 2003 was as follows:

1979	3349
1980	3401
1982	3524
1983	3609
1984	3648
1985	3689
1986	3785
1987	3903
1989	4056
1990	4190
1991	4535
1992	4822
1993	5287
1995	5485
1996	5702
1997	5982
1998	6106
1999	6205
2000	6382

2001	6465
2002	6590
2003	6731

The number of trainees for the period 1979 to 2002 was as follows:

1979	966
1980	993
1982	971
1983	998
1984	960
1985	918
1986	903
1987	933
1989	741
1990	834
1991	1078
1992	1237
1993	1339
1994	1379
1995	1357
1996	1316
1997	1292
1998	1287
1999	1190
2000	1085
2001	1105
2002	1072

Throughout the United Kingdom and Ireland the number of UK recognised golf clubs and driving ranges is 2432, out of a total of 3100 golf clubs; 78.4% of the golf clubs and driving ranges in the United Kingdom are UK recognised establishments. Mr Jones says that the resident golf club professional may have up to 7 or 8 assistant UK qualified professionals or trainees. He gives the example of the Belfry for this number. It is not possible to ascertain if the number of members given includes the trainees. It is noted, however, that the figures given for membership, in Mr Jones' first statement, and the number of year books and magazines sent out were the same.

17) The members are issued with a monthly magazine and a year book. In his second statement, Mr Jones corrects the figures given for distribution of the year book and the magazine. He states that between 1979 and 2004 up to 600 copies of each edition of the magazine were distributed to non UK members, and between 1979 and 2002 between 500 and 1500 copies of the year book were distributed to non UK members. Since 2003 it has been possible to purchase the year book from retail outlets in the United Kingdom. In 2003 19,500 copies were sold in the United Kingdom. The magazine has had a number of titles. The first journal was published in 1919 as 'The Professional Golfer', in May

1925 it became 'The PGA Journal', in March 1935 the name changed to 'The Professional Golfer', in August 1935 it changed its name to 'The British Golfer', and continued under that name until the last issue in September 1939. Publication of the journal recommenced in 1946. It appears that the name changed to 'The PGA Magazine' after the war. In 1969 the journal changed its name to 'Golf Trade Journal – The PGA Official Journal'. From 1976 to 1979 the qualifying words were replaced by 'The PGA Magazine'. In September 1977 there was a short lived change of the name to 'Professional Golf – The PGA Magazine'. In 1981 the journal reverted to the name 'The PGA Journal' accompanied in small print by 'The Magazine of the Professional Golfers' Association'. In March 1986 the name changed to 'The. Pro. Shop. incorporating PGA Journal'. In 1990 the name was changed to 'PGA Profile'. Between February 1995 and August 1997 there was a temporary change of the name to 'Profile'.

18) Each professional has two plaques, these include the crest of the organisation, one of the plaques includes the letters PGA. These will usually be displayed in the professional's shop. Exhibited at tab 21 are various items of stationery and posters bearing the letters PGA, some of these clearly emanate from prior to 1992. Where letterheads do not bear the letters PGA, there is reference to PGA in the body of the letters. 'PGA Profile' of January/February 2001 has an advertisement for the PGA Partners Programme, which links various companies to the PGA eg MasterCard, Peugeot, Wilson and Sunderland. The advertisement states that UK with its 6,000 members has access to 3 million golfers in the United Kingdom. In February 1998 UK launched its Internet site; this was publicised in 'PGA Profile' of January/February 1998. The address is [pga.org.uk](http://pga.org.uk). UK has promoted and run various PGA tournaments throughout the regions. It runs jointly with the PGA European Tour, the Ryder Cup when it is held in Europe. The competition alternates between Europe and the United States of America. It is held biannually and so takes place in Europe every four years. UK has been promoting, running and organising golf tournaments since 1901. In 1992 the number of golf tournaments for which UK was responsible in the United Kingdom and Ireland was around 600. UK has been involved in trade fairs for some time. In the beginning it organised trade fairs itself, eg in 1921 at St Andrews. In later years it has been an exhibitor eg International Golf Trade Exhibition in 1992 (see tab 13A at page 419; also see tab 15B at page 395 and page 410).

19) UK has been involved in use of the trade mark PGA in relation to various products. The letters PGA were used on golf balls in 1933, they are shown in the UK journals for March and April 1933 (tab 32 pages 10, 11 and 12). Further use is shown, for 1938/39 and 1968 in relation to golf balls (tab 32 pages 13, 14 and 15). There has been use on badges, most of these are in highly stylised monogram form. Various promotional items were advertised in the UK journal in 1976 and 1977. In 1977 a range of PGA Conquest golf clubs and golf bags was introduced, they were designed by Ben Sayers of North Berwick. In March 1978 the PGA Professional line of golf clubs was launched (examples of usage can be seen at tab 32, pages 36 -38, 45, 51, 57, 59, 61 and 68). In April 1980 a new range of golf clubs, bags and balls, the Topgame range, was introduced (see tab 32 page 66). An advertisement at tab 32 page 68 describes the Topgame balls as a PGA product. After 1980 there appears to be a hiatus in use of PGA on golf clubs, balls

and bags, at least as far as the exhibited material demonstrates. In 1995 a PGA collection was launched, using a stylised form of PGA; this consisted of golf clubs, golf bags, golf gloves, practice balls and various golfing accessories (the original range can be seen in the price list from 1 November 1995, exhibited at tab 32 page 179). Material from 1997 shows use in relation to clothing, socks, golf balls (tab 32 pages 182-185). In March 1998 a new PGA collection was launched, which extended the range. Exhibited material shows the continuance of the PGA Collection until at least November 2003. There is material from February 1990 showing the use of PGA Collection for clothing and jewellery. No figures are given in relation to the turnover for the goods. The goods appear to be predominantly promoted either through UK's journal or trade fairs.

20) Mr Yapp, group finance director of UK, gives evidence in relation to the income of UK. He gives the membership subscription income and other dues for the period 1977 to 2003. They start at £50,935 and finish at £1,461,886. He also gives golf tournament income for the same period. This starts at £809,290 and finishes at £4,153,175. Educational income from 1992 to 2003 started at £307,763 and ended at £1,066,873. Mr Yapp states that UK receives royalties specifically from third parties for use of the PGA trade mark in relation to golf related products. He does not specifically identify the products. The figures that he gives for this income are as follows:

1996	£27,789
1997	£20,656
1998	£14,900
1999	£5,800
2000	nil – “royalties waived in change of marketing strategy”
2001	£13,900
2002	£43,700
2003	£74,700

UK received income in respect of consultancy work in the area of golf course design, construction and the management of facilities. In 1992 the income was £42,417 and in 2003 £179,985. The maximum recorded income was £381,168, in 1996. Income was also received in respect of corporate golf days. Mr Yapp states that a large income is generated from external sponsorship of UK's tournaments. Excluding the Ryder Cup, this income has ranged from £3.6 to £5 million per annum since 1991.

### **History and use of LPGA by US**

21) US was founded in 1950 as a non-profit organisation to promote women's golf. It is the world's longest running women's professional sports association. It is composed of two divisions: the LPGA Tournament, also known as the LPGA Tour, and the LPGA Teaching and Club Professional divisions. The evidence shows that US stages the world's pre-eminent golf tournament, the LPGA Tour. This is where the world's best women golfers compete in tournament events. The average purse is approximately \$1.4 million. Professional women golfers from more than twenty countries compete in the Tour. It is the ambition of the best women golfers to join the Tour. In 2005 the Tour

featured 34 events in 8 countries, total prize money was more than \$39 million. US has staged, conducted or sanctioned events in the United Kingdom since 1974. All US tournaments are required to use the LPGA logo in literature, advertising and promotion as well as at the tournament. At least twenty five LPGA tournaments featuring the LPGA logo are broadcast in the United Kingdom annually; this is as of 2005.

22) The Colgate-America/European Open was staged, conducted and/or sanctioned by US and played at Sunningdale Golf Club from 1974 to 1979 (inclusive). (The phrase “staged, conducted and/or sanctioned” comes from the evidence, for US, of Ms Wright.) In 1984 the Hitachi Ladies British Open was staged, conducted and/or sanctioned by the LPGA, it was played at the Woburn Country Club. In 1984 the Smirnoff Ladies Irish Open was staged, conducted and/or sanctioned by US in Clondeboy Golf and Country Club, Northern Ireland. The Solheim Cup is co-sanctioned by US. The Solheim Cup is the women’s equivalent of the Ryder Cup. The Solheim Cup was staged at the Dalmahoy Golf and Country Club in Scotland in 1992, the Saint Pierre Golf and Country Club in Wales in 1996 and the Loch Lomond Golf Club in 2000. Printed material from 1992, 1994 and 2000 and an extract from the official website are exhibited at tabs 68, 69, 70 and 71. The magazines exhibited at tabs 69 and 70 appear to be for United States usage, eg the telephone numbers are for the United States. The material exhibited at tab 68 appears to be for United Kingdom usage, the two publications under tab 68 relate to the Solheim Cup in 1992. There are a variety of references to LPGA throughout the material, in relation to the competition and the players. The trade mark appears, if not very prominently, in advertisements for Sunderland of Scotland golf clothing. The Solheim Cup website refers to US as being one of the sanctioning bodies. US has co-sanctioned the Weetabix Women’s British Open since 1994. This became a major in 2001. It is held annually. Sir Richard George gives evidence for US, he is chairman of Weetabix Limited, the sponsoring organisation. He states the competition is branded with the LPGA logo and the organisers and sponsors are obliged to use the LPGA logo on a variety of materials eg all print advertising, billboard advertising, television advertising, programmes, spectator guides, posters, tickets, sponsorship brochures and scoreboards.

23) Lewine Mair, the golf correspondent of ‘The Daily Telegraph’, gives evidence. Mr Mair states that whilst covering US tournaments, both in the United Kingdom and Ireland and around the world, he has observed the use of the letters LPGA and/or the LPGA logo in association with the tournaments. He has also observed use of LPGA and the LPGA logo at the Solheim Cup. He exhibits various articles that he has written for ‘The Daily Telegraph’ from 2001 onwards where he has mentioned the LPGA in one context or another (see tabs 184 and 186).

24) Extracts from the PGA European Tour website, the Ladies Golfing Union website, Welsh Golfing Union website, Welsh Ladies’ Golfing Union and UK’s own website show references to US or links to its website from 2000 onwards. A variety of press cuttings, emanating from prior to 18 December 1992, from ‘The Times’, ‘The Independent’, ‘The Herald’ and ‘The Economist’ have references to LPGA (tabs 130 – 134 and 136 - 145).

25) “The Lord of the Links”, from 1977, at tab 10 page 135, refers to the Ladies Professional Golf Association being formed in 1950. (See below re the provenance of this publication and Mr Jones’, of UK, endorsement of the credentials of the author.) At page 138 the following is written:

“The American women’s circuit has shown what women can do in a field so long restricted to men. Whether the rest of the world will develop in the same way is problematical, but there was a significant step in that direction when the 1976 tournament at Sunningdale was re-named Colgate European Women’s LPGA Championship..... and the inclusion of the initials LPGA indicated that the tournament was officially recognized by the US Ladies Professional Golfers’ Association.”

26) In her submissions Ms Clark spent some time commenting upon US’s websites and United States catalogues for LPGA branded goods. There is a complete lack of evidence of any sales into the United Kingdom from these sources. US’s website became active in 1996. In 2002 there were 157,069 visitors to the website from the United Kingdom, in 2003 there were 238,057 visitors from the United Kingdom. At tab 57 there are two United Kingdom catalogues. The LPGA is used in relation to clothing for golf. The catalogues bear dates of 2003 and 2004. Catalogues are also exhibited at tab 58, however, none of them have clear United Kingdom provenance. Some of the material bears prices in dollars. A catalogue exhibited at tab 59 shows prices in dollars. Between November 2001 and November 2003 £236,000 worth of clothing bearing the LPGA logo was sold in the United Kingdom. Exhibited at tab 62 is material from 2003 relating to ‘The Sunday Times’ Golf Club; as an incentive to join, women are given an LPGA shirt and visor. The promotion bears the LPGA logo.

27) Material relating to a revocation for non-use action against the trade mark, filed by UK, is exhibited at tab 203. Following evidence in support of the registration filed by Mr Kenneth J Pilkington, general manager of Voco (UK) Limited (a subsidiary of Voco AG), the application for revocation was withdrawn. Voco AG has an exclusive agreement for the distribution of Square Two golf clubs in Europe. Voco (UK) Limited handles the distribution of these clubs in the United Kingdom. Mr Pilkington explains that all of the Square Two golf clubs bear the LPGA device trade mark. He exhibits pictures of the golf clubs which show the LPGA device. Also exhibited are sample invoices of sales of Square Two golf clubs in the United Kingdom and Northern Ireland in 2001 and 2002. Mr Pilkington confirms that all of the clubs bear the LPGA device mark.

### **“Christiansen evidence”?**

28) In *Re Christiansen's TM* [1885] 3 RPC 54 at 60 Lord Esher MR stated:

"Now, to my mind, when you have evidence given upon affidavit, and you find a dozen people, or twenty people, all swearing to exactly the same stereotyped affidavit, if I am called upon to act upon their evidence, it immediately makes me suspect that the affidavits are then not their own views of things and that they have adopted the view of somebody who has drawn the whole lot of the affidavits, and they adopt that view as a whole and say 'I think that affidavit right' and they put their names to the bottom."

Ms McFarland made submissions in relation to parts of US's evidence that effectively categorised it as “Christiansen evidence”. Parts of UK's evidence also potentially falls into this category. The main evidence that was under attack comes from women professional golfers; it was filed by US. There are ten statutory declarations in all that need to be considered. They have been made by: Deb Richard, Valerie Skinner, Suzanne Strudwick, Janice Moodie, Alison Nicholas MBE, Mindy Moore, Dale Reid OBE, Judy Rankin, Helen Alfredsson and Pamela Wright. The following paragraph is reproduced in all of the declarations:

“I am aware of other “professional golfers” associations such as Professional Golfers' Association Limited and the Professional Golfers' Association of America. I recognize that the LPGA Logo belongs to the LPGA and associate the LPGA Logo with the LPGA exclusively. I believe that the LPGA controls a significant portion of the worldwide market share for women's golf-related goods and services and further believe that the LPGA Logo is internationally well-known in association with golf-related goods and services provided by the LPGA and is not confusingly similar to the trade mark of any other professional golfers' association.”

The above clearly represents the view of the person drafting the declaration, which the declarant has adopted as their own view. However, I do not consider that anything turns upon this element of the declarations. The issue is not what those in the trade would know and, to put it bluntly, I am not interested in whether the witnesses believe that the trade marks are “confusingly similar” or not. The declarants, not surprisingly, all give résumés of their careers; establishing their credentials. There is a coincidence in parts of the wording in relation to what the declarants were aware of in the Solheim Cup eg: “use of the letters LPGA and/or the LPGA Logo in association with the tournament, including, without limitation, in print, billboard and/or television advertising, programs, pairings sheets, spectator guides, posters, ticket and/or sponsorship brochures, tournament signage and scoreboards”. Besides being repeated in the declarations, the language strikes me as being unnatural; other than for a lawyer. The declarants refer to their experience in relation to the Colgate-America/European Open, Hitachi Ladies British Open, The Weetabix Women's British Open and the Solheim Cup. They declare to the usage of the LPGA and LPGA logo at these events. Ms Nicholas makes her declaration in more

“natural” language. She competed in the Solheim Cup in 1990, 1992, 1994, 1996, 1998 and 2000 and states that she observed use of the LPGA logo in association with the tournament. She makes a similar statement in relation to the Weetabix, which she competed in from 1997 to 2004 (inclusive).

29) In relation to these declarations it is necessary to consider the evidence of Maureen Roberts (at tab 219 et seq). Ms Roberts is director of golf operations for UK. She has had 35 years experience of playing and helping to organise golf tournaments. Ms Roberts states that she played in the Colgate European Open, elsewhere described as the Colgate-America/European Open, in 1974. She does not recall the LPGA logo appearing on any tournament merchandising, flags, banners or hoardings. She states that this applies to tournaments held in other years, which she has followed closely. She does state that members of the LPGA tour competed in the competition. Ms Roberts that she was involved in organising the Hitachi Ladies British Open in 1984 and again she does not remember the LPGA logo appearing on any tournament merchandising, flags, banners or hoardings. Ms Roberts was involved in organising the Smirnoff Ladies Irish Open in 1984. There were players from the LPGA tour but the LPGA logo did not appear on any banners, posters or merchandising. Ms Roberts comments on the Weetabix. She notes that US sanctions the tournament, it does not organise it. (Ms Roberts explains the meaning of sanctioning. An event is sanctioned when it is held outside the normal territory of a particular tour. In sanctioning an event, that tour allows its members to participate in the event.) Ms Roberts states that the tournament is held under the Weetabix trade mark, which appears prominently on all official promotional materials and the banners and flags on the golf courses where it was played. In relation to the Solheim Cup, Ms Roberts states that she has never seen the LPGA logo being used to endorse the tournament, or on branding of any of the tournament’s flags, banners and merchandising.

30) There is a conflict between the evidence of Ms Roberts and the ten declarants referred to above. However, the evidence of Sir Richard George includes a copy of the LPGA co-sponsor agreement for the Weetabix, which was signed on 1 August 2003. The agreement states that the LPGA logo will be used on various materials associated with the tournament. However, one does not know what the position was prior to this. So the merchandising and branding might not have come in until 2004. Ms Roberts exhibits a picture of herself standing in front of a banner for the competition in 2003, upon which Weetabix is prominently written but there is no sign of the LPGA logo. Taking into account the date of application for invalidation, her evidence might well only be concerned with the position until 26 November 2003. Owing to the contradictions in the evidence, I am left in a most unsatisfactory position. Parts of the evidence of Ms Roberts appear to be in conflict with the evidence of the ten declarants. There might not be a conflict with the evidence of Sir Richard George owing to the date of the signing of the agreement with US. The first agreement in relation to the Solheim Cup, exhibited at tab 67, refers of the right of the sponsor to use the LPGA name and logo, however, the agreement does not require such use. In the material relating to the 1992 Solheim Cup exhibited at tab 68 the LPGA logo only appears as a small inset in a Sunderland of Scotland advertisement. In relation to the matters that Ms Roberts challenges in her

evidence, there is a lack of material exhibited by US to bolster the statements made by the declarants. It surprises me that the declarants could remember distinctly what they saw in relation to the use of the LPGA logo in competitions that had been played a good number of years before. It may be that their memories are coloured by their current state of knowledge. The evidence of Ms Roberts was filed to challenge the evidence of US in relation to use of its trade mark in competitions in the United Kingdom. Neither Ms Roberts nor any of the ten declarants were the subject of cross-examination. I do not consider that one can simply adopt the position of there being “ten of them” and “only one of her” and so the US position must prevail. It would seem both from the evidence and on the basis of common sense, that the dominant name of the Weetabix will be Weetabix; that is the purpose of their sponsoring the competition. The same applies with the Solheim Cup where Solheim is the dominant element; Solheim is related to the Ping brand of golf clubs. Having looked at the various pictures exhibited, I can see no signage at competitions showing use of LPGA or the LPGA logo. The ten declarants give no detail as to where they saw the LPGA logo or name. It could have been in areas not accessible to the public. I note that Ms Roberts does exhibit pictures of signage where the LPGA logo does not appear; although, I accept that this does not prove that there was not other signage. However, in “Lord of the Links” particular reference is paid to the role of US in the Colgate-America/European Open in 1976. Taking into account the lack of exhibits supporting the claims, I consider that US has not established that at the various tournaments that there was any prominent use of its logo or name. However, I do accept, from the evidence, that many of the contestants would be identified by their membership of US.

31) UK has supplied declarations by:

Anne Parry, deputy managing director of Quantum PR Plc which has been looking after UK’s public relations since 1994. She is also a former golf journalist. She has had close links with UK since 1972.

Paul Baxter, chief executive officer/secretary of the English Golf Union.

Seamus Smith, general secretary of the Golfing Union of Ireland.

Kenneth Schofield, executive director of the European Tour.

Peter Lederer, managing director of the Gleneagles Hotel.

Mike Maloney, executive director of the De Vere Belfry.

Richard Dixon, secretary of the Welsh Golfing Union.

Various of the declarations are in a format which shows that the key parts were prepared by someone other than the declarant eg different typing font. Certain of them seem to be not so much a pro forma but actually forms. I will take the example of the declaration of

Mr Lederer. This declaration includes guidance in italics as to what he is expected to write. It has already typed in the following:

“1. I believe that The Professional Golfers’ Association was founded in 1901 and since that date has been the sole members association for professional golfers in the United Kingdom and Irish Republic, looking after both men and women professional golfers in every aspect of their profession, beginning from their training.

2. The Professional Golfers Association’ has always been known also as the ‘PGA’.

3. The letters ‘PGA’ mean, and have always meant, to me, the Professional Golfers’ Association, ever since .....(for example: “I started playing golf in 1965” or “I started working in the golf industry in 1973”,...)”

All but Ms Parry contain at least five paragraphs that are the same. This evidence, even if it was not “Christiansen evidence”, would not have any great weight as it comes from people in the trade; not the average golfer. Ms McFarland did not rely upon this evidence, although she did not jettison it.

### **Genericism**

32) It is US’s argument that PGA is a generic term, a standard and readily recognised acronym for Professional Golfers’ Association and a term that is used across the globe in relation to such organisations. Ms Clark tried to show that PGA was generic in relation to golf as of 18 December 1992, the date of application for registration; as well as continuing to be used generically afterwards. Ms Clark identified the following exhibits as examples of use that support her submission:

Tab 6 pages 55-56. This is the Professional Golfers’ Association Constitution Rules and Bye-Laws of January 1968. On page 55 the various classes of membership are given, including professional golfers. On page 56 there is a reference to overseas players if they are members of their own national PGA where one exists.

Tab 6 page 72. (The same document as above.) There is a reference to overseas visitors. This refers to a visitor from overseas who has no PGA in his country.

Tab 10. There is a copy of the book ‘Lord of the Links The Story of Professional Golf’ by Geoffrey Cousins. It has a publication date of 1977. In the evidence of UK, Mr Jones endorses the expertise and knowledge of the author. At page 97 there is reference to the forming of a Professional Golfers’ Association in the United States, the capital letters are as per the publication. At the bottom of the page there is a reference to the British PGA. On page 98 there is reference to the USPGA, the British PGA and the “two PGAs”. On page 120 there is a picture of an honours board of the American PGA, which bears the letters PGA and the words The Professional Golfers’ Association of America. On page

126 there is a reference to the USPGA. On page 141 there are two references to the USPGA. On page 145 there is a reference to the PGA and the USPGA together: “the PGA, the USPGA, and similar associations in other countries”. On page 172 there is a reference to the USPGA. On page 181 there are references to the PGAs of Britain and America and also to PGAs of many other countries. On the same page there is a reference to when the first PGA was founded and to “many PGAs”.

Tab 13 page 129. The constitution, rules and bye-laws of the Professional Golfers’ Association are reproduced. It includes lists of winners of competitions up to and including 1959, so it would appear that it emanates from 1959 or 1960. There is a reference to affiliation with other national professional golfers’ associations.

Tab 17. At page 27 are reproduced the minutes of a meeting of UK held in June 1974. In the minutes there are references to the IPGA, the Scottish PGA, the Irish PGA and the British PGA.

Tab 13A. This reproduces the Professional Golfers’ Association 1980 Year Book. On page 68 there is a reference to the American PGA. On pages 69 and 70 there are references to the USPGA. On page 97 there is a reference to PGA of America.

Tab 15A. There is reproduced a copy of ‘Profile’ magazine of March 1991. At page 304 there is a reference to the German PGA.

Tab 13B. There is reproduced the 1992 Year Book. On page 51 there is a reference to the PGAs of Europe and the following is written: “25 nations that either currently have a PGA”. On page 55 there is a reference to the “British PGA trained pros”. On pages 55 and 56 there are references to the PGA of Hungary.

Tab 13B. There is reproduced the 1993 Year Book. On page 255 there is a reference to American PGA officials. On page 330 there is a reference to the PGA of America.

Tab 13A. There is reproduced the 1998 Year Book. On page 265 there are references to the Australian PGA, the PGA of America. On page 267 there is a reference to the USPGA. On page 300 there is a reference to the PGA of America.

Tab 15. Reproduced at page 64 is a page from ‘The PGA Journal’ of August 1926. There is a “jotting” from a gentleman who refers twice to the PGA on the other side; meaning the United States of America.

Tab 8. There is reproduced a copy of ‘Profile’ magazine for January/February 2001. There is a reference to two more national PGAs, those of Norway and Austria.

Tab 8. There is reproduced a copy of ‘Profile’ magazine for March 2001. On page 193 there is a reference to the Swedish PGA.

Tab 8. There is reproduced a copy of 'Profile' magazine for May 2001. On page 243 there is an article headed "Sky Sports Wins PGA Tour Deal". The article goes on to say that the American PGA has awarded Sky rights to televise its tour.

Tab 8. There is reproduced a copy of 'Profile' magazine for September 2001. On page 348 there is a reference to the USPGA.

Tab 150. This reproduces pages from the website of the PGAs of Europe. It advises that the PGAs of Europe is made up of 33 member countries. There are references to PGAsE. It is stated that the PGAs of Europe separated from the PGA of Great Britain and Ireland on 1 January 1993 (page 5). On page 6 there are references to the British PGA and the PGAs of Europe. On pages 11 and 12 there are links to the various PGAs eg PGA of Germany, PGA of Austria, PGA of Belgium. The links show the emblems of the various PGAs, twenty five of them use the letters PGA. It is to be noted that these are organisations for whom Professional Golfers' Association is a foreign term and so PGA would be also. However, they still use PGA. The Spanish organisation's translation into APG is very much the exception.

Tab 190. This consists of a statutory declaration by David Fay, the executive director of the United States Golf Association. On page 2 at paragraph 9, Mr Fay states that he is aware of other professional golfers' associations other than the LPGA. He lists:

The Professional Golfers' Association of America, he exhibits its crest which has PGA in the centre;

The Canadian Professional Golfers' Association, he exhibits its crest which has PGA prominently presented;

The Professional Golfers' Association of Australia, he exhibits its crest which has PGA in the centre; the crest indicates that the association was founded in 1911;

The Asian Professional Golfers' Association, he exhibits its crest which has Asian PGA written prominently in it;

The Professional Golfers' Association of Japan, he exhibits its crest which has PGA in the centre;

The Korean Professional Golfers' Association, he exhibits its crest which has KPGA prominently in the middle.

Tab 201. At pages 4 and 5 are reproduced letters. Page 5 is a letter from Mr Jones acting as executive director of "The PGA of Great Britain and Ireland" and chairman of the PGAs of Europe. The letter is about the PGA World Congress of 1996. Mr Jones refers to the Professional Golfers' Association of Great Britain and Ireland. Included in the aims and objectives of the congress is to increase communication between all PGAs, to help all PGAs improve their services and to develop a greater appreciation of the other PGAs of the world. There is a response from the US, the letterhead bears the LPGA logo.

Tab 12C. Reproduced is a copy of “Proshop” magazine, from prior to 1990. At page 405 there is a reference to “PGAs of our European colleagues from Iceland in the North to Italy in the south”.

### **Relationship of UK with other legal entities**

33) Ms Clark raised the issue of UK’s relationship with various other undertakings, in relation to the ownership of any goodwill. Mr Jones indicates in his first declaration that UK was formed on 1 January 1985. He states at paragraph 4c, that the PGA European Tour was formed from the old European Tournament Players Division of the PGA as a separate limited company on 1 January 1985, by mutual consent, with The PGA becoming The Professional Golfers’ Association Limited. He states that the PGA European Tour was permitted to use the PGA trade mark as part of the arrangement. The PGA European Tour is responsible for arranging of European golf tournaments, it also promotes, organises and runs The PGA Championship for PGA members in the United Kingdom and Irish Republic. No documentation detailing the exact relationship between these two parties has been exhibited.

34) The Professional Golfer’s Co-operative Association (PGCA) was, according to ‘Lord of the Links’ at tab 10 page 102, incorporated on 23 January 1921. ‘Golf Trade Journal’ of July 1977, tab 15 page 328, has an article headed “Vote for Changes to PGCA”. The article advises that the General Committee of the PGA has nominated three members to stand as directors. The article goes on to say that “The PGCA has always been independent and separate from the PGA even though they both enjoy a common membership...” The article states that there have been conflicts between the PGCA Board and members of the PGA committees about the trading operations of the PGCA. There is clearly some form of relationship between the PGCA and UK but there is no indication, as far as I can find from the evidence, that PGCA has been using the trade mark PGA . At tab 10 pages 151 and 152, from ‘Lord of the Links’, refer to the PGCA promoting sales of waterproof clothing, shoes, pullovers, umbrellas and other accessories. It states that about 90% of PGA members are shareholders of the PGCA. At page 177 the following appears:

“To further these business interests the PGA decided to become concerned much more than hitherto in the marketing of golf products exclusive to the Association, and to that end negotiated a deal with the well-known Scottish manufacturers, Ben Sayers Ltd of North Berwick, for the production of a range of equipment, including the ‘PGA Conquest’ club. A logical outcome of this development, in the view of PGA officials, would have been some kind of merger or working arrangement with the Professional Golfer’s Co-operative Association (see Chapters 13 and 15).”

This clearly indicates that the trading in relation to the Ben Sayers clubs was by the PGA and not by PGCA. It also states that the PGA became *more* interested in marketing of golf products, not that it was *not* involved before. With the exception of golf balls there

is no evidence of use of PGA in relation to goods prior to 1976. (The use in 1976 was use for promotional items.)

35) In 'Profile' of March 1991, tab 15A pages 299 and 302, there is matter dealing with PGA Merchandising and PGA Holdings Limited. This indicates, to my mind, that these bodies are marketing arms of UK and as such are not owners of a separate goodwill and are under the control of UK. There is no indication that these bodies or the PGCA have been using the trade mark PGA whether with or without the control and consent of UK, other than in their names. The references to these undertakings invariably takes place within UK's house journal. UK has made no claims based upon any usage by PGCA, PGA Merchandising and PGA Holdings Limited and US has put in no evidence to show that there has been any such usage. US has adduced no evidence in relation to what PGCA did. There is certainly no evidence that it ever use the trade mark PGA. It might quite simply have been the body that arranged for the purchase of third party products for the shops of golf professionals.

36) There is no documentation of the transfer of any goodwill from the original association to UK but there has been no evidence to challenge the truth of the statement of Mr Jones at paragraph 4(c) of his first declaration re the formation of UK. The weight of the evidence is clearly indicative of there being no hiatus in the nature of the business and the persons running the business. I see nothing to disturb the view that I have formed, that UK can lay claim to all the use that it has shown. There is nothing to suggest that the PGCA, PGA Merchandising and PGA Holdings Limited have made a separate use of PGA or that if they had that it would be in relation to the use shown by UK.

37) Even if this were not the case I cannot see that the case of UK would necessarily be undermined. The law of passing-off does not demand an exclusive use of a sign for a plaintiff to be successful (see *Dent v Turpin* [1861] 2 J&H 139 and *Associated Newspapers Ltd v Express Newspapers* [2003] FSR 51). There is also nothing to suggest that these other undertakings were known to the public at large or that the trade would not have considered them part and parcel of the UK or its predecessor in title.

### **Waiver, estoppel and acquiescence**

38) In her skeleton argument Ms Clark referred to waiver, estoppel and acquiescence. Ms McFarland took strong objection to these matters being raised as they had not been pleaded in the counterstatement. (The counterstatement is very lean.) In her skeleton argument Ms Clark writes:

"39. The delay in making the complaint which the Applicant now does is potentially relevant in a further respect. The Applicant cannot apply for a declaration of invalidity where it has acquiesced in the use of a registered trade mark for 5 years, being aware of that use (TMA 94, s. 48(1)). However, if it is accepted that Mr Jones was not aware of the use of the LPGA's mark upon golf clubs, balls or bags until 2002 and that the registered proprietor's evidence does

not establish that any other person in authority within the Applicant's organisation knew of this, there is no scope for reliance upon this particular provision of the Act in relation to such goods. It is not thought that estoppel or waiver take matters any further in relation to such goods either."

Ms Clark submitted that the nature and tenor of the evidence made it clear that this was a prospective form of defence.

39) If a party is relying upon a form of defence, as well as denial, it seems to me that that defence should be clearly stated up-front in the counterstatement. It should not be a matter of having to guess and speculate the nature of a defence. If the defence is up front, then the attacker can put in evidence to try to counter the claim. Consequently, I am with Ms McFarland, and in the absence of clear pleading of these defences, I am not prepared to accept them now. However, I note that the evidence does not substantiate the claim of acquiescence for the required period in respect of the goods of the registration. Indeed it is counter to it. Why apply for revocation for non-use if you know the trade mark has been used for the goods of the specification? The only clear fact arising from the evidence, is that on the filing of the evidence of Mr Pilkington, in the revocation case, UK knew of US's use in respect of golf clubs.

### **Discretion**

40) Ms Clark raised the matter of a residual discretion laying with the registrar, because of the presence of the word "may" in section 47(2): "the registration of a trade mark may be declared invalid". However, Article 4.4 of the Directive states "shall". The Directive does not allow discretion and the domestic legislation has to be interpreted in the light of the Directive. I also note 'Kerly's Law of Trade Marks and Trade Names' (fourteen edition) at 10-022 states:

"There is no residual discretion in proceedings for invalidity or revocation. With the benefit of hindsight, it is perhaps surprising that this was considered a serious issue. The fact that it was demonstrates how difficult it can be to break free of years of conditioning of the old law."

I do not consider I have any discretion.

### **Findings**

41) Both Ms McFarland and Ms Clark spent some time on consideration of the evidence in relation to use of the trade mark and PGA in relation to the goods of the registration. In relation to use on the goods of the registration by US in the United Kingdom, there is only the evidence of Mr Pilkington, ironically part of the evidence of UK. UK has established use of PGA in respect of golf balls, golf clubs and golf bags. It has been using its trade mark for a longer period of time, earlier and far more consistently than US for these goods. Ms McFarland seemed to consider that the use on goods was key to the decision:

“Finally, sir, we would say that my learned friend quite properly refers, it is her best point in a sense, The Solheim Cup and the fact that there are many international lady players who are members of the LPGA. Of course, you have seen and we will go back through the bevy of players who have given their evidence about being associated with various challenge trophies like the Weetabix, which has been associated with LPGA and LPGA players. Sir, we say, with the greatest of respect, so what? This categorisation, the class of goods is just that; it is a class of goods in Class 28. This is not a case in which the LPGA are claiming or have got registered rights in, for example, tournaments services, organisation of tournaments, advertising services or anything of that sort. Interesting though it may be to see that there are many women players who are members of the LPGA who play in tournaments that perhaps have had prize money supplied by the LPGA or have in any some way been associated with the American tour, that is, with the greatest respect, completely irrelevant to those core questions which you have to ask which are: am I satisfied that goods falling within Class 28 were supplied into the UK by the LPGA or under licence or associated in the course of trade with the LPGA in relation to which goods the mark, LPGA, is registered, was used upon or in relation thereto. If one keeps asking those questions then I say, sir, all the references to the Weetabix trophy, etcetera, etcetera, are simply irrelevant. Because there is no suggestion that the players were playing with LPGA clubs, that they were given the opportunity to buy LPGA branded Class 28 goods in the UK at those events or anything of that sort.”

Ms McFarland gave little weight to the fame of US:

“Because we accept that the LPGA Ladies Professional Golf Association based in Florida has many, many prominent lady members. Lady players who wish to be associated with what is essentially a ladies' association. They have members from the USA, they also have European members doubtless; not least because it is accepted that the majority of the ladies big events take place in America, we have seen that from the list on the website and they are lucrative. But joining an association or being associated with a mere membership of that association is a far cry from that association of itself having merchandising goodwill that has penetrated into the UK that can support a monopoly allegedly distinctive brand in relation to specific goods.”

Both Ms McFarland and Ms Clark spent some time commenting on decisions of the Community Trade Mark Office in relation to PGA disputes. I was directed to analyses of the similarities of the trade marks in the decisions. In relation to passing-off I do not find these decisions helpful. Passing-off is not just about similarities between signs and goods; it is about whether the public would be deceived. So what has to be taken into account, inter alia, is the knowledge of the public and the perception of the public. Ms McFarland referred to the picture of a female golfer in the trade mark and the fact that certain golf products are gender specific. There are clubs specifically designed for women and certain golf bags are in colours that the manufacturers appear to believe

would appeal more to women than men. It was Ms McFarland's premise that the letter "L" would immediately be identified by the public as meaning lady, the likelihood of this would be increased by the presence of the picture of a female and the gender specificity of certain of the goods, and so LPGA would just be seen as representing PGA goods for women. There is no evidence to show that there would be this automatic identification of the letter L. However, even if that were the case, Ms McFarland's argument works on the basis of the trade mark being seen in a vacuum. It rests on the premise that the relevant public might know of US but would not, despite this knowledge, identify golf products bearing US's trade mark as emanating from it.

42) Ms Clark commented on the limited number of members of UK and the limited circulation of its publications. The membership is limited; the nature of what the members do means that it is bound to be. However, its presence on golf courses and ranges is not limited; it currently has members on 78.4% of all such establishments in the United Kingdom. It has a presence in shops. Golf is a pastime that requires coaching, it is, therefore, likely that most golfers will have received tutelage from professionals. In the majority of cases these will be UK members. Even those who do not receive coaching are likely to be aware of the golf professional on the course or range where they play and also of the shop, if there is one. In considering the knowledge of the relevant public it is also necessary to take into account the long history of the organisation and its rôle in organising tournaments. It is likely that the public concerned will be very aware of UK and its use of PGA. However, they will be aware of it within a certain context, in relation to certain services and competitions. They will also be aware of the PGA of America owing to the predominance of its players and its competitions in the pastime. It is not necessarily the case that they will associate golfing products with UK, they could associate them with US.

43) Ms Clark spent a good deal of time on the genericism of PGA. A lot of the evidence that she used actually came from UK. There is no doubt, in my mind, that PGA is used as an acronym for professional golf associations across the world. UK uses it both as a generic term and as an identifier of itself. At various times UK seeks to identify itself by reference to nationality: tab 17 at page 27, its own minutes refer to the British PGA to distinguish it from others; tab 13B page 51, UK's yearbook refers to "British PGA trained pros"; tab 201 page 5, Mr Jones actually identifies himself as the executive director of "The PGA of Great Britain and Ireland". UK's own magazine, at tab 8 page 243, refers to the PGA, meaning the PGA of America. In my view, what has a bearing upon this case, is not so much the issue of the genericism of PGA but that the public have long been educated in distinguishing between various PGAs, often by one letter at the beginning.

44) Ms McFarland commented upon the absence of a merchandising goodwill in respect of US in the United Kingdom (see paragraph 41). This seems to me to miss the point in relation to passing-off. There is no necessity for US to have a merchandising goodwill to defeat the application for invalidation. If US is well-know in respect of golf, surely the average consumer will simply identify goods that bear its trade mark with it. However,

before going further I need to decide what I consider that the average consumer knew at each of the two material dates.

45) The 1992 Solheim Cup took place prior to the first material date. The programme, at tab 68, has references to LPGA. In particular the competitors are identified by references to their presence and success on the LPGA tour (both Americans and Europeans) Press cuttings, tabs 130 – 134 and 136 – 145, emanating from prior to the first material date have references to US. In most of the articles there is a presumption that the reader will know what is meant by the LPGA. UK's own evidence, 'Lord of the Links', makes reference to US as far back as 1976 and clearly identifies the Colgate-America/European Open with it. I consider that it is reasonable to assume that people who play golf will usually take an interest in the game generally and follow it in the media. Even if they are not particularly interested in women's golf they will, because of the pre-eminence of its players, know of LPGA. I am of the view that at the first material date the average consumer will know of US and identify LPGA clearly with the organisation. Consequently, in relation to *golf clubs, golf bags and golf balls*, being golf products, the average consumer will consider that US is responsible for the goods and not consider that UK is either responsible for them or has licensed the use of the trade mark. **Consequently, there would not have been deception or confusion and so the claim in relation to passing-off, as of 18 December 1992, must fail.**

46) The above finding effectively disposes of the case as UK has to succeed at the first material date. However, if I am wrong in relation to the position as of the first material date I will, briefly, consider the position as of the second material date. By the time of the hearing there is clear evidence of the predominant and well-known position of US in relation to women's golf. The evidence also shows that the public will have become even more used to distinguishing between a host of PGAs. I have no doubt that the letters LPGA in relation to golf and golf products would be identified with US and no other undertaking; certainly not UK. **Consequently, there would not be deception or confusion and so the claim in relation to passing-off, as of 6 June 2006, must fail.** The enhanced position of US would equally apply if the second material date was taken as the date of application for invalidation, 26 November 2003.

47) Ms Clark commented on the absence of survey evidence or witnesses supporting UK's claims that there would be deception/confusion. In relation to the goods of the registration, the evidence of use seems small and so a lack of evidence of confusion tells one little. The problems with survey evidence are well-known and legion. The conducting of a truly valid survey is a task at which Sisyphus would baulk. However, surveys can serve a purpose, as witness gathering exercises. As this case rests purely on passing-off and both sides have, in relation to golfing activities, had a presence in the United Kingdom, a survey might have been useful to bolster the case of UK. However, an absence of a survey has had no effect on my decision. I am quite convinced, on the evidence, that the letters LPGA in relation to golf are identified with US and no other and that this will apply to golf products as well as golfing events. I think it is fanciful to postulate that the public will know of LPGA and then seeing the trade mark in use in relation to golfing products, believe that the goods are in some way connected with UK.

Just as if I saw ECB used in relation to cricket goods or WRU in relation to rugby products, I would believe that the England and Wales Cricket Board was responsible for the former goods and the Welsh Rugby Union responsible for the latter; regardless of whether either body had been involved in marketing cricket bats or rugby balls.

## **COSTS**

48) UK was given 14 days to make written submissions on costs. In the end it decided not to avail itself of this opportunity. Ms Clark wanted me to take account of the large amounts of evidence filed by UK that she considered irrelevant. She also noted that it was not easy to identify relevant parts of the exhibits referred to in statements. There was a certain amount of evidence from UK that was of little use; I am not sure why both the rules of golf, the illustrated rules of golf and a training manual were exhibited. However, the nature of this evidence was such that I doubt that a great deal of time was spent considering it. Ms Clark's own case was helped by the evidence of UK eg 'Lord of the Links'. In the circumstances I see no reason to divert from the scale, except in one area. Owing to the volume of evidence I will make an award of costs at the top end of the scale. My one divergence from the scale relates to the costs for preparation and attendance at the hearing. The hearing took two, very full days and so I intend awarding £1500 in respect of this for each day of the hearing.

49) This is a case where a hearing was essential owing to the volume of evidence. I am most grateful to both Ms Clark and Ms McFarland for their detailed submissions; which supplied with a sextant with which to navigate across the sea of evidence.

**50) Ladies Professional Golf Association having been successful is entitled to a contribution towards its costs. I order The Professional Golfers' Association Limited to pay Ladies Professional Golf Association the sum of £5,500. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.**

**Dated this 31<sup>st</sup> day of July 2006**

**David Landau  
For the Registrar  
the Comptroller-General**