

IN THE MATTER of the Trade Marks
Ordinance, 1954,

and

IN THE MATTER of an Application by
Dormus Watch Company, Inc. to
register the word mark "SOVEREIGN"
in Class 14 in respect of horological
instruments, including watches,
clocks and their parts and accessories.

D E C I S I O N

by

Mr W. Hume, Acting Assistant Registrar General,

after

a Hearing on 05th November 1962

On 18th January 1962, Dormus Watch Company, Inc., a corporation organised under the laws of the State of New York, United States of America, and located at 50 West 44th Street, City of New York, State of New York, United States of America, (hereinafter referred to as "the Applicants") submitted through their agents, Messrs Hastings & Co., an application dated 20th December 1961 for the registration in Part A of the Register of the word "Sovereign" in Class 14 in respect of horological instruments, including watches, clocks and their parts and accessories. The statutory declaration required by Rule 9(2) of the Trade Marks Rules was filed on 7th February 1962, and on 19th April 1962 Messrs Hastings & Co. were

informed that the word "Sovereign" was considered to have a direct reference to the character or quality of the goods and that registration of the mark was therefore not available under paragraph (d) of section 9(1) of the Ordinance. On 18th June 1962, Messrs Hastings & Co. applied for a hearing in accordance with section 74 of the Ordinance, and after postponements requested by the solicitors the hearing ultimately took place on 8th November 1962, when Mr Peter Li of Messrs Hastings & Co. appeared for the Applicants.

2. Mr Li began by quoting from pages 130 and 131 of Kerly on Trade Marks, 7th Edition, as follows:-

"Although clause (c) of the 1888 Act made it a condition of registration that the word should have no reference to the character or quality of the goods, this meant that in the general understanding of ordinary English people it must bear no such reference. The fact that an ingenious mind, knowing the class of goods to which the word is applied, can find some reference through etymology or otherwise to the character or quality of the goods is not fatal to registration."

In support of the first sentence of that quotation, Kerly cites Rigby L.J. in the Solio case - Eastman Photographic Materials Co. Ltd's Application (1897) 14 R.P.C. 487 -, and Kekovich, J. in the Typograph case - The Idiotypic Company's Application (1897) 14 R.P.C. 900 -; and in support of the second sentence, Lord Herschell in the Solio case. It is to be noted that the Solio case involved consideration of an invented word and the observations of Rigby L.J. and Lord Herschell in that case are perhaps therefore less

apposite than those of Kekewich J. in the Typograph case. In the latter case, Kekewich J. based his judgment on the conclusion that would be drawn by any man of ordinary education.

3. Mr Li went on to argue that the same principle as was applied in the cases above referred to was applied also in the Magnolia case - In re Magnolia Hotel Company's Trade Marks (1897) 2 Ch. 371 - in which the court was concerned with a geographical place name. Mr Li quoted from the judgment of Rigby L.J. at page 393 as follows:

"It (Magnolia) must, we think, in the absence of special circumstances, be interpreted so as to be in accordance in some degree with the general and popular meaning of the words".

But here again I observe that earlier in his judgment Kekewich J. said at page 378:

"It seems to me that on these lines I have good ground for consideration whether "Magnolia" here is a geographical name in the sense of its being the meaning which would occur to an Englishman of ordinary education and intelligence. the persons who are to decide, whether it be a judge or a jury, if there is any question for decision at all, must be Englishmen of ordinary education and intelligence. If there is any question at all, then I think it has to be submitted to the Englishman of ordinary education and intelligence."

4. From the remarks of Kekewich J. in the Typograph and Magnolia cases, it is clear that what has to be considered is the effect of the word not on a person unlettered in English, but on an Englishman of ordinary education and

intelligence. Subject to that observation, to which I shall revert later, I accept Mr Li's argument on the principle to be applied when considering whether or not a word has direct reference to the character or quality of the goods.

5. Mr Li's next line of argument was to refer to a practice of the United Kingdom Patent Office, which, Mr Li claimed, is followed in this Colony. The practice is referred to in Kerly, 7th Edition, page 164 as follows:

"where the word propounded is found to occur very rarely as a surname and obviously has an overwhelmingly commoner and better-known meaning otherwise than as a surname (e.g. words such as "Coup" or "Cheer") the Registrar would be prepared to regard the surname signification as a non-ordinary one, to recognize that the word falls within the terms of section 9(1)(d) and to register the mark in Part A without requiring any further evidence of its distinctiveness".

It is convenient to mention here that Mr Li also sought to derive support for his case from the practice of the Registrar of Trade Marks in Canada where, Mr Li claimed, "Sovereign" has been accepted for registration in respect of watches. My comment upon this argument is that the practice of Patent Offices in other places is not necessarily followed in this Colony. The weight given by the Registrar in Hong Kong to the fact that a mark has been registered in another British Commonwealth country or territory was touched upon by the Registrar General in his Decision dated 5th September 1961 on the application by Canadian Park and Tilford Limited to register the trade mark "Royal Command"

in respect of alcoholic beverages. The Registrar General there said:

"It may not be out of place also to add a few words regarding the weight given by the Registrar in Hong Kong to the fact that a mark has been registered in other British Commonwealth countries and territories. Naturally, where the trade mark laws of such a country are similar to those in Hong Kong, the Registrar here will take due note of the registration obtained in that country and accord it the respect due to the considered opinion of an experienced Registrar interpreting similar laws on similar principles. This is so especially where the decision has been taken in the Patent Office, London, on whose practice and procedure the local practice and procedure are modelled. The Registrar here can, however, never accept that he is bound by decisions taken elsewhere, and must always hold himself free to give a decision or exercise a discretion according to his own opinion and judgment and the established practice of the Hong Kong Registry."

6. While, therefore, taking due note of the Canadian registration (although there was no evidence before me to indicate whether or not Canadian trade mark law is similar to that of Hong Kong) and the United Kingdom practice referred to, I do not feel bound to follow either. In any event, as the present case does not involve a surname, the United Kingdom practice referred to seems to me to be of doubtful relevance.

7. It may be noted that when Mr Li quoted from pages 130 and 131 of Kerly on Trade Marks, 7th Edition, he did

not refer to a sentence on the latter page that I consider to be of even greater relevance to the mark with which the hearing was concerned. The sentence in question is:

"Words that would be understood to be commendatory were held not to satisfy the condition imposed by clause (e) of the 1888 Act" (which is for present purposes identical with section 9(1)(d) of the Trade Marks Ordinance, 1954).

In support of that statement, Kerly cites inter alia the case of Harrisons and Crosfield's Application (1901) 18 R.P.C. 34, in which "Hectar" was held to be unregistrable in respect of tea, coffee and cocoa; and the case of Printing Machinery Co. Ltd's Application (1906) 23 R.P.C. 38, in which "Century" in respect of machinery of all kinds and parts of machinery, except agricultural and horticultural machines and their parts, was held to be commendatory and not registrable.

8. To these passages I would add the following from the Orvola case - In re H.H. Brock & Co., Ltd (1910) 1 Ch. 130, in which Cozens-Hardy J. said at page 142:

"But an ordinary laudatory epithet ought to be open to all the world and is not, in my opinion, capable of being registered. It may be that within a particular area the applicant might succeed in a passing-off action against a trader who used the epithet without sufficiently distinguishing his goods from the goods of the applicant. But that would not justify the Court in giving the applicant a monopoly throughout the United Kingdom in the use of a laudatory epithet. Whether in any particular case the word is or is not something more than a laudatory epithet is for the tribunal to decide".

9. Mr Li went on to argue that the proper test to apply is whether the registration of the word would deprive traders of the same goods, contrary to section 34 of the Ordinance, of the free use of the word as they please for the purpose of bona fide describing the character or quality of their goods. Generally speaking, he contended, if the word is not the ordinary or natural word in the trade and its registration would not embarrass the trader who used it legitimately, the word would be qualified for registration. This, he claimed, was the principle on which the Sheen case - J. & P. Coats, Ltd's Application (1936) 2 A.L.J. 975 - was decided. Mr Li's claim is not, in my opinion, well founded. It is true that in the Sheen case Lord Wright H.C. considered whether "sheen" was a word that was likely to harass or embarrass an honest trader in the exercise of his rights to use an ordinary word to describe something in which he was dealing, but he said at page 984:

"..... it is clear beyond any question that the trade mark "sheen" has become distinctive of the applicant's goods of the class to which they are applied",

and a little later:

"The word "sheen" in this connection is clearly not a merely laudatory word like "perfection" or "best" or "classic" or "universal" or "artistic".

In that case, too, Slosser, L.J. said at page 987:

"I think that the learned judge was right in coming to the conclusion that this trade mark should be registered in accordance with the power conferred under the Trade Marks Acts 1905 to 1919, sec. 9(5). In my judgment, he was right in thinking that there

was sufficient evidence of distinctiveness of the mark to justify that opinion"

The decision in the case therefore turned not so much upon whether other traders would be embarrassed by the registration of the mark as upon whether the mark was inherently unregistrable as having direct reference to the character or quality of the goods or had on the contrary become distinctive of the applicants' goods. In the event, the court held that the word had in fact become distinctive and was registrable on that ground.

10. Mr Li contended that "Sovereign" is not laudatory in the same way as "Perfection". The basic meaning of this common word, he claimed, is "ruler", and he argued that to call a timepiece a sovereign or ruler was merely suggestive of praise and not praise itself in the sense that calling a watch "the best" would be. Mr Li referred to the Shorter Oxford Dictionary, from which he quoted "Sovereign" as meaning "recognised supreme ruler of a people or country under monarchical government, therefore a monarch, a king or a queen" or "an English gold coin" or "a person or thing which excels or surpasses others of the kind", although in connection with the last definition Mr Li observed that this meaning is now rare and was commonly used in 1500. Mr Li went on from there to argue that in the present case the ordinary significance of "Sovereign" was no more than a ruler or gold coin and that therefore registration of this word would not interfere with or deprive traders of watches and clocks of the free use of the word for bona fide describing the character or quality of their goods. No one, he said, would describe his watch as "absolutely sovereign", nor had anyone ever seen an

advertisement by a watch manufacturer claiming that his watches were "sovereign in all respects".

11. It was at this point that I felt that Mr Li was getting closer to the crux of the matter, but all of the definitions quoted by him from the Shorter Oxford Dictionary were uses of "Sovereign" as a substantive. Mr Li made no reference to the adjectival uses of the word, which I consider to be of greater relevance, for it is as an adjective that the word is more likely to be applied to the goods, e.g. a sovereign watch. The Shorter Oxford Dictionary gives the meaning of the word as an adjective in relation to persons as "standing out above others or excelling in some respect", and in respect of things, qualities etc. as "supreme, paramount, principal, greatest, or most notable". As the Applicants are an American Company it is perhaps not inappropriate to quote also certain of the meanings of "Sovereign" as an adjective in Webster's Third New International Dictionary. These are: "of the most exalted kind, supreme, superlative in quality, excellent, unsurpassed, having undisputed ascendancy, of, relating to, characteristic of or befitting a sovereign".

12. Mr Li went on to argue that "Sovereign" in its ordinary and natural signification meant no more than king, ruler or monarch, or even master, and that certainly this last-mentioned word would be eligible for registration under section 9(1)(d) of the Ordinance. Mr Li supported this last contention by pointing out that there is already a crop of registrations in Hong Kong for trade marks including "master", and he cited as examples "Seamaster", "Lakemaster", "Airmaster" and "Speccmaster", all of which, I have ascertained, relate to watches and clocks. I profoundly disagree

with Mr Li that "master" alone is registrable in respect of watches and clocks. To my mind, few words could more obviously have direct reference to the character or quality of the goods than that. With regard to the four marks containing "master" referred to by Mr Li, it is pertinent to quote the practice of the Registrar in the United Kingdom when dealing with word marks including "master". The practice was described by the Registrar in International Harvester Company's Application (1953) 70 R.P.C. page 141 as follows:

"Whilst each mark has to be considered as a whole and upon its own merits, it may be said that to a large extent the Registrar has tended to follow the following principles:-

(i) If the word propounded is deemed to have a direct and relatively close reference to the character or quality of the goods concerned, it has been refused registration in either Part A or Part B.

(Examples "Lawnmaster" for lawn-mowers (the function of a lawn-mower being to regulate or master the length of the grass of a lawn); "Coldmaster" for refrigerators; "Pestmaster" for insecticides; "Cyclomaster" for bicycles; "Bagmaster" for haversacks; "Toy-master" for toys.)

(ii) If the word propounded is deemed to have a direct but somewhat less pointed reference to the character or quality of the goods concerned, it has been refused registration in Part A (mandatorily), but accepted for registration in Part B.

(Examples "Cookmaster" for kettles; "Leadmaster" for tyres; "Sleepmaster" for mattresses; "Springmaster" for golf clubs.)

(11) If the word propounded is deemed to have no direct reference (which would include a covert and skilful allusion) to the character or quality of the goods concerned, it has been accepted in Part A.

(Examples "Housemaster" for lighting, heating and cooking utensils; "Quizmaster" for Christmas crackers; "Globe-master" for cycles; "Signmaster" for pigeon timing clocks.)"

As I have already indicated, while the Registrar in Hong Kong is not bound by decisions of the Registrar in the United Kingdom, the practice of the Hong Kong Registry is modelled on that of the United Kingdom. Registration of the four trade marks quoted in the preceding paragraph does not appear to me to be inconsistent with the United Kingdom practice, since all of the marks in my opinion have local reference to the character or quality of the goods than "signmaster" has, for example, to pigeon timing clocks. It is to be noted, too, that two of the marks referred to by Mr Li, "Cookmaster" and "Airmaster", are in fact registered in the United Kingdom in respect of watches and clocks.

15. Mr Li went on to submit that if the mark "Sovereign" were accepted, traders of watches and clocks would in any case be protected by section 34 of the Ordinance and by other provisions in the Ordinance enabling them to oppose the application while it is pending and also, after registration, to apply for rectification of the Register within a period of 7 years. This is of course true, but it entirely

misses the point, which is that if the mark is not registrable the application should not be allowed to proceed and the question of reliance on those other provisions of the Ordinance should not arise.

14. In conclusion, Mr Li claimed that in exercising his discretion the Registrar should note that the mark is at present being used in many places throughout the world, and that because of Hong Kong's position as "a trans-shipper" registration of the mark in Hong Kong was highly desirable. He went on to say that this was particularly true at the present time because through its manufacturing subsidiary in Switzerland the Applicants are undertaking a very substantial training programme which would extend throughout many parts of the world, and protection in such a market as Hong Kong was important to the Applicants in those circumstances. This contention is one that I think it would be difficult to support, and Mr Li quoted no authority for it. No matter how desirable registration of the mark may be to the Applicants, I do not see how I can regard as a criterion the degree of that desirability or the expense to which the Applicants have put themselves in promoting sales of their goods, particularly where use of the mark or evidence of sales of the goods is not in issue. I have accordingly attached no weight to Mr Li's contention.

15. It now remains to draw a conclusion from the various arguments presented by Mr Li. In essence, the question in issue is, in my opinion, a simple one: is the word "sovereign", when applied to watches and clocks, a word having direct reference to the character or quality of the goods?

16. I have indicated that I agree with Mr Li that in considering whether or not the word has direct reference to the character or quality of the goods I should consider the meaning of the word as generally understood by ordinary Englishmen, subject to the qualification I have previously made that they must be ordinary persons of ordinary intelligence and ordinary education. Having regard to the meanings, and particularly the adjectival meanings, attributed to "Sovereign" by the Shorter Oxford Dictionary and Webster's Third New International Dictionary, I am forced to the conclusion that such persons could not fail to recognise the word as being a laudatory epithet when applied to watches and clocks. That being so, it is my opinion that the word is not a word not having direct reference to the character or quality of the goods, and is therefore not registrable under section 9(1)(d) of the Ordinance.

17. I accordingly refuse the application.

(V. Hume)
Acting Assistant Registrar General
26th November 1962.

WHL:luf

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TRADE MARKS REGISTRY

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