

Application No. 570 of 1974

IN THE MATTER of the Trade Marks
Ordinance (Cap. 43)

AND

IN THE MATTER of an application by DC
Comics for the rectification of the Register by
removal of Trade Mark No. 570 of 1974



in Class 25 in Part A in the name of Superman
Limited

**DECISION
OF**

Ms. Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after a hearing on 7 October 2005.

Appearing : Mr. Ling Chun Wai instructed by Messrs. Baker & McKenzine for the applicant for removal.

Mr. Philips B F Wong instructed by Messrs. Tsang, Chan & Woo for the registered proprietor.

Registration of the Trade Mark No. 570 of 1974

1. On 5 June 1971 Superman Limited a limited liability company incorporated under the laws of Hong Kong, became registered under the Trade Marks Ordinance Cap. 43 (“the Ordinance”) as proprietor, under trade mark No. 570 of 1974, of a trade mark in Class 25 for ready made garments, shirts, T-shirts, pyjamas, sport shirts, swimming costumes, underwear, neckties, being articles of clothing; boots, shoes, slippers, hosiery; for gentlemen, ladies and children (“the specified goods”). A representation of the registered trade mark appears below :



(“the suit mark”).

2. Registration of the suit mark was renewed by Superman Limited for 14 years from 5 June 1992.

Application for Removal of the Suit Mark from the Register

3. On 10 January 2002 DC Comics (“the applicant for removal”) applied to rectify the register by removal of the suit mark. In the grounds of removal, the applicant for removal states, inter alia, that it is a partnership incorporated pursuant to the laws of the United States of America. It is an aggrieved person pursuant to the meaning of that term within section 37 of the Ordinance. It is pleaded in the grounds of removal that Superman Limited (“the registered proprietor”) who has registered the suit mark is a company organised and existing under the laws of Hong Kong Special Administrative Region. It is the applicant for removal’s case that the registered proprietor has registered the suit mark without any bona fide intention that it should be used in relation to the goods within the specification and has not made bona fide use of the suit mark in relation to those goods up to the date one month before the date of this application for removal. Further, it is alleged that the suit mark should not have been registered by reason of the fact that it is identical with or nearly resembling the applicant for removal’s trade marks contrary to section 20 of the Ordinance. The applicant for removal requests the Registrar to remove the suit mark from the register either as a whole or in part or impose limitations upon the registered proprietor’s use of the suit mark on such terms as the Registrar may think fit with costs awarded to the applicant for removal.

Counter-statement

4. On 27 March 2002, the registered proprietor filed its counter-statement. It is admitted that the registered proprietor who has registered the suit mark is a company organised and existing under the laws of Hong Kong Special Administrative Region. It is further admitted that by letter dated 5 December 2001, the applicant for removal requested the registered proprietor to voluntarily withdraw the suit mark. Save as aforesaid, each and every other allegation in the grounds of removal is denied by the registered proprietor.

Evidence

5. The evidence filed by the applicant for removal under Trade Marks Rule/s, Cap. 43, Sub. Leg. ("Rule/s") 64 and 25 consists of a statutory declaration declared on 7 July 2003 by Nils Victor Montan, the assistant secretary of the applicant for removal, together with exhibits ("Montan's statutory declaration") and a statutory declaration declared on 14 July 2003 by Amy Shao Yang, an investigator employed by Kennoway Investigations Limited, together with exhibits ("Yang's statutory declaration").

6. Under Trade Marks Rules 64 and 26, the registered proprietor filed a statutory declaration declared on 14 April 2004 by Koo Kwok Wah, Peter, the director of the registered proprietor, together with exhibits ("Koo's statutory declaration"), a statutory declaration declared on 14 April 2004 by Ng Tsui Ling, the accountant of Comemore Enterprise Limited, together with exhibits ("Ng's statutory declaraton") and a statutory declaration declared on 13 July 2004 by Tang Chi Hung, the manager of the registered proprietor ("Tang's statutory declaration").

Decision

7. Though, by 7 October 2005, the date the matter was heard, the Trade Marks Ordinance Cap. 559, had come into operation, by virtue of section 16(1) of Schedule 5, an application made under section 37 of the repealed ordinance, Cap. 43 still pending as of 4 April 2003 is to be determined under the provisions of the repealed ordinance, Cap. 43.

8. Mr. Ling, counsel for the applicant for removal, indicated at the outset of the hearing that the applicant for removal would not rely on the ground based on section 20 of the Ordinance as referred to in paragraph 6 of the grounds of removal. The only ground relied on by the applicant for removal is section 37(1)(b) of the Ordinance. As pointed out by Mr. Wong, counsel for the registered proprietor, paragraph 5 of the grounds of removal states that the applicant is relying on section 37(1)(a) of the Ordinance but the evidence adduced seems to indicate that it is in fact relying on section 37(1)(b) of the Ordinance. Mr. Wong did not take issue on this point and was content to make submissions at the hearing on the basis that the ground for removal relied on by the applicant for removal is section 37(1)(b) of the Ordinance. Mr. Ling further confirmed that the applicant for removal applies for a partial removal of the

registration of the suit mark in that the scope of the registration should be cut down to “underwear” only.

Under section 37

9. Section 37 of the Ordinance, insofar as it is relevant to the facts of this case, provides :

37. Removal from register and imposition of limitations on ground of non-use

(1) Subject to the provisions of sections 55(1), 55A(1) and 57(1), a registered trade mark may be taken off the register in respect of any of the goods or services in respect of which it is registered on application by any person aggrieved to the Court, or, at the option of the applicant and subject to the provisions of section 80, to the Registrar, on the ground either –

(a)

(b) that up to the date one month before the date of the application a continuous period of 5 years or longer elapsed during which the trade mark was a registered trade mark and during which there was no bona fide use thereof in relation to those goods or services by any proprietor thereof for the time being.

Person aggrieved

10. The provisions of section 37(1) of the Ordinance requires that the application for removal must be made by a “person aggrieved”.

11. Mr. Ling submitted that the applicant for removal is a United States corporation which is the owner of the character “SUPERMAN” and all intellectual property rights in relation thereto. It carries on business in the manufacturing, marketing and distribution of a wide range of merchandise including clothing, footwear and so on (paragraph 4 of Montan’s statutory declaration) which substantially overlap with the specified goods. This is an indication of the applicant for removal’s business or scope of activities which overlap with that of the registered proprietor. Specifically in Hong Kong, the applicant for removal’s goods bearing various “Superman” marks are sold through the internet (exhibit “E” to Montan’s statutory declaration). Mr. Ling pointed out that exhibit “E” is an extract from the website amazon.com which offers books and toys for sale. There is a reference to apparel on the website (p.146 of Bundle B). This website is accessible from Hong Kong and consumers in Hong Kong can go to this website to buy these items online. In addition, the applicant for removal’s trade mark “SUPERMAN” and the character of “SUPERMAN” are applied to the goods including clothing by way of labels. They also appear on packaging in which the goods are wrapped for sale (paragraph 12 of and exhibit “F” to Montan’s statutory declaration). The

applicant for removal's goods are sold in Hong Kong through the applicant for removal's distributors and retail shops (paragraph 13 of Montan's statutory declaration). According to paragraph 14 of his statutory declaration, Mr. Montan says that the applicant for removal also operated retail shops under the name of "Warner Bros. Studio Store" in Hong Kong between 1995 to 2001. The flagship shop was opened on Nathan Road in Tsimshatsui in November 1995.

12. Further, Mr. Ling contended that on 9 February 2000, the applicant for removal applied for registration of a "SUPERMAN" device in respect of "clothing; footwear; headgear; hats and caps; shorts; jackets; shirts; sweatshirts; t-shirts; sweaters; tank tops; robes and kimonos; gloves and mittens; jogging outfits; trousers; jeans; rainwear; swimwear; underwear; pyjamas; costumes; suspenders; slippers; slipper socks; hosiery; sneakers; thongs; sandals; shoes and boots; fabric belts; coats; bibs; skirts; blouses; dresses; snow suits; ties; sunvisors; scarves; sleepwear; lingerie; all included in Class 25". In the course of examination, the suit mark was cited against the applicant for removal's application which is now pending the decision of the present proceedings. Simply put, the applicant for removal's own application for registration has been blocked by the suit mark.

13. By reason of the above, Mr. Ling submitted that the applicant for removal is plainly a person aggrieved.

14. Mr. Wong contended that in the present case, the applicant for removal has simply adduced no evidence to show that it is a "person aggrieved". The evidence adduced does not demonstrate that the applicant for removal was precluded from doing something which it could lawfully do but for the registration. In fact, it is clear from Montan's statutory declaration filed on behalf of the applicant for removal that the applicant has all along been free to use its alleged mark "SUPERMAN" or the superman device in relation to its goods.

15. Mr. Wong further submitted that the suit mark is a composite mark consisting of a warrior-like device, an English word "Superman" and two Chinese characters "金威" which are all essential and distinguishing features in the suit mark. The suit mark is entirely different from the word mark "SUPERMAN" the applicant has allegedly been using (see paragraphs 6 and 8 of Montan's statutory declaration). As such, registration of the suit mark cannot possibly aggrieve the applicant for removal to any extent.

16. As to the applicant for removal's own application for registration which has been blocked by the suit mark, Mr. Wong objected to the applicant for removal's reliance of the same in the present proceedings. Mr. Wong submitted that the aforesaid trade mark application made by the applicant for removal and the related documents which are included in pages 32 to 42 of Bundle A have never been mentioned in pleadings or evidence. Those documents were introduced two days before the hearing when the applicant for removal's counsel filed his skeleton submissions. There are rules to be applied. The applicant for removal should make a proper application for filing those documents. The registered proprietor was not aware of such application and citation until two days before the hearing. Although the documents are public records, no duty should be imposed on the registered proprietor to conduct a search of the

register to find out the applicant for removal's application. The registered proprietor was taken by surprise by the production of the documents which are always available to the applicant for removal. The registered proprietor is also prejudiced by having been deprived of a chance to file evidence in reply. The registered proprietor might file further evidence in other areas, for example, user evidence.

17. In reply, Mr. Ling submitted that the raising of the issue of the applicant for removal's own trade mark registration which has been blocked by the suit mark together with the production of the relevant documents two days before the hearing would not cause any prejudice to the registered proprietor. Realistically, what could they have said in reply to this point even if the issue were mentioned and the relevant documents were produced in pleadings or evidence in advance? The applicant for removal's subsequent application is after all a matter of public records within the knowledge of the registered proprietor. The records are accessible to anyone who conducts a search on the register. While Mr. Ling accepts that the mere fact that there is a pending application which has been blocked by the suit mark may not be sufficient to give the applicant for removal the necessary *locus standi*, it does serve to give some support that the applicant for removal is a person aggrieved. It also shows that the applicant has an interest in the trade.

18. As to whether the applicant for removal was precluded from doing something which it could lawfully do but for the registration, Mr. Ling argued that the fact that the applicant for removal in using the "Superman" mark has so far not been sued by the registered proprietor for infringement does not disqualify it from bringing this application. There is always the possibility of hypothetical infringement which is sufficient to make the applicant for removal a person aggrieved.

19. In the leading case *Re Powell's Trade Mark* (1894) 11 RPC 4, Lord Herschell L.C. said (at page 7) in relation to the question whether the respondents were "persons aggrieved" within the meaning of section 90 of the 1883 Act :

"I should be very unwilling unduly to limit the construction to be placed upon these words; because, although they were no doubt inserted to prevent officious interference by those who had no interest at all in the register being correct, and to exclude a mere common informer, it is undoubtedly of public interest that they should not be unduly limited, inasmuch as it is a public mischief that there should remain upon the register a mark which ought not to be there, and by which many persons may be affected who, nevertheless, would not be willing to enter upon the risk and expense of litigation.

Whenever it can be shewn, as here, that the applicant is in the same trade as the person who registered the trade mark, and wherever the trade mark, if remaining on the register, would, or might, limit the legal rights of the applicant, so that by reason of the existence of the entry on the register he could not lawfully do that which, but for the existence of the mark upon the register, he could lawfully do, it appears to me he has a *locus standi* to be heard as a person aggrieved."

In my view, it is therefore well established that where the applicant for removal and the registered proprietor are engaged in the same trade, and the presence on the register of the

registered trade mark would or might limit the legal rights of the applicant for removal that precludes the applicant for removal from doing what he could lawfully do, but for the registration, he is an aggrieved person.

20. The legal principle outlined above is not in dispute by both Mr. Ling and Mr. Wong. The question is when the principle is applied to the facts of the present case, can the applicant for removal be said to be a person aggrieved?

21. Lord Watson said in *Re Powell*, supra, at 8 (H.L.) that the fact that the parties deal in the same class of goods is prima facie sufficient evidence of aggrievement, only to be displaced by showing that there is no reasonable probability that the objector would have used the mark. In determining whether the applicant for removal and the registered proprietor are in the same trade dealing in the same class of goods, the registrar will require evidence of trade, or a fixed intention to trade in the territory either in the goods concerned or in goods of the same description (*Kerly's Law of Trade Marks and Trade Names*, 12th edition, paragraph 11-08). It is necessary to look into the relevant business activities of the applicant for removal and its intention (*Consort Trade Mark* [1980] RPC at 166).

22. The applicant for removal has filed some evidence of trade or at least, in my view, a fixed intention to trade in Hong Kong in relation to clothing and footwear which are the same as the specified goods or are goods of the same description. This point has not been challenged by the registered proprietor. The bone of contention of the registered proprietor is that as the evidence adduced shows that the applicant for removal has all along been free to use its alleged mark "Superman" or "Superman device" in relation to its goods, it cannot be said that the applicant for removal was precluded from doing something which it could lawfully do but for the registration. Nevertheless, as per the observation of Watson L. J. in *Powell*, I consider that this is already prima facie sufficient evidence of the applicant for removal being aggrieved in the present case. The registered proprietor has not discharged its onus to show that there is no reasonable probability that the applicant for removal would have used the mark. It is apparent that the existence of the suit mark on the register would or might limit the legal rights of the applicant for removal who has shown that it has used or has a fixed intention to use its superman marks for the same type of goods or for goods of the same description. In the circumstances, I am satisfied that the applicant for removal has demonstrated by evidence that it is an "aggrieved person". There is no need for the applicant for removal to rely on its own application for registration which has been blocked by the suit mark. Hence, I am not going to rule whether the applicant for removal is entitled to rely on its own application and the relevant documents lodged with the registry just two days before the hearing.

Prima Facie Case of Non-Use

23. I move on to consider whether the applicant for removal has made out its case that the suit mark should be removed from the register through non-use during the relevant period. The initial onus of proof to establish a prima facie case under section 37(1)(b) of the Ordinance lies with the applicant for removal – see *REVUE Trade Mark* [1979] RPC 27 at 28. If this is established, the onus of proof of showing bona fide actual user shifts to the registered

proprietor – see *NODOZ Trade Mark* [1962] RPC 1 at 5-6. When all of the evidence is complete, the question is still, has the applicant for removal proved his case? – See *Estex Clothing Manufacturers Pty. Limited v Ellis and Goldstein Ltd.* (1966) 116 CLR 254 at 258-9.

24. The applicant for removal must prove, under section 37(1)(b) of the Ordinance, that there has in fact been no bona fide use of the trade mark in relation to those goods by any proprietor thereof for the time being for a minimum continuous period of five years, ending one month before the filing of the application to remove the mark. Coming to the instant case, the application for removal was filed on 10 January 2002. The minimum relevant period of non-use to be proved under section 37(1)(b) is therefore from 10 December 1996 to 10 December 2001 (“the relevant period”).

25. The applicant for removal, on whom the onus lies to establish at least a prima facie case of non-use, has filed a statutory declaration by Amy Shao Yang, an investigator employed by Kennoway Investigations Limited, declared on 14 July 2003. In her statutory declaration, Ms. Yang states that on 16 June 2003, Kennoway Investigations Limited received instructions from Messrs. Deacons, the previous agent of the applicant for removal, to commence a market survey to determine if the suit mark has been used in Hong Kong within the past five years in relation to the specified goods. Ms. Yang then gives details of the investigation conducted in paragraphs 4 and 5 of her statutory declaration. Ms. Yang made a personal visit to 14 department stores and retail outlets in Hong Kong Island, Kowloon and the New Territories on 26 and 27 June 2003. Her brief as set out in paragraph 4 of her statutory declaration was as follows : -

“Visit department stores in Hong Kong, Kowloon and New Territories and speak to a senior person with a minimum of 5 years experience in the Trade, obtain their name and position. Show them a copy of the trade mark consisting of the “Superman”, “金威” and the device mark. Ask each person whether they have seen such being sold in Hong Kong during last 5 years and record their answer.

The survey should cover department stores such as Wing On, Sincere, Sogo, Da Da and it also includes other department stores visited at random.”

26. According to paragraph 5 of Yang’s statutory declaration, the person interviewed was asked the question : - “Have you seen any clothing, footwear, headgear or men’s underwear being sold in Hong Kong bearing ‘Superman’, ‘金威’ and device mark (shown to interviewee)?”. In paragraph 6 of her statutory declaration, Ms. Yang describes the result of her investigation that “the survey disclosed that one interviewee in Sincere Department Store was aware of the Subject Mark (the suit mark) because this store has commenced selling underwear bearing the suit mark nearly half a year ago. However, I understand that such a date of use is subsequent to the commencement date of these removal proceedings of 9 January 2002. Of the remaining results, 13 out of the 14 stores visited had either not heard of the Subject Mark (the suit mark) or they confirmed that products bearing the suit mark had not been sold within at least the past 3 years or 5 years or longer.” All the information sheets showing the results of the survey are attached as exhibit “A” to Yang’s statutory declaration.

27. Mr. Wong submitted that the survey was defective and/or unreliable to establish a prima facie case of non-use for a number of reasons. First, the market survey was done only in late June 2003, more than one and a half years after the expiry of the relevant period. It is obviously desirable that the inquiry should be made as soon as possible after the expiry of the period (*Estex Clothing Manufacturing Pty v Ellis & Goldstein Ltd* (1967) 116 CLR 254 at 257 which was referred to in one of the previous registry's unreported decisions in *Re "ITT" Trade Mark* dated 22 December 2004 at paragraph 38).

28. Turning to the question posed to the interviewees – “Have you seen any clothing, footwear, headgear or mens' underwear being sold in Hong Kong bearing “Superman”, “金威” and device mark (show to person being interviewed copy of trademark)?”, Mr. Wong contended that it was defective in that there was no time frame stated in the question. As such, unless the answer given expressly provided a time frame, it is not clear whether the interviewees were addressing their minds over the relevant period when answering such questions (see paragraph 5 of Yang's statutory declaration). Mr. Wong pointed out that even assuming that Ms. Yang did ask the interviewees whether they had seen the suit mark for the past five years (which is denied), there is still a substantial “vacuum” period which has not been “covered” – 10 December 1996 to 26 June 1998, because the survey was only conducted on 26 and 27 June 2003, more than one and a half years after the expiry of the relevant period. In fact, 12 out of the 14 interviews conducted (including those conducted in Sincere, Jusco, Metropole, Wing On, China Products Department Store, Wing On Mainstore, UNY Department Store, New World Store, Wing On Plus, Yue Hwa, Citistore and Seiyu) cannot demonstrate non-use of the suit mark over the entire relevant period, by reason of the fact that the interviewees do not have the adequate experience in the trade to speak for the whole of the relevant period or the answers given do not cover the entire relevant period. There are vacuum periods ranging from around six and a half months to three and a half years, mostly for one and a half years.

29. The remaining two interviews were conducted in CRC Department Store and SOGO. So far as the interview in CRC Department Store is concerned, Mr. Wong contended that it is not clear whether the interviewee meant that she had never seen the suit mark on sale at the CRC shop for the past five years, or in her whole working experience (the answer given by her as recorded on the information sheet is : - “Never saw this brand on sale at the CRC shop”). In the former case, there would be a substantial “vacuum” period between 10 December 1996 and 26 June 1998. It follows from the submissions of Mr. Wong that the interview in SOGO is the only survey that covers the whole of the relevant period.

30. Mr. Wong criticised that it is not clear that the working experience stated is the experience with the same particular store in which the employee was interviewed. The working experience of the salesmen or salesladies could as easily have come from employment with other employers dealing with some other types of products or “own brand products” (*Re "ITT" Trade Mark*, supra, paragraph 40).

31. Out of the 14 interviews, Mr. Wong argued that four of them do not state the department in which the interviewees had been working. The remaining 10 interviews were conducted in the menswear department. The applicant for removal has not adduced any

evidence in respect of non-use of the suit mark regarding ready made garments, shirts, T-shirts, pyjamas, sport shirts, swimming costumes, underwear, neckties, being articles of clothing; boots, shoes, slippers, hosiery; for ladies and children which are also covered by the specification of the registration of the suit mark.

32. Apart from the above criticisms, Mr. Wong also launched a number of attacks on the inherent reliability of the survey evidence. One of the interviews was conducted with a sales assistant Ms. Wong at the menswear department of Sincere Department Store. Ms. Wong said that Sincere started to sell Superman brand underpants nearly half a year ago, i.e. about December 2002. Mr. Wong said this cannot be correct as the unchallenged evidence filed on behalf of the registered proprietor clearly shows that Sincere had been selling items bearing the suit mark since early February 2002 at the latest (see paragraph 15 of Koo's statutory declaration, paragraphs 2 and 3 of Ng's statutory declaration and paragraph 2(iii) of Tang's statutory declaration).

33. Mr. Wong further pointed out that in the interview that was conducted with a cashier Ms. Choi at the menswear department of SOGO Department Store, Ms Choi said that she had never seen or heard of the brand during the last eight years in SOGO prior to the date of interview, that is, 26 June 2003. Let alone the fact that a cashier may not be "qualified" as a person in the relevant trade, her statement was clearly contradictory to the unchallenged evidence filed on behalf of the registered proprietor which shows that SOGO should have been selling items bearing the suit mark since January 2002 at the latest (see paragraph 15 of Koo's statutory declaration, paragraphs 2 and 4 of Ng's statutory declaration and paragraph 2(ii) of Tang's statutory declaration).

34. Turning to the interview which was conducted with a sales supervisor Ms. Yeung at the menswear department of Yue Hwa, Ms. Yeung said that no such brand name items were sold in the past three years and that she had not heard of the brand before. Mr. Wong submitted that this was clearly contradictory to the unchallenged evidence filed on behalf of the registered proprietor which indicates that items bearing the suit mark were first delivered to Yue Hwa on 7 March 2003 (see paragraph 5 of Ng's statutory declaration and paragraph 2(i) of Tang's statutory declaration). There was no reason why Ms. Yeung, being a sales supervisor, was not aware of that. Further, subsequent follow-up investigation conducted by the registered proprietor shows that there was no supervisor called Ms. Yeung in the menswear department over the past few years at the said Yue Hwa (see paragraph 2(i) of Tang's statutory declaration).

35. Mr. Wong pointed out that of the 14 interviewees, two of them confirmed that they had seen the suit mark before, although it is not clear whether the suit mark was seen within or outside the relevant period.

36. Mr. Wong's final attack is on the coverage of the survey. He said that the survey was done only in respect of some department stores in Hong Kong. Moreover, the applicant has failed to conduct enquiry at the registered proprietor's showroom at 3rd Floor,

Wah Kit Commercial Centre, when it ought to know that the registered proprietor has its garments items displayed at such premises.

37. To conclude, Mr. Wong submitted that the evidence related to “non-use” filed on behalf of the applicant for removal is highly unsatisfactory and the applicant for removal has failed to show a prima facie case of “non-use”.

38. Mr. Ling accepts that the initial onus lies on the applicant for removal to establish a prima facie case that no bona fide use of the suit mark was made in relation to some or all of the specified goods during the relevant period. In this regard, the applicant for removal relies on the evidence of Amy Shao Yang, the investigator who made a personal visit to 14 department stores and retail outlets and conducted detailed inquiries with senior salespersons in the relevant department on 26 and 27 June 2003. Both the questions and answers were recorded in separate questionnaires. Mr. Ling emphasized that the burden on the applicant for removal is to show a prima facie case only, not a conclusive case that is not answerable.

39. Turning to the question as to whether the survey evidence covers the relevant five-year period, Mr. Ling accepts the submissions of Mr. Wong that the evidence given in 12 out of the 14 interviews conducted does not cover the entire relevant period leaving different vacuum periods. For the evidence collected in the remaining two interviews conducted in CRC and SOGO department stores, Mr. Ling submitted that both of them cover the entire relevant period which should be taken into account. He further pointed out that CRC department store is a large chain store in Hong Kong whereas SOGO is one of the biggest department stores. They are fairly representative samples of trade evidence to which great weight should be attached. As to the evidence given in the other 12 interviews, Mr. Ling argued that they are good for the periods they speak although not for the whole five-year period.

40. In reply to Mr. Wong’s attack that most of the interviews were conducted in the menswear department of the stores not covering all the specified goods, Mr. Ling explained that as no suggestion has been made anywhere in the registered proprietor’s evidence that the suit mark has ever been used for any goods other than male underwear and it is in respect of the use of the suit mark on these goods that the registered proprietor is replying to the charge, the investigation conducted by the applicant for removal is thus confined to menswear departments of the various department stores (*Trina Trade Mark* [1977] RPC 131 at 133). Mr. Ling submitted that one has to look at the matter realistically. There is no evidence that the registered proprietor has gone to ladies and children’s clothing. The scope of investigation done by the applicant for removal is proper in the light of the circumstances of the present case. In addition, there is no requirement that the applicant for removal should make enquiry with the registered proprietor. It is not an abuse of process to allege non-use without inquiry of the plaintiff (*Gala of London v. Chandler* [1991] FSR 264). The applicant for removal is only required to make enquiries in the trade which it has done. The fact that no enquiry had been conducted at the registered proprietor’s showroom should not be a matter for criticism.

41. Mr. Ling also denies that the question posed in the questionnaire is defective although no time frame was specified therein. He submitted that since there is no time frame

specified in the question, the question can cover all periods that the interviewees can remember and honestly recollect. This in fact covers more and again should not be a matter for criticism.

42. With reference to the criticism that it is not clear that the working experience stated is the experience with the same particular store in which the employee was interviewed, Mr. Ling submitted that this point only goes to the weight of the evidence to be attached. It is only ideal to get someone who knows everything.

43. In reply to the various attacks on the inherent reliability of the answers given by Ms. Wong of Sincere department store, Ms. Choi of SOGO department store and Ms. Yeung of Yue Hwa, Mr. Ling contended that the applicant for removal only needs to set up a prima facie case. The answers need not be fully correct. There is no intention to lie on the part of the interviewees. While there may be inaccuracies in the answers given due to imperfect recollection or mishearing, there is no question of dishonesty. Regarding the status of Ms. Choi of SOGO department store as a cashier, Mr. Ling pointed out that she being a cashier is in as good as a position as those salespersons on the same floor within the same department.

44. Both Mr. Wong and Mr. Ling accept that the initial onus is on the applicant for removal to prove a prima facie case of non-use. What is meant by a prima facie case? In *Estex Clothing Manufacturers Pty. Limited v Ellis and Goldstein Limited*, supra, Windeyer J. observed at 258-9 as follows : -

“It is for an applicant who seeks to have a mark removed to prove his case. The onus is on him to show an absence of use in good faith during the period ... If persons who, by reason of their connection with the relevant trade, might be expected to have seen or heard of the trade mark if it were used as a trade mark upon goods for which it is registered, swear that they had not seen or heard of it in use as a trade mark at any time during the relevant period, that is prima facie evidence of the fact which the applicant must prove. Slight evidence may suffice at this stage, for the applicant has the task of proving a negative and the registered proprietor is probably in a better position to prove user than is the applicant to prove non-user ... but ... when all the evidence is complete, the question is still, has the applicant proved his case?”

45. It is apparent from the above quoted passage that the persons in the relevant trade are expected to swear that they had not seen or heard of the mark in use as a trade mark at any time during the relevant period. It is important to bear in mind that the evidence must cover the whole relevant period as a minimum continuous period of five years of non use is required to be proved under section 37(1)(b) of the Ordinance. Going back to the present case, it is beyond argument that the evidence given in 12 out of the 14 interviews conducted does not cover the entire relevant period, leaving a number of vacuum periods ranging from about six and a half months to three and a half years, mostly for one and a half years. Although they may be good for the periods they speak, they are by no means sufficient to prove a prima facie case for the whole of the relevant period. As to the evidence gathered from the interview in SOGO, it is the consensus of Mr. Wong and Mr. Ling that it covers the whole relevant period. Regarding the evidence given in the interview conducted in CRC department store, Mr. Wong took issue that it is not clear whether it speaks for the whole relevant period for the reasons given in paragraph 29 above. Mr. Ling did not agree with Mr. Wong's analysis. He argued

that so far as this piece of evidence is concerned, there is no problem either in terms of experience of the interviewee in the trade or the answer given by her. The interviewee Ms. Wan said that she had nearly ten years experience. The answer given by her on the information sheet was : - “Never saw this brand on sale at the CRC shop”. Mr. Ling submitted that this answer cannot be ignored even if it is confined to CRC shop.

46. In my opinion, the fact that Ms. Wan of CRC department store had nearly ten years experience in the trade means that she has the adequate experience to speak for the relevant five year period. The remaining question is whether the answer given by Ms. Wan covers the whole of the relevant period. On this point, I see the force in Mr. Wong’s contention. Therefore, I agree with him it is unclear that whether this piece of evidence speaks for the whole five year period. Hence, it should not be taken into account.

47. Now the matter rests on a single piece of evidence given by Ms. Choi being a cashier in the menswear department of SOGO. She said that she had eight years experience in the trade. The answer given by her on the questionnaire is : - “Has never seen or heard of the brand during the last 8 years in SOGO”.

48. The applicant for removal may make out a prima facie case by inquiries in the trade failing to show any knowledge of use of the mark; it is then for the proprietor to provide evidence of use. But the prima facie case calls for more than just the evidence of one man, unless apparently particularly knowledgeable such as an official of a trade association (*Kerly’s*, supra, paragraph 11-41). In *Revue* [1979] RPC 27, Mr. Myall said at 29 : -

“If a registered proprietor is to be made to assume the burden of showing the extent to which he has used his mark over a 5-year period and of showing, in appropriate cases, that other goods within his registration are of the same description as those in relation to which he is able to show use, it should, in my opinion, rest on more than the testimony of one individual, unless he were a person particularly well-placed and knowledgeable in the trade, such as, for example, an official of the relevant trade association might be, especially if the industry concerned were one which kept a record of marks in use such as is referred to in paragraph 130 of the Mathys Report, Cmmd. 5601. In my opinion the applicants’ case fails at the threshold.”

49. The reasoning in *Revue* was applied in *Flashpoint* [1988] RPC 561. Mr. R. Egan observed at 564 : -

“I presume the requirement, that applicants asserting non use of the part of registered proprietors, must first make out a prima facie case, is to guard registered proprietors against vexatious or speculative attacks. Each case will be decided on its own facts but in general I see no reason why a prima facie case could not be made out by a single person provided he satisfied the tribunal as to the nature and extent of his enquiries. I do not think a registered proprietor should be made to defend his registration on a bald assertion that enquiries have been made and no evidence of use has been found. In this case I find the evidence of Mr. Guy of no value. He can speak for only the minor part of the relevant five year period and I do not know how his questionnaire evidence was obtained; nor whether other questionnaires were issued and with what result.”

50. I move on to consider the weight that I should attach to the single piece of evidence given by Ms. Choi of SOGO. Was she a person particularly well-placed and knowledgeable in the trade? Am I satisfied with the nature and extent of the enquiries? I think that my answers to both questions must be negative. I consider there are merits in Mr. Wong's submissions as set out in paragraph 33 above. Ms. Choi being a cashier in the menswear department of SOGO is far from being a person particularly well-placed and knowledgeable in the trade. Furthermore, in view of the unchallenged evidence filed on behalf of the registered proprietor that four consignments of men's briefs bearing the suit mark supplied by the registered proprietor to Comemore Enterprise Limited being its distributor were sold to SOGO between 14 December 2001 and February 2002, the answer given by Ms. Choi that she has never seen or heard of the suit mark during the last eight years prior to the date of interview on 26 June 2003 in SOGO is thus contradicted. Even if I accept Ms. Choi's answer in total without query, the extent of the enquiry of a single person in a single department store in Hong Kong is too insignificant to establish a prima facie case. In the circumstances, I do not consider Ms. Choi's evidence sufficient to make out a prima facie case of non-use so that the onus moves to the registered proprietor.

Costs

51. The registered proprietor has sought costs and there is nothing in the circumstances or conduct of this case which would warrant a departure from the general rule that the successful party is entitled to his costs. I accordingly order that the applicant for removal pays the costs of and occasioned by these proceedings.

52. Subject to any representations as to the amount of costs or calling for special treatment, which either party makes within one month from the date of this decision, costs will be calculated with reference to the usual scale in Part 1 of the First Schedule to Order 62 of the Rules of High Court (Cap. 4) as applied to trade mark matters, with one counsel certified unless otherwise agreed between the parties.

(original signed)
(Ms Fanny S. F. Pang)
p. Registrar of Trade Marks
1 November 2005