

IN THE MATTER of the

Trade Marks Ordinance, Cap. 43,

and

IN THE MATTER of an Application

(No. 1770 of 1976) by Imperial Group Limited

for the registration of the Trade Mark

"IMPERIAL International Label" in Class 34.

STATEMENT OF GROUNDS OF DECISION

On 7th December 1976, Imperial Group Limited, a British company, of East Street, Bedminster, Bristol, England (hereinafter referred to as "the Applicant") submitted through its agents, Messrs. Johnson, Stokes & Master (hereinafter referred to as "the Solicitors"), an application dated 20th October 1976 for the registration, in Part A of the Register, of the trade mark "IMPERIAL International Label" in Class 34 in respect of tobacco, whether manufactured or unmanufactured; substances for smoking, sold separately, or blended with tobacco, none being for medicinal or curative purposes; smokers' articles included in Class 34 and matches.

The supporting Statutory Declaration, made by Mr. Herbert Ripley Bentley, a director of the Applicant, and dated 20th October 1976, stated that the trade mark had not thitherto been used by the Applicant in any country or place or in Hong Kong in respect of the goods mentioned in the application, but that it was the Applicant's intention so to use it if and when it was registered.

The mark consists of a large letter "I" and within which there

are a coat of arms in the middle, the word "IMPERIAL" in block capitals underneath the coat of arms and the word "International" underneath the word "IMPERIAL".

On 5th January 1977, the Trade Marks Registry (hereinafter referred to as "the Registry") informed the Solicitors that -

- (i) the word "IMPERIAL" was objectionable for registration under Trade Marks Rule 4(c) because it led people to think that the Applicant either had or recently had had Royal patronage or authorization, whether or not such was the case;
- (ii) the word "IMPERIAL" meaning "of superior or unusual size or excellence" was also considered to be laudatory of the quality of the goods;
- (iii) the word "International" was descriptive and laudatory of the goods; and
- (iv) the "I" device was indistinctive for registration.

The Registry said that before commenting on the registrability of the coat of arms appearing in the mark, the Registry would want to know whether it belonged to any particular person or body.

In their letter of 20th January 1977 to the Registry, the Solicitors pointed out that, with regard to the Registry's objections raised under Rule 4(c) and Section 9(1)(d) of the Trade Marks Ordinance, they had discovered a number of registrations of the Trade Mark "IMPERIAL" registered in other cases, which were Trade Marks Nos. 724 of 1948 in Class 42 (Schedule IIB); 274 of 1965 in Class 16; 963 of 1968 in Class 9; 1441 of 1967 in Class 9 and 553 of

1972 in Class 9. The Solicitors also asked whether the word "International" and the "I" device could remain in the label if they were disclaimed.

On 11th February 1977, the Solicitors informed the Registry that the coat of arms appearing in the mark had been recorded at the College of Arms by Imperial Tobacco Company Limited which was a wholly owned subsidiary of the Applicant.

On 16th February 1977, the Registry informed the Solicitors that the Registry maintained all the objections to the mark.

On 30th March 1977, the Solicitors wrote to the Registry and asked if the Registry would accept the mark for registration subject to a disclaimer of the word "IMPERIAL". In support of their submission, the Solicitors enclosed copies of the U. K. Trade Marks Journal with various "Label" applications introducing the word "IMPERIAL" (subject to disclaimer) which had been accepted for registration in the United Kingdom.

On 22nd April 1977, the Registry replied to the Solicitors' letter of 30th March 1977 in the following terms -

"I regret that I cannot accept the subject mark for registration subject to a disclaimer of the word "IMPERIAL" which is the prominent word feature of the mark. The remaining components of the mark viz. the letter "I", and, the word "International" are both indistinctive. As regards the coat of arms device, it is represented as the less prominent component of the mark because of its comparatively smaller size in relation to other

elements of the mark formed as a whole. Being such, it is undesirable that it becomes the identifying element of the mark. Even if the word "IMPERIAL" had been disclaimed, the cigarettes sold thereunder would still be referred to by the word "IMPERIAL" or "IMPERIAL INTERNATIONAL" both of which are unregistered and disclaimed.

Unlike the subject mark, the word "IMPERIAL" in the several marks as shown in the copy advertisements in the U.K. Trade Marks Journal is either secondary in size or prominence or it is only placed amongst other registered word and/or device elements in the respective marks such as "White Diamond", "Carriage & Cottage device", "the representation of Napoleon Bonaparte on horse back", "Sphinx device" "Birds & Crown device" etc. All these marks possess other registrable elements as prominent features even with the word "Imperial" appearing therein had been disclaimed."

By their letter dated 9th November 1977, the Solicitors informed the Registry that in view of the Registry's objection to the word "IMPERIAL", which being the most prominent word feature of the mark and was an unregistrable feature, the Applicant was willing to reduce the size of the word by roughly half of its original size so that the word would appear considerably less dominant when in comparison with the other features of the "IMPERIAL International Label".

On 24th February 1978, the Registry wrote to the Solicitors in the following terms -

"I regret that your suggestion as to reduce the size of the word

"IMPERIAL" and entering a disclaimer thereof will not enable me to accept the marks for registration in Part A of the Register. The subject mark contains the big letter "I" device as the central feature, which is indistinctive for registration. It is noted that the mark in the applied form is only a subject of registration in Part B of the Register in the United Kingdom. The advertisement thereof appears in the U. K. Trade Marks Journal No. 5180 pg. 2508. The words "IMPERIAL", "INTERNATIONAL" and the letter "I" have been disclaimed."

On 16th May 1978, the Solicitors on behalf of the Applicant filed a Form TM5 dated 12th May 1978, requesting for this Statement of Grounds of Decision. There having been no formal hearing in connection with the registrability of the mark, this Statement is necessarily confined to the matters raised in correspondence between the Solicitors and the Registry.

As I understand it from the correspondence exchanged between the Solicitors and the Registry, the Applicant sought to register the mark on the conditions that -

- (i) the size of the word "IMPERIAL" will be reduced by roughly half of its original size; and
- (ii) the words "IMPERIAL" and "International" and the letter "I" will be disclaimed.

The Applicant did not expressly dispute the original objections of the Registry raised in its letter to the Solicitors of 5th January 1977. Instead, the Solicitors pointed out with regard to the Registry's objection

to the word "Imperial" that there were registrations of the Trade Mark "IMPERIAL" registered in other cases. In fact, the Registry did not subsequently pursue the objection to the word "IMPERIAL" under Rule 4(c) of the Trade Marks Rules. In my view, the manner in which the word "IMPERIAL" is used (which is only a part of the mark "IMPERIAL International Label") is not such as to be likely to lead persons to think that the Applicant either has or recently has had Royal patronage or authorization, whether or not such be the case. Instead, I find that it is used or intended to be used to indicate the goods are of superior or unusual excellence or of fancy quality. According to Webster's Third New International Dictionary the meaning of the word "imperial" includes "of superior or unusual size or excellence"; "of fancy quality - used as a designation of various commercial products". With regard to the other objections raised by the Registry, I agree with the Registry's views that the words "IMPERIAL International" are descriptive and laudatory of the goods, and the letter "I" is indistinctive. The words "IMPERIAL International" when used on the goods of the Applicant convey the idea that the goods are of superior or unusual excellence or of fancy quality and that they have an international standing, and thus, in my view, has a direct reference to the character or quality of the goods on which it is used. Registration of the mark containing these words under section 9(1)(d) of the Trade Marks Ordinance must be refused. In this matter I am guided by "Kerly's Law of Trade Marks and Trade Names", 10th Edition, at paragraph 8-29 regarding decisions on the corresponding provisions in the United Kingdom Act:

"The various decisions are listed below. Few of them are of value as laying down any definite principle; nor would they seem to imply any very consistent practice. One reason may lie in this, that almost every immediately attractive trade mark is, in some sense,

descriptive or laudatory of the goods and so in some degree has reference to their character or quality. The difficulty is to decide whether that reference is a direct reference: one that seriously affects the word's capacity for distinguishing goods from a particular source, as distinct from the sort of reference that can be found only as an academic exercise. This is at best a somewhat metaphorical question and one depending ultimately upon the reaction of the public to the chosen word. In these circumstances, the Registrar, who has a duty to maintain the purity of the Register, may well incline to rely upon possibilities of interpretation of a mark which later experience may show to be fanciful. Sometimes, he can be persuaded by argument; but in general, the applicant's proper course is to apply again when the mark has been tested by use. This is by no means to be regarded as a hardship upon applicants: it must not be forgotten that if the Registrar registers under section 9(1)(d), without evidence of distinctiveness, a mark that is later held to be directly descriptive, the mark may (until seven years have elapsed since registration) be struck off as wrongly registered."

If I understand the position clearly and correctly from the correspondence exchanged between the Solicitors and the Registry, the only question which I am asked to determine is whether the mark applied for is acceptable for registration in Part A of the Register subject to -

- (i) the size of the word "IMPERIAL" being reduced by roughly half of its original size; and
- (ii) the words "IMPERIAL" and "International" and the letter "I" being disclaimed.

With the disclaimer of the words and the letter as proposed by the Applicant, what is left in the mark is only a coat of arms the size of which is less than one seventeenth part of the whole mark. The coat of arms does not appear to the eye to be a prominent feature of the mark as a whole. On the other hand, the words and the letter "I" form a prominent feature of the mark. Even with the reduction in size of the word "IMPERIAL" and the disclaimer of the words and the letter, the goods will still tend to be known by the words "IMPERIAL" or "IMPERIAL International" and the letter "I" just as if they were not disclaimed, but the essential features of the mark, because any distinctive significance which the coat of arms may have is overwhelmed by the prominence of the words and the letter. The mark would still convey to the eye and ear of the purchaser of the goods that it is the "IMPERIAL" or "IMPERIAL International" mark. Therefore, in my view, the mark as a whole, whether or not subject to the disclaimers, has a direct reference to the character or quality of the goods and is also indistinctive. I have to refuse registration of the mark in Part A of the Register.

The Registry noted in its letter of 24th February 1978 that the mark was registered in Part B of the Register in the United Kingdom; the words "IMPERIAL" and "INTERNATIONAL" and the letter "I" having been disclaimed. But no question of Part B registration under section 10 of the Trade Marks Ordinance arises here as there had not been two year bona fide user in Hong Kong prior to the date of the Application. Of course, it will be open to the Applicant in due course, after the mark has been used in Hong Kong for two years or more, to apply for registration in Part B of the Register under section 10 of the Ordinance. Whether or not such an application would be

successful is, of course, a matter as to which it would not be right at this stage for me to express any view.



(L. S. Shum)
Assistant Principal Solicitor
7th September 1978