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Decision file

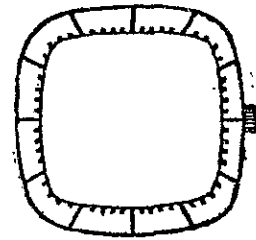
IN THE MATTER of the Trade Marks  
Ordinance Cap. 43

and

IN THE MATTER of two Applications by  
Montres Rolex S.A. for registration of

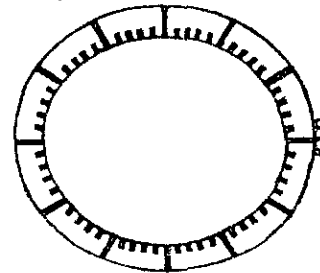
(1) "Design Mark" being application  
no. 2425/1979 and

2425 / 1979



(2) "Watch case with markings on the  
bezel design" being application  
no. 756/1980

756 / 1980



both in Class 14 in respect of "precious  
metals and their alloys and goods in  
precious metals or coated therewith  
(except cutlery forks and spoons),  
jewellery, precious stones, horological  
and other chronometric instruments".

#### Statement of Grounds of Decisions

Montres Rolex S.A., a company organised under the laws of Switzerland of 3 Rue Francois Dussaud, Geneve Switzerland (hereinafter referred to as "the Applicants") applied through their agents Messrs. Deacons to register (1) the "Design Mark" on the 31st October 1979 (no. 2425/1979) and (2) the "watch case with markings on the bezel design" on the 27th March 1980 (no. 756/1980) (hereinafter called "Mark A" and "Mark B" respectively) as trade marks in Part A of the Register for the whole range of goods in Class 14. Forms 4 were lodged on the 3rd December 1979 and 14th July 1980 respectively.

On 20th December 1979 Mark A was refused by the Trade Marks Registry (hereinafter called "the Registry") on the grounds that the device being a representation of the watchcase was indistinctive of the goods. A conflicting mark was cited but the cited mark has since been removed from the Register.

Two sets of Statutory Declarations made by each of Herman Van Gessel Sales Manager of Rolex S.A. : Martial Leuba, Divisional Merchandise Manager of Duty Free Shoppers Ltd., and Lee Chan Hung, a Partner of Messrs. Zurich Jewellery & Watch Co. were submitted on 14th July 1980, 8th August 1980 and 20th August 1980 respectively on behalf of the Applicants in order to verify use of both Marks A and B in Hong Kong.

On the 22nd September 1980 the Registry maintained the objection with regard to Mark A and raised the same objection to Mark B stating as follows :

"The subject marks being applied for registration are the representations of 2 watch cases being the principal part of watches. It appears to me that being the mere representations of an essential part of a product are in themselves not fit subject matter for registration as trade mark. They do not fall within the definition of trade marks under Section 2 of the Trade Marks Ordinance. In same connexion, I would kindly refer you to the observations made by Lindley L.J. in the "In re : Janes" Trade Mark (1886, 33 Ch. D 392) "We must be careful to avoid confusion of idea. A mark must be something distinct from the thing marked. A thing itself cannot be a mark of itself". In the subject applications, the "thing marked is the watch, and invariably the "watch case" designs with markings on the bezels being applied for cannot constitute the marks for the goods at the same time. Along the same line, it has been long established that the essential prerequisite of a trade mark should be "something which is extra, which is added to (or used in relation to)" the goods for the purpose of denoting the origin of the goods.

The markings on the bezels of the Applicants' watch cases

(square and round) constitute subjects of design; and it is felt that registration of the subject marks even upon evidence of long and extensive user in Hong Kong is undesirable since registration under the Trade Marks Ordinance might in some cases interfere with the rights of the public to use a design of which the period of protection had expired."

No further arguments were presented by Messrs. Deacons and there has been no formal hearing. On the 6th November 1980 Messrs. Deacons requested the Registrar to state in writing the grounds for his decision dated 22nd September 1980 and also to consider whether registration would be allowed, in view of the evidence submitted, under the provisions of either S. 9(1)(e) or S. 10 of the Trade Marks Ordinance.

The grounds of my decision are now given as follows pursuant to S. 13(4) of the Trade Marks Ordinance and Rule 20(1) of the Trade Marks Rules.

The two design marks applied for although described differently in the applications are both in fact quite similar the only difference being in the shape. Both marks are, in my view, the design of the face of a watch, one square and one oval, with markings on the bezel and a winder with a blank space in the centre. The markings on the bezel appear to me to be a 60 minute watch dial marking as indicated by four short marks alternating with one long mark. The evidence produced shows that the marks are used only in connection with watches and not the rest of the goods in Class 14.

According to Websters Dictionary the bezel is "the grooved rim that holds the crystal on a watch" or "a similar rim which holds a glass or plastic covering (as on a clock dial or headlight)" and the dial is "the graduated face of the timepiece on which the time in hours and in minutes is shown usually by pointers or hands". It seems that a bezel is an intrinsic part of the usual watch design the front of which would normally consist of the dial with a bezel surrounding it.

The impression given is that the two marks applied for are the representations of the face or dial of a watch case comprising the bezel and the winder with a blank space in the centre usually filled by the hour and minute hands.

The question I have been asked to consider is whether the two marks applied for are capable of being Trade Marks adapted and/or capable of distinguishing the Applicants goods for registration in either Part A or Part B.

The definition of a trade mark contained in S. 2 of the Trade Marks Ordinance is as follows :

"trade mark" means, except in relation to a defensive or a certification trade mark, a mark used or proposed to be used -in relation to the goods for the purpose of indicating or so as to indicate a connexion in the course of trade between the goods and some person having the right either as proprietor or as a registered user to use the mark whether with or without any indication of the identity of that person .....

S. 2(2) of the Trade Marks Ordinance provides that "References in this Ordinance to the use of a mark shall be construed as references to the use of a printed or other visual representation of the mark and references therein to the use thereof upon, or in physical or other relation to, goods."

S. 9 of the Trade Marks Ordinance provides for registration in Part A of the Register and S. 9(1)(e) of the Trade Marks Ordinance provides that a trade mark shall contain or consist of any distinctive mark other than those referred to in S. 9(1)(a) to (d) but any marks which would <sup>not</sup> fall within S. 9(1)(a) to (d) shall not be registered except on evidence of distinctiveness.

S. 9(2) of the Trade Marks Ordinance provides "For the purpose of this section "distinctive" means adapted in relation to the goods in respect of which a trade mark is registered or proposed to be registered, to distinguish goods with which the proprietor is or may be connected in the course of trade, from goods in the case of which no connexion subsists."

S. 9(3) of the Trade Marks Ordinance provides that in determining whether a trade mark is adapted to distinguish regard may be given to the extent to which the trade mark is inherently adapted to distinguish and by

reason of the use of such mark is in fact adapted to distinguish.

S. 10(1) of the Trade Marks Ordinance provides for registration, and requirements for registration in Part B of the Register and S. 10(2) provides that the Registrar may refuse to register if he is not satisfied that (inter alia) the mark is capable of distinguishing the goods of the Applicants.

The provisions of S. 9 of the Trade Marks Act 1938 are the same as the provisions of S. 9 of the Trade Marks Ordinance. The provisions of S. 10 of the Trade Marks Ordinance differs in some respects to the present provisions in the United Kingdom as provided in S. 10 of the Trade Marks Act 1938. The former provisions contained in S. 2 of the Trade Marks Act 1919 were however the same as those contained in S. 10 of the Trade Marks Ordinance.

In considering the definition of a Trade Mark contained in S. 2 of the Trade Marks Ordinance I have considered Kerly's Law of Trade Marks and Trade Names (10th Edition) paras. 2:02 to 2:04 and refer particularly to para. 2:04 which states :

".....; but it may sometimes be difficult to decide whether a marking on goods is merely part of the design of the goods and not a symbol."

and to para. 8:61 which states :

"This opinion is in accordance with the judgement of Pearson J. (in James TM (James v Perry) 1886 33 Ch. D. 392 : 3 R.P.C. 340) holding that a representation of the goods on which the mark was to be used was not a good mark."

In Sobrefina S.A.'s Trade Mark Application (1974 22 RPC p. 672 where the mark applied for was the three dimensional representation of a container in the shape of a bottle with a cap Mr. Nicholas said at p. 675 :

"The references in S. 68 of the Act to the use of a mark in relation to goods imply, to my mind, that a mark is something separate and distinct from the goods and not a physical object which forms either an essential part of the Article itself, or

its packaging, as in this case I think I must regard the container, the shape of which is propounded, for registration as a trade mark."

The provisions of S. 2 of the Trade Marks Ordinance are the same as S. 68 of the Trade Marks Act 1938 and if I follow the same reasoning S. 2 would appear to imply that the mark should be separate from and not merely part of the general design of the goods.

As already stated I consider that the marks applied for represent part of a watch namely the bezel with markings and the winder which are merely part of the general design of the goods, namely watches, and does not appear to be in the form of a symbol which is used upon the goods. As I understand it bezels are part of all watch designs whether analog or digital and the representation could be called the watch dial. I do not consider that the shape of the bezel or the 60 minute markings add anything extra or unusual.

On examining the exhibits to the Statutory Declarations it is seen that the two marks applied for are used for one style of watch only. Such style consists of the design applied for with in addition two hands placed in the blank space in the centre together with the words "Rolex" and "Cellini" and the "Crown device" in that space but no other markings.

In Renold Chains Ltd.'s Application (1966) RPC p. 487 Mr. Haines stated on p. 488.

"In considering whether the mark as a whole is "adapted to distinguish" the applicant's goods within the meaning of Section 9(1)(e) of the Act it seems to me that one relevant method is to consider how, in the course of trade, goods carrying such a mark would be ordered or described. Any attempt to indicate in detail how the mark would be referred to would inevitably be speculative. But there is no dispute that it consists of devices of a sprocket wheel and of a chain together with a roller link plate-shaped outline device and I am unable to conceive of any likely way of describing the mark without reference to one or more of these features. It has long been recognised that devices which are representations of goods are not inherently distinctive in relation to those goods (see p. xii, lines 1-3,

of Herschell Report on Trade Marks, Command Paper C. 5350 (1888) : "We think these are not legitimate marks"). This principle is constantly borne in mind by the Registrar and I consider it to be relevant to this application as many of the goods claimed consist of, include, or would be used with one or the other of the items illustrated in the mark."

To follow the same method I considered how, in the course of trade, goods carrying the two marks would be ordered or described. I consider it would be difficult to describe the two marks other than by referring to the "watch case" and "the bezel with minute/hour markings". However on examining the goods from the evidence produced I consider it unlikely that a purchaser would consider the "watch case" and "bezel" as the features which would identify the goods as belonging, in the course of trade, to the Applicants. It seems far more possible to me that such purchaser would identify the goods as belonging to the Applicants by the marks shown on the actual goods; "Rolex", "Cellini" or "Crown device" and indeed the advertising material exhibited to the Statutory Declarations appears to support this view.

The Renolds Case referred to was an application to register, in respect of chains and chain wheels, a device consisting of an arc of a chain wheel and an arc of a chain at the top and bottom of a blank panel and it was held by the Court of Appeal that the impression created by the mark was that it was descriptive of the kinds of goods in which the Applicants dealt and therefore it was not distinctive. To quote Mr. Justice Ungood-Thomas on p. 492 :

"My impression like that of the Registrar is that this mark as it stands is not distinctive but is merely a representation of the goods in connection with which the representation is intended to be used."

In considering whether a mark is registrable under the provisions of S. 9 of the Trade Marks Ordinance I have as already stated to consider whether the mark is "adapted" to distinguish the goods and that in determining this I can have regard to whether the mark is inherently adapted to distinguish and whether the use shows that in fact the mark is so adapted.

I have considered the Statutory Declarations which have been submitted which give details of the user of the mark. The Principal Declaration made by Mr. Van Gessel shows total sales for the period from 1974-1978 for Mark A of approx. HK\$29m and for Mark B of approx. HK\$18m. The two supporting declarations by Mr. Lee Chan Hung and Mr. Martial Leuba show sales for the years 1975-1979 for Mark A of HK\$454,666 and HK\$1,271,666 respectively and for Mark B of HK\$540,000 and \$1,204,000 respectively.

The Declarations all relate to goods in Class 14 being "watches and parts thereof". No evidence has been adduced in respect of any other item in Class 14.

As already stated the exhibits show that the actual watches sold have no minute/hour markings on the centre piece and the markings on the bezel are in my opinion likely to be used for this purpose. The evidence of user shows very impressive sales of "watches and parts thereof".

No evidence has been produced by the Applicants pursuant to S. 76 of the Trade Marks Ordinance to show evidence of the usages of the trade concerned and of any relevant trade mark or trade names or get-up legitimately used by other persons.

I consider this an important aspect as I should consider also whether the registration of these marks would interfere with the legitimate use by other traders of similar designs in the ordinary course of their business in deciding whether the marks are inherently adapted or capable of distinguishing the goods. I am supported in this view by the observations of Lord Parker in the W & G Du Gros Ltd.'s Application (1913) AC 624 : 3 RPC 660 where he said that the right to registration should :

"largely depend upon whether other traders are likely in the ordinary course of their business and without any improper motive, to desire to use the same mark, or some mark nearly resembling it, upon or in connection with their own goods."

This question, in relation to registration in both Part A and Part B, was considered by Lord Wilberforce in the House of Lords in the Case In Re York Trailer Holdings Ltd. (as yet unreported) and the decision of the Registrar that the name of an important city should not be monopolised by any one trader even in the event of 100% factual distinctiveness was upheld by the House of Lords.

In the Matter of Maschinenfabrik Gustav Eirich's Application for a Trade Mark 1958 RPC No. 19 493 it was held that the device was of so descriptive a character (of the method of operation of counter current mixing machines) as to be inherently unadapted to distinguish the goods of the Applicants irrespective of any amount of user prior to the filing of the application.

The Assistant Comptroller Dr. R.G. Atkinson said on page 496 :

"I agree with Mr. Shaw that the Applicants' mark is essentially an advertising agent's version, and not an engineer's version, but having given the matter the best consideration I can, taking into account not only the descriptive nature of the Applicants' mark but also the admitted practice in this industry of including diagrams of a closely similar nature in sales brochures, I have come to the conclusion that the Applicants' mark is of so descriptive a nature as to be inherently unadapted to distinguish the goods of the Applicants irrespective of any amount of use prior to the filing of the Application. It follows that I am unable to regard the Applicants' evidence of use of their mark as qualifying it for registration, having regard to the requirements of Sect. 9. I accept, in that connection, Mr. Burrell's submission that the registration of the Applicants' mark would be a source of grave embarrassment to other traders in these machines in the hitherto common and legitimate practice of using diagrams of a like nature in their own literature."

The design of the bezels for these two watches one square and one oval is not unusual for watches. The design and shape of watches come in many forms but each trader should in my opinion be free to legitimately use a design or representation of a watch to indicate his goods and no one trader should have a total monopoly on such design or representation except for such protection as is given by a design registration. The markings on the bezel are also not in themselves unusual to my view and indicate a fairly normal representation of 60 minutes, such markings are one of the basic functions of a watch enabling the user of the watch to tell the time more accurately.

The use of the bezel to indicate the minutes is rather more unusual but from my own general observations of the local market I have seen some examples of use of this by other traders. As I consider this relevant to my decision I refer to some specific examples namely the Seiko Sports (Ref. No. 100 8229-6020 WS (HH005)) where the bezel is marked with minutes and rotates to show lapsed time and the Seiko Ladies Quartz (Ref. No. 1400-25060 (R)) where the hours/minutes are indicated on the bezel.

I have also observed the following examples where the bezel is decorated namely the Cartier/Santos watch and the Longines Model 4847 both decorated with recessed screw heads. In addition there is the present generation of ana-digital watches where both functions are shown on the watch face and where the use of a marked bezel could well be needed.

It appears therefore that other traders may well wish to legitimately show a design with decorations on the bezel and in particular with the 60 minute markings. I also do not consider that any one trader should have a monopoly of a design of such a basic part of the function of a watch and a normal type of "minute" markings on the watch dial. As I have said in my view, subject to such protection as may be afforded by the registration of a design, other traders should be free to use, in their advertising, designs to show a particular style or shape of bezel and should be able to indicate on the face of the watch the markings of minutes in whatever form is chosen to enable such traders to describe their goods to their customers. It must also be borne in mind in this respect that if the marks were registered the protection afforded by S. 27(1) of the Trade Marks Ordinance also applies not only to identical marks but also to marks so nearly resembling it as to be likely to deceive or cause confusion. I think that in this case this could seriously affect the rights of traders to legitimately use oval or square designs of watch cases which although not identical to the proposed marks might resemble them.

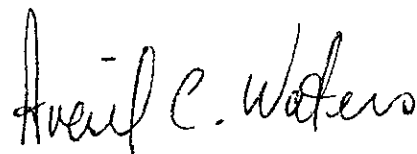
As already stated, the evidence produced is in respect of "watches and watch parts" only. As the marks indicate parts of a watch I consider that the marks would be deceptive of any other goods in Class 14 other than watches under the provisions of S. 12(1). I am guided in this respect by the reference in Kerly's Law of Trade Marks, referred to before, at para. 10-31 as follows :

"10-31 Mark deceptive as to quality of goods

A mark may be disentitled to protection, as being deceptive as to the quality of goods on which it is used. In particular, a mark which would be objectionable on particular goods, as being directly descriptive, is likely to be deceptive for somewhat different goods, which do not have the quality described."

For the reasons set out above I do not consider these marks are distinctive for the purposes of the Trade Marks Ordinance. I have considered the evidence which shows extensive user but have come to the conclusion that the Applicants' marks are so much an intrinsic part of the goods as not to be inherently adapted or capable of distinguishing the goods of the Applicants despite the extensive evidence of user. I also consider that the rights of other traders to the legitimate use of the design of the parts of the watch face, such as the bezel, the 60 minute markings and the winder should be considered and I believe that registration of the marks applied for could prevent traders from using a similar device or design and could cause embarrassment to other traders legitimately wishing to use such devices or designs to describe their goods. As a result I cannot accept the evidence of user to support registration under S. 9 and 10.

The applications are therefore refused under the terms of the Trade Marks Ordinance because the two marks applied for do not satisfy the provisions of S. 9 and 10 in respect of watches and parts thereof in Class 14 and would in any event be deceptive in respect of any other goods under Class 14.



(A. C. Waters)(Miss)

Ag. Assistant Principal Solicitor  
p. Registrar of Trade Marks

24th May, 1982