

DECISION

Re : Restoration of "BOSS" Trade Mark 1301/81

This matter involves the question of whether trade mark "BOSS" in Class 14 TM 1301/81 should be restored to the Register.

Two separate hearings were held before me. The first hearing took place on the 4th of December 1989 at which Mr. Anthony Rogers (instructed by Messrs. Hastings & Co.) appeared before me on behalf of the registered proprietor of TM 1301/81, Liu Yuk Ming trading as The Sun International Trading Co. ("the Registered Proprietor"). A second hearing took place before me on the 9th of January 1990 at which Miss Priscilla Wong appeared on behalf of Hugo Boss AG. The reason why there have been two separate hearings is because Messrs. Hastings & Co. consider that Hugo Boss AG has no locus standi in the question of whether TM 1301/81 should be restored. I refer to Messrs. Hastings & Co.'s letters of 14th November 1989 and 15th November 1989 to the Registrar of Trade Marks and to Messrs. Johnson, Stokes & Master respectively. The views of Messrs. Johnson, Stokes & Master have been stated in its letters dated 15th November 1989 and 17th November 1989 to the Registrar where they have requested a

hearing under Section 74 of the Trade Marks Ordinance. I shall deal later with the questions posed by the intervention of Hugo Boss AG in this matter.

I wish to go briefly to the particular facts of this case. On the 23rd of July 1981 the Registrar of Trade Marks issued a Certificate of Registration in Class 14 under No. 1301/81 in respect of the trade mark "BOSS" for the following specification : "watches, clocks, watch bands, watch chains and parts and accessories". The Certificate was issued to the Registered Proprietor. It is noted in the Certificate of Registration that the trade mark has been registered as of the "18th October 1980". On the 18th of October 1987 TM 1301 of 1981 expired. On the 25th of September 1987 the Registrar of Trade Marks issued an expiry letter to the Registered Proprietor pursuant to Section 46 of the Trade Marks Ordinance. On the 8th of January 1988 a gazette notice of expiry of TM 1301 of 1981 appeared in the Hong Kong Government Gazette. On the 12th of February 1988 TM 1301 of 1981 was removed from the Register of Trade Marks. On the 16th of February 1988 there appeared in the Hong Kong Government Gazette notice of removal of TM 1301/1981. On the 10th of February 1989 the Registrar of Trade Marks received a form TM-No. 27 for the renewal of TM 1301 of 1981. On the 26th of October 1989 the Registrar of Trade Marks received the requisite form TM-No. 29.

I should at this point also mention that the Trade Marks Registry has received separate applications for registration of the marks "BOSS" and "HUGO BOSS" in Class 14 (applications Nos. 448A and 449A/87) made by Hugo Boss AG. On the 31st of July 1987 TM 1301/1981 was cited against these applications made by Hugo Boss AG.

Mr. Rogers appeared on behalf of the Registered Proprietor of TM 1301/81 seeking that TM 1301/81 be restored to the Register. At this hearing, Mr. Rogers presented to me two Statutory Declarations of Chan Kam Chow and Liu Yuk Ming both dated 1st December 1989 which were subsequently sent by me to Johnson, Stokes & Master by my letter of 7th December 1989. A further Statutory Declaration dated 7th December 1989 of Mr. Chan Kam Chow was also delivered to me by Messrs. Hastings & Co., and I have also sent a copy of this Statutory Declaration to Messrs. Johnson, Stokes & Master.

I set out Rule 60 of the Trade Mark Rules which is as follows :-

"Where, at the expiration of 1 month from the date of the advertisement mentioned in rule 59, the fees therein mentioned have not been paid, the Registrar may remove the mark from the register as of the date of the expiration of the last registration, but may,

upon payment of the renewal fee upon Form TM-No. 27 together with a restoration fee upon Form TM-No. 29, restore the mark to the register if satisfied that it is just so to do, and upon such conditions as he may think fit to impose".

The question I have to ask myself in this case is whether it is "just" to restore TM 1301/81 to the Register. There are two relevant matters. First, what is the extent of the delay of the Registered Proprietor in failing to pay his fees to the Registrar to effect the renewal of his trade mark? Secondly, does the evidence presented to me indicate that the Registered Proprietor of TM 1301/81 intended to abandon his mark?

I turn to consider first the question of delay. TM 1301/1981 expired on the 18th October 1987. The first attempt by the Registered Proprietor to pay his renewal fee was the 10th of February 1989 when form TM-No. 27 for renewal was filed. It is by my estimation no more than 16 months from expiry date to the first attempt to renew the mark. I do not consider this to be an excessive period of time. It does not appear that the Registered Proprietor used agents in its attempts to renew its trade mark and this may account for the misunderstandings on the part of the Registered Proprietor as to the procedure for renewing a trade mark; although it does not excuse the delay, it goes some way to

explain the delay. I refer to the Statutory Declaration of Liu Yuk Ming, which sets out the attempts by the Registered Proprietor to renew the registration of his mark.

The other question which I must ask myself is whether there has been any attempt by the Registered Proprietor of TM 1301/81 to abandon his mark. From this point of view I refer to the Statutory Declarations of Chan Kam Chow and Liu Yuk Ming. I believe that the Statutory Declaration of Liu Yuk Ming shows quite conclusively that the Registered Proprietor of TM 1301/81 has continued to use his mark. I refer in particular to the random samples of invoices shown in Exhibit LYM-4 of Liu Yuk Ming's Statutory Declaration which displays invoices for the year 1988 and 1989 showing the export of BOSS watches to Japan. The sales as revealed in the invoices appear to be quite substantial. I refer in particular to invoices No. A0577, A0582, A0585, A0586, A0587, A0589, A0590, A0632, A0612, A0638 and A0642. These invoices refer to sales of BOSS watches made after 18th October 1987 (being the date of expiry of TM 1301/81), which amount, by my computation, to HK\$2,194,560. This is in my opinion an important consideration. It shows that goods bearing the mark "BOSS" have been sold to public. At the hearing Mr. Rogers made the point to me that there had been a substantial and continual use of the mark from 18th of March 1988. The amounts involved were substantial, and it was not in the public interest to take TM 1301/81 away from the Registered Proprietor who had not lost

his reputation and had traded normally in a substantial way. Mr. Rogers said it was clearly notice to the world that the trade mark "BOSS" belonged to the Registered Proprietor.

I mentioned earlier that there had been a separate hearing before me which had been requested by Johnson, Stokes & Master acting for Hugo Boss AG. The question is whether the fact that there have been other applications for "BOSS" and "HUGO BOSS" trade marks by Hugo Boss AG in Class 14 enables Hugo Boss AG to intervene in the matter of the restoration of TM 1301/81 to the Register. Messrs. Johnson, Stokes & Master have argued by reference to Section 74 of the Trade Marks Ordinance which is as follows :-

"Where any discretionary or other power is given to the Registrar by this Ordinance or by the rules, he shall not exercise that power adversely to the applicant for registration or the registered proprietor of the trade mark in question without (if duly required so to do within the prescribed time) giving to the applicant or registered proprietor an opportunity of being heard".

In my opinion Hugo Boss AG has no locus standi as regards the question of whether TM 1301/81 should be restored. Section 74 talks of the exercise of a discretionary or other power but refers to the adverse exercise of a power "to the

applicant for registration or the registered proprietor of the trade mark in question ..." (my underlining). I agree with Mr. Rogers that Section 74 does not refer to any applicant or any registered proprietor and that Rule 86 of the Trade Marks Rules, which looks on the face of it broader than Section 74, must come within the umbrella of Section 74. I think that when the Registrar of Trade Marks is deciding whether or not to restore TM 1301/81 he is exercising his discretion of power which may adversely affect the registered proprietor of TM 1301/81. The only person who has the right to be heard as regards the restoration of TM 1301/81 is, in this particular case, the Registered Proprietor.

However, if I am wrong on the question of whether Hugo Boss AG has locus standi, I nevertheless feel that TM 1301/81 should be restored. I do not agree with the arguments which had been made by Miss Wong at the second hearing before me. It is interesting to note that she made no representations upon the fact that the Registered Proprietor of TM 1301/81 had in fact continued to use the trade mark.

I have expressed the reasons above why I feel that the Registered Proprietor should have TM 1301/81 restored. I have heard nothing from Miss Wong why TM 1301/81 should not be restored. Miss Wong made the point that her client had the right under the Trade Marks Ordinance to register its mark. That is

undoubtedly so, provided there is no cited mark to block Hugo Boss AG's application. Rule 60 of the Trade Marks Rules gives the Registrar express power to restore a mark. I have found that the length of the delay by the Registered Proprietor as regards the renewal of the TM 1301/81 to be not too excessive. Miss Wong said that I had to be convinced that there had been no dilatoriness on the part of the Registered Proprietor of TM 1301/81. From this point of view I think that if one looks at the Statutory Declaration of Liu Yuk Ming (above quoted) one can see that the Registered Proprietor made certain attempts to renew his mark.

Miss Wong went on to argue that if TM 1301/81 were to be restored it would be tantamount to TM 1301/81 enjoying rights during the non-registration of the mark. This argument, of course, flies in the face of the express provision under Rule 60 which does give the Registrar the power to restore a trade mark if it is "just so to do". I believe that in the circumstances of this case it is just to restore TM 1301/81 because the Registered Proprietor has shown no intention to abandon its mark and indeed has continued to make substantial sales of watches bearing the trade mark "BOSS".

I confirm my agreement with the submissions made by Mr. Rogers. I therefore order that TM 1301/81 should be restored to the Register and renewed with effect from 19th October 1987.

R/Perera.

(R.J. Perera)

Date : 24.1.1990