

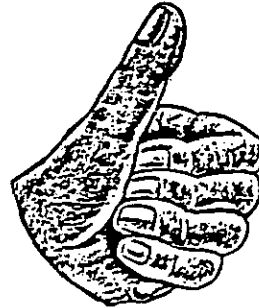
Application No. 787/88

15-2-83  
IN THE MATTER of the  
Trade Marks Ordinance  
(Cap. 43)

AND

IN THE MATTER of an  
application  
for registration of the  
Trade Mark

THUMB BRAND



in Class 29 in Part B  
of the Register by  
Keyin Holdings Sdn. Bhd.

AND

IN THE MATTER of an opposition  
thereto by Treasure Box  
Investment Ltd.

DECISION  
OF

Mr M.W. Fox acting for the Registrar of Trade Marks after a hearing on Thursday, 7th January 1993.

Appearing : Mr Philip Tsui of John Ho & Tsui on behalf of the Applicant, Keyin Holdings Sdn. Bhd.

Mr Andrew Lam of C.L. Chow & Lam on behalf of the Opponent, Treasure Box Investment Limited.

1. On 16th February 1988, Keyin Holdings Sdn. Bhd. (hereinafter called "the Applicant") of Perak, Malaysia applied under the Trade Marks Ordinance (hereinafter called "the Ordinance") for registration of a trade mark in, following a subsequent authorized amendment, Part B of the Register in Class 29 in respect of "processed peanuts" (hereinafter called "the specified goods"). A representation of the mark applied for appears below :-



2. Leave to advertise the suit mark in respect of the specified goods was given on 27th March 1990 on condition there appeared in the advertisement the following :- "Registration of this Trade Mark shall give no right to the exclusive use of the word 'BRAND'". The suit mark was advertised in the Gazette on 12th April 1990.

3. The application was opposed by Treasure Box Investment Limited (hereinafter called "the Opponent") of Tuen Mun, New Territories, Hong Kong which lodged its notice of opposition on 26th April 1990 on grounds effectively that :-

The Opponent, by assignment dated 30th December 1989 from Lee Kwok Cheung trading as Ng Fung Rice Provisions Company, is proprietor of trade mark 1411/78, registered in Part A of the Register in Class 30, which would be infringed by use and registration of the suit mark.

4. The Applicant, by its counter-statement lodged on 27th June 1990, relies effectively on the following grounds in support of its application :-

- (a) The suit application is in Class 29 whereas the Opponent's registered mark is in Class 30.
- (b) The suit mark, which places special emphasis on the skin tone, is the mirror image of the Opponent's mark and the shape of the hand in the suit mark is entirely different from that in the Opponent's mark.

- (c) Customers familiar with the products covered by the respective marks will clearly be able to identify the products they intend to purchase.
- (d) The Registrar issued leave to the Applicant to advertise the suit mark.

5. Also the Applicant assumed the Opponent's reference to Trade Mark 1411/78 was incorrect and that the correct reference should have been to mark 1410/78 registered in the name of Kwok Cheung Oil Company Limited.

6. Evidence on behalf of the Opponent comes in a statutory declaration dated 25th July 1990 of Fong Hung, one of its directors.

7. Mr Fong says that by a Deed of Assignment dated 30th December 1989 Lee Kwok Cheung trading as Ng Fung Rice Provisions Company transferred all his rights, interests, entitlements and benefits in and attached to trade mark 1411/78. He exhibits (FH-1) copy Deed of Assignment in support. This shows the Opponent's mark, a representation of which appears below :-



Thumb Brand

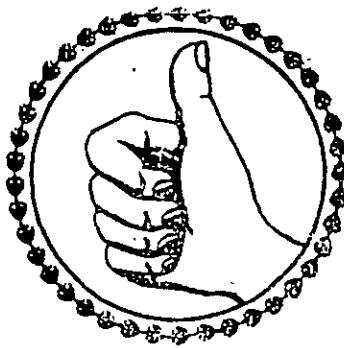
8. Mr Fong says the Opponent relies on its rights as assignee of trade mark 1411/78 and it did not, in its notice of opposition, intend to refer to mark 1410/78.

9. Mr Fong says the suit mark so nearly resembles trade mark 1411/78 as to be likely to deceive and/or cause confusion to the public and registration of it should be refused.

10. Evidence on behalf of the Applicant comes in a declaration dated 21st February 1991 of Liew Cheu Ping associated with the Applicant since 1982 and now its executive director.
11. Mr Liew says the Applicant is one of the leading manufacturers of processed peanuts in Malaysia.
12. Mr Liew says the suit mark was first adopted by the Applicant in 1987 for use in Thailand and that since then suit marked processed peanuts have been continuously and extensively sold in many provinces there.
13. Mr Liew says it cost the Applicant much effort and expense in applying for and obtaining registration of the suit mark in Thailand. He exhibits (LCP-1) copy Thai Registration Certificate.
14. Mr Liew says in 1987 the Applicant allowed its "Thailand sister company" Modern Food Industries Co Ltd to use the suit mark in Thailand and he exhibits (LCP-2) packing paper showing the suit mark as used there.
15. Mr Liew says the Applicant has acquired a substantial reputation in the suit mark used for a long time in Thailand in relation to the specified goods and that consequently the suit mark has become distinctive of and identified in course of trade only with the Applicant and its products.
16. Mr Liew notes use, if any, by the Opponent of its mark, is restricted to goods in Class 30, which Mr Liew says are completely different goods to or goods of a different description from the specified goods. Mr Liew considers the Opponent has not acquired any reputation for its mark for processed peanuts or other Class 29 products.
17. In Mr Liew's opinion it is entirely improbable members of the public would be misled into thinking processed peanuts manufactured under and by reference to the suit mark are in any way connected or associated in course of trade with the Opponent.
18. Mr Liew essentially repeats pleadings in the counter-statement (see paragraph 4(b) and (c) hereof). Mr Liew considers use and/or registration of the suit mark by the Applicant does not or would not lack bona fides and that there is no possibility of any confusion or deception by use and/or registration of the suit mark.

19. At the hearing Mr Lam sought leave to introduce a copy of Hong Kong Trade Mark Certificate of Registration 1410/78, which, he submitted, is a matter of public record. The registration in Class 29 is of a THUMB BRAND & device identical to the Opponent's mark shown in paragraph 7 hereof. The goods covered by the registration are edible oils and fats. Mr Lam informed me Kwok Cheung Oil Company Limited, shown as registered proprietor of the mark, is a wholly-owned subsidiary of the Opponent. As Mr Tsui had no objection and the registration is a matter of public record I allowed the copy Certificate of Registration to be introduced into the proceedings.

20. For his part, Mr Tsui sought permission to refer to two Hong Kong Trade Marks both registered in Class 29 being (a) 412/51 "領袖商標 LEADER BRAND & device" in respect of sliced shrimp and (b) 113/70 a "THUMB BRAND device" in respect of milk and dairy products. The mark under number 412/51 was not produced at the hearing. The mark under number 113/70 was and a representation of it appears below :-



As Mr Lam had no objection and the registrations similarly are matters of public record I allowed references to them to be made in the proceedings.

21. The opposition is based on section 20 of the Ordinance.

22. Section 20 of the Ordinance, applicable to these proceedings, is as follows :-

Section 20

"Except as provided by section 22 no trade mark shall be registered in respect of any goods or description of goods that is identical with a trade mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or that so nearly resembles such a trade mark as to be likely to deceive or cause confusion."

23. The accepted test to be applied to cases under section 20 of the Ordinance is that propounded by Evershed J. in Smith Hayden & Co's Application (1946) 63 RPC 97 at 101. Adapted to the features of the case and with the recognized gloss it may be expressed as follows :-

(Under section 20) "Assuming user by the Opponent of its mark in a normal and fair manner for any of the goods covered by its registration, is the tribunal satisfied that there will be no reasonable likelihood of deception and confusion amongst a substantial number of persons if the Applicant also uses its mark normally and fairly in respect of any goods covered by its proposed registration ?"

24. The reference to "substantial" is a question to be judged in relation to the markets for the goods concerned. "Persons" are all those people likely to become purchasers of the goods upon which the respective marks are used.

25. The relevant date for determining these proceedings is 16th February 1988, the date the Applicant applied for registration of the suit mark. The onus is on the Applicant to defeat the opposition. This is done by satisfying me there is no reasonable probability of deception or confusion, the test, in different words, being whether use of the suit mark by itself on the specified goods, in any manner which can be regarded as fair use of it, will be calculated to deceive or cause confusion, without necessarily leading to passing off or otherwise damaging the Opponent.

26. The suit mark must offend if it is likely to cause confusion or deception in the minds of persons to whom it is addressed, even if actual purchasers will not ultimately be deceived or confused. Purchasers must not be put into a state of doubt. There must however be a real tangible risk of confusion.

27. I do not have a discretion under section 20 of the Ordinance. If the Opponent succeeds under it registration must be refused. If I am in doubt registration must be refused.

28. To bring section 20 of the Ordinance into operation an Opponent's mark has to be registered in Hong Kong and one or more of the goods for which it is registered and one or more of the specified goods in respect of which registration is sought must be, as a matter of fact, looked at from a commercial and business viewpoint, the same or otherwise of the same description.

29. I will consider whether the Opponent can mount an opposition under section 20 of the Ordinance.

30. The Smith Hayden test (see paragraph 23 hereof) makes it clear that an Opponent relying on section 20 of the Ordinance can only do so to the extent of the goods covered by its registration. It cannot, for example, rely on goods covered by a third party's registration.

31. The Opponent's evidence shows it is the proprietor of trade mark 1411/78. That registration covers rice.

32. The Opponent cannot, without producing evidence of its title to the mark, base an opposition on registered trade mark 1410/78, which covers edible oils and fats. In the absence of evidence in support I cannot rely on Mr Lam's information that the registered proprietor of that mark is a wholly owned subsidiary of the Opponent.

33. Nevertheless trade mark 1410/78, which was introduced into the proceedings cannot be ignored. I may take notice of what is on the Register. If the mark applied for offends against section 20 of the Ordinance then in the absence of honest concurrent use or of other special circumstances arising under section 22 I am bound to refuse registration of the applied for mark.

34. Therefore, though an Opponent may fail under section 20 of the Ordinance because the goods covered by its registration are not the same goods or goods of the same description as the goods in respect of which registration is sought, an Applicant may nevertheless fail to overcome section 20 because another party's registered goods are the same goods or description of goods and there would be a likelihood of deception and confusion if the applied for mark is registered.

35. Mr Tsui submitted, citing Daiquiri Rum TM (1969) RPC 600, that the correct test to be applied in deciding whether or not goods are of the same description is to ask "Are the two sets of goods so commonly dealt in by the same trader that his customers, knowing his mark in connection with one set and seeing it upon the other, would be likely to suppose that it was used upon them also to indicate that they were his goods?"

36. Mr Tsui submitted the goods covered by Registration 1410/78, (edible oils and fats) and those covered by Registration 1411/78 (rice) are both different from the specified goods, processed peanuts, which are dried snack foods. He said there will be no likelihood of confusion and deception because the goods are different and consumers familiar with the marks will readily be able to distinguish them and clearly be able to identify the products they intend to purchase. Mr Tsui argued the specified goods will be displayed, with other snack foods, in different areas of supermarkets from edible oils and fats and rice making the likelihood of confusion even more remote. He said the Opponent's evidence does not give any indication as to how it considers the likelihood of confusion and deception may arise. Mr Tsui said the Registrar recognized the specified goods are not the same goods or goods of the same description as those covered by Registrations 1410/78 and 1411/78 as the possibility of conflict with the mark 1411/78 was never raised and the objection based on conflict with mark 1410/78 was in due course withdrawn. Mr Tsui submitted I should be persuaded by this. Mr Tsui said the Applicant's mark was registered in Thailand in 1987 and referring to Exhibit (LCP-1) he pointed out the Applicant's mark there is approved for forty-two different products with vegetable oil and rice being specifically excluded. This, Mr Tsui submitted, shows the Applicant has no intention of trading in goods of interest to the Opponent. The Opponent's and the Applicant's goods, continued Mr Tsui, are totally different and there is no intention on the part of the Applicant to confuse and deceive. Mr Tsui, referring to Trade Mark 113/70, submitted this mark, almost identical to the Opponent's mark, was registered some eight years before marks 1410/78 and 1411/78 were registered. The 113/70 mark, continued Mr Tsui, is much closer to the Opponent's mark than the Applicant's suit mark is to it. Mr Tsui submitted that as the Opponent's mark was allowed to proceed to registration, marks 1410/78 and 1411/78 being registered with mark numbered 113/70 already on the Register, then the suit mark too should be allowed to proceed to registration. Mr Tsui said the Applicant's and Opponent's mark, the mark in registrations 1410/78 and 1411/78 are different. He said the Applicant's suit mark is the mirror image of the mark registered under 1410/78 and 1411/78 and that the 1410/78 and 1411/78 mark features a sleeve which the suit mark does not. Mr Tsui concluded there is no likelihood of confusion because the goods and the marks are different and accordingly the suit mark should be allowed to proceed to registration for the specified goods.

37. Mr Lam correctly submitted that whether or not the Applicant has an intention to deceive or cause confusion is irrelevant as the likelihood of deception and confusion is to be judged objectively not subjectively. Mr Lam observed the device under Trade Mark 113/70 contains no words unlike the suit mark and the mark under numbers 1410/78 and 1411/78 which both contain the words THUMB BRAND which dominate the marks to a greater extent than their pictorial devices. This, submitted Mr Lam, makes the suit mark, unlike the 113/70 mark, very similar to the 1410/78 and 1411/78 mark and will inevitably result in confusion between them. That the Registrar had changed his mind and withdrew the citation of mark 1410/78, submitted Mr Lam correctly, is not relevant. The issues have to be looked at afresh in the proceedings before me. Mr Lam said the 412/51 mark with its English words and Chinese characters is very different from both the suit mark and the 1410/78 and 1411/78 mark. Mr Lam correctly submitted the Applicant's registration in Thailand is irrelevant. He pointed out registration was not obtained there until 1987, nine years after the Hong Kong registrations of the 1410/78 and 1411/78 marks. Mr Lam observed the Applicant's Thailand registered mark is different in that while including the word THUMB, it omits the word BRAND. Mr Lam speculated that the Thai characters appearing beneath the word THUMB are Thai for THUMB rather than BRAND. Mr Lam submitted the specified goods are very similar to products covered particularly by Trade Mark 1410/78. Edible oils and fats, Mr Lam continued, include peanut oil, derived from peanuts and a likely by-product of the Applicant's processed peanuts, which will contain peanut oil. Mr Lam concluded that there is a likelihood of confusion and deception because the goods and marks are very similar and he submitted I should refuse registration of the suit mark.

38. The specified goods are processed peanuts. The goods covered by registration 1410/78 are edible oils and fats. The Opponent's mark registered under 1411/78 is for rice.

39. Edible oils and fats and processed peanuts are not the same goods. Rice and processed peanuts are not the same goods.

40. The suit application is in Class 29. The Trade Mark 1410/78 registration is in Class 29. The Opponent's 1411/78 registration is in Class 30.

41. A single class may contain more than one description of goods. Goods of the same description may fall into different classes (Australian Wine Importers (1889), 41 CHD 278 at 291).

42. I will consider whether or not rice are goods of the same description as processed peanuts. I will also consider whether or not edible oils and fats are goods of the same description as processed peanuts.

43. The nature and composition of the goods, the respective uses of the articles and the trade channels through which the commodities are respectively bought and sold are the matters to be taken into account in deciding whether goods are goods of the same description (Romer J. in the Panda Case (1946) RPC 59).

44. No single consideration is conclusive. It is not essential all criteria be fulfilled. Each factor is considered in turn before a decision is made as to whether on balance the goods are sufficiently related. Whilst it is difficult to generalize, each case being decided on its own facts, decided cases show that goods are not necessarily of the same description merely because they are foods or intended for human consumption or are used in association. Tea and milk products are not goods of the same description. (Lifeguard TM (1957) RPC 79). Mustard and semolina have been held not to be goods of the same description although sold side by side in the same shops. Though both are articles of food, used in cooking, their real natures are different, one being a condiment and the other a cereal (Colman's Application (1929) 46 RPC 126).

45. A peanut is a leguminous plant widely cultivated for its edible nutlike seeds used for food and as a source of oil. A processed peanut is a peanut seed treated or prepared in a special way to preserve it. As Mr Tsui said processed peanuts are eaten as snacks. Though they are occasionally eaten, cooked or heated, as a part of luncheon or dinner cuisine they remain essentially snack foods. They are sold, generally packeted or tinned, in grocers' stores and supermarkets.

46. Rice is an erect grass that grows on wet ground and has drooping flower spikes and yellow oblong edible grains that become white when polished. It is staple food generally eaten, cooked with luncheon or dinner cuisine. It is rarely eaten on its own. It is not eaten as a snack. It is sold generally packeted in grocers' stores and supermarkets .

47. Edible means fit to be eaten. Edible oils can be obtained from plants or animals or by synthesis. They are used as foodstuffs. As Mr Lam said edible oils include peanut oil, the oil made from peanut seeds, used for cooking and in soaps and pharmaceutical products. Peanut oil is not consumed by itself. It is not a snack. Peanut oil is not obtained from processed peanuts. Edible oils are liquids. They are

sold, generally bottled, in grocers stores and supermarkets. Edible fats are used in the food industry. They are not consumed by themselves. They are naturally occurring soft greasy solids present in some plants and animals being esters of glycerol and certain fatty acids. They are sold, probably bottled, in grocers' stores and supermarkets.

48. Whilst it is possible, though rather unlikely, that processed peanuts and rice could feature in the same cooked dish, peanut oil having been used in its preparation, this association does not necessarily make the goods all of the same description. (Lifeguard TM). That processed peanuts, rice and peanut oil may be sold in the same supermarkets and the same grocers' stores, possibly in close proximity to each other, does not make the goods all of the same description (Colman's Application).

49. I consider the real nature, composition and uses of processed peanuts are different from the real nature, composition and uses of rice. I consider the trade channels through which processed peanuts and rice respectively are bought and sold are essentially the same or very similar.

50. I consider the nature, composition and uses of processed peanuts are different from the nature, composition and uses of edible oils, including peanut oil, and fats. I consider the trade channels through which processed peanuts and edible oils, including peanut oil, and fats are bought and sold are similar.

51. I find processed peanuts are not goods of the same description as rice.

52. I find processed peanuts are not goods of the same description as edible oils, including peanut oil, and fats.

53. I find the Opponent is unable to mount an opposition under section 20 of the Ordinance.

54. I find registration of the suit mark for processed peanuts will not contravene the provisions of section 20 of the Ordinance as trade mark 1410/78 is registered for goods of a different description.

55. That being so, the similarity of the respective marks by a comparison of them to establish the reasonable probability of deception and confusion governed by the principles laid down by Parker J. in Pianotist Co's Application (1906) 23 RPC 774 does not fall to be considered.

56. (Under section 20) Assuming user by the Opponent of its mark in a normal and fair manner for rice I am satisfied there will be no reasonable likelihood of deception and confusion amongst a substantial number of persons if the Applicant also uses its suit mark normally and fairly in respect of processed peanuts.

57. Assuming user by the registered proprietor of trade mark 1410/78 of its mark in a normal and fair manner for edible oils and fats I am satisfied there will be no reasonable likelihood of deception and confusion amongst a substantial number of persons if the Applicant also uses its suit mark normally and fairly in respect of processed peanuts.

58. I find the Applicant has defeated the opposition under section 20 of the Ordinance and overcome the other section 20 objection raised.

59. The suit mark qualifies for registration in respect of the specified goods as it meets the requirements of section 10 of the Ordinance.

60. That being so the exercise of my discretion arises. This is a discretion under section 13(2) of the Ordinance to refuse registration to a mark which complies with section 10 that is not prohibited by section 20.

61. This discretion is of a judicial nature to be exercised on reasonable grounds with regard to all the circumstances of the case.

62. I see no cause to exercise my discretion in a manner adverse to the Applicant. I decline to do so.

63. I find and direct that the suit mark is acceptable for registration in Class 29 in Part B of the Register in respect of the specified goods subject to the condition set out in the leave to advertise that registration shall give no right to the exclusive use of the word "BRAND".

64. The Applicant is entitled to an award of costs. 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 hereof, costs will be calculated with reference to the usual scale, set forth in Part I of the First Schedule to Order 62 of the Rules of the Supreme Court (Cap. 4) as applied to trade mark matters, unless otherwise agreed between the parties.

  
(M.W. Fox)

p. Registrar of Trade Marks  
16th February 1993