

File No. : 2518/89

IN THE MATTER of the Trade
Marks Ordinance Cap. 43

and

IN THE MATTER of an
application by ACI
International Limited to
register the mark CRAFTWOOD
(Application No. : 2518/89)
in Class 19 in Part A of the
Register.

Grounds of Decision

of

Mr. R.J. Perera acting for the Registrar of Trade Marks

Mr. R.H. Halstead appeared for the Applicant

1. On the 30th March 1989 ACI International Limited ("the Applicant") applied for "CRAFTWOOD" (Application 2518/89) in Class 19 in Part A for "particle board, fibre board, boards for use in building construction and furniture and all other goods in this class". Subsequently the specification of goods was changed to : "ceiling ornaments, flooring, wainscot, gypsum materials for architectural or structural exclusive use, lime materials for architectural or structural exclusive use, prefabricated building set, fibre board, fire proof wood".
2. The application was received on Form TM-No. 3 on the 30th March 1989. No reference was made in Form TM-No. 3 to any claim for convention priority.
3. By a letter dated 11th April 1990 (received at the Registry on the 17th April 1990) Messrs. Johnson, Stokes & Master on behalf of the Applicant wrote, inter alia, as follows :-

" Re : Trade Mark "CRAFTWOOD" in Class 19

We write to inform you that our client wishes to amend the above trade mark application to claim Convention priority, based on the Korean Application No. 89-3607 filed on the 17th February 1989 ...".

4. By its letter dated the 11th April 1990 to the Registrar Messrs. Johnson, Stokes & Master enclosed a Form TM-No. 33 for the amendment of the application to refer to convention priority, which, unfortunately, also contained an error. As originally filed TM-No. 33 stated that the convention priority to be claimed in respect of a Korean application had been "filed on the 17th February 1990". By its letter dated 30th July 1990 Messrs. Johnson, Stokes & Master returned to the Registrar the amended Form TM-No. 33 which referred to the application as being "filed on the 17th February 1989".

5. On the 13th June 1991 the Trade Marks Registry wrote to Messrs. Johnson, Stokes & Master stating, inter alia, that :-

"... On review of this file it is noted that Convention priority was not claimed in the present Application (Form TM-No. 3) received by this Registry on 30th March 1989 and the later claim for priority was made only on 11th April 1990 which was outside the 6 months period as prescribed by Section 13A. In the circumstances I am not satisfied that the present Application is qualified under Section 13A of the Trade Marks Ordinance to claim Convention priority. I regret to inform you that the claim for priority is not accepted and the citation of Application No. 2131/1989 cannot be waived.

For you information, notice to advertise has been issued to Application No. 2131/89".

6. I would also mention at this point that two applications by Dart Industries Inc. for the mark "CRAFTWOOD" (applications 2130/89 and 2131/89) were received by the Registry on the 14th March 1989. By a letter dated 16th February 1990 to Messrs. Johnson, Stokes & Master in respect of the application by their client of the mark "CRAFTWOOD" in Class 19, the Registry cited Application 2131 of 1989. Messrs. Johnson, Stokes & Master has been subsequently advised that the Registry should also have cited application 2130/89 (the Registry's letter dated 16th September 1991 to Messrs. Johnson, Stokes & Master refers).

7. The applications by Dart Industries Inc. are for the following goods :

Application 2130/89 for "CRAFTWOOD" in Part B in Class 19 for :

"decorative edge molding all made wholly or wholly substantially of wood; all included in Class 19".

Application 2131/89 for "CRAFTWOOD" in Part B in Class 19 in respect of :

"decorative wood veneer included in Class 19".

8. On the 16th August 1991 Messrs. Johnson, Stokes & Master wrote to the Trade Marks Registry requesting a hearing into the matter of convention priority claimed. A hearing took place before me on the 25th September 1991.

9. By a letter dated 18th of October 1991 I rejected the claim for convention priority for application No. 2518/89. By its letter dated 22nd October 1991 Messrs. Johnson, Stokes & Master has asked me for written Grounds of Decision.

10. I summarise the representations made to me by Mr. Halstead at the hearing. He referred me to Article 4D(1) of the Paris Convention for the protection of industrial property which, he said, provided that any person desiring to take advantage of the priority of a previous filing should be required to make a declaration indicating the date of such filing and the country in which it was made. It was up to the laws of each country to determine the latest date on which such a declaration must be made.

11. Mr. Halstead said that, at the date of filing his client's application, his client could have claimed priority from an earlier filing for the same mark in South Korea which had been filed on the 17th February 1989. However, the claim for convention priority as regards the application in Hong Kong had only been made on the 11th April 1990.

12. Mr. Halstead referred to Section 13A of the Trade Marks Ordinance and Rule 9(1A) of the Trade Marks Rules. His argument was that nowhere in the Trade Marks Ordinance, and particularly in Section 13A or Rule 9(1A), was there a requirement that the convention claim had to be made at the date of filing an application. He said that Form TM-No. 3 contained 17 items of information to be put in and sometimes things were missed out. Nothing in Rule 9(1A) required that the information as to convention priority should be given at the date of filing.

13. Mr. Halstead referred to Rule 98 of the Trade Marks Rules which is as follows :-

"Amendment of documents

Any document or drawing or other representation of a trade mark may be amended, and any irregularity in procedure which in the opinion of the Registrar may be excused without detriment to the interests of any person may be corrected, if the Registrar thinks fit, and on such terms as he may direct".

14. Mr. Halstead said that Rule 98 was a discretionary rule which gave the Registrar power to allow the amendment of Form TM-No. 3 filed by the Applicant. He said that there was no irregularity of procedure in this case. The Form TM-No. 3 had been filed together with the appropriate fee. It was a question of amending Form TM-No. 3 to insert a missing convention claim. Mistakes were often made in a form of such complexity as Form TM-No. 3. He said that under Rule 98 the Registrar had a discretion to allow amendment of Form TM-No. 3.

15. Mr. Halstead said that there were no Hong Kong precedents for the sort of application for late amendment that he was making and he agreed that it was not permissible to make such an amendment on a regular basis.

16. Mr. Halstead then referred to the position and practice of the Registrar in the United Kingdom and said that in many respects the United Kingdom law was identical to that of the law in Hong Kong. He referred to the TEXTRON Case (1989 R.P.C., page 441). He said that this case illustrated the principle that if an applicant for a right (whether trade mark or patent) was entitled to do something, he should not be deprived by failure to do that act that would have led to the renewal of the right. He said that the court and the Patent Office in London would bend over backwards to rectify a situation if a party had been entitled at the start and a mistake had been made.

17. Mr. Halstead said that there was nothing in the United Kingdom Work Manual which addressed the particular point as regards convention priority that was the subject of the hearing.

18. Mr. Halstead then referred to the practice in the United Kingdom concerning applications under Section 29(1)(b) of Trade Marks Act 1938 which he said was equivalent to Section 18(1)(b) of the Trade Marks Ordinance. He said that Section 18(1)(b) referred to an application being accompanied by an application for registered user. Mr. Halstead said the wording of Section 18(1)(b) was more specific than that of Section 13A of the Trade Marks Ordinance. He said that the United Kingdom practice was to permit the late filing of a claim under Section 29(1)(b) of the Trade Marks Act. He referred me to para. 77 of the United Kingdom Work Manual Chapter 27. He said that if it was possible to rectify the situation where the word "accompanied" appeared then one could rectify a failure to do something where something had not been laid down (as in Section 13A of the Trade Marks Ordinance).

19. Mr. Halstead then referred me to a conversation that he had had with a Mr. Michael Tuck a senior executive officer of the Trade Marks Registry in the United Kingdom. Mr. Tuck had advised him that the practice of the U.K. Registry was to allow the late filing of a convention claim usually by way of a statutory declaration. Mr. Halstead said that the U.K. practice should be followed for consistency because the legislation in the U.K. and in Hong Kong was the same. Mr. Halstead said he had been advised by Mr. Tuck that Chapter 20 of the U.K. Manual (which dealt with faults in application) would soon be published. He said that Mr. Tuck had advised him that there was a paragraph in Chapter 20 which dealt with the late filing of convention claims.

20. Mr. Halstead then handed me an extract from a book (which I believe to be an extract from Shanahan's Australian Law of Trade Marks and Passing Off) (2nd Edition) in which this paragraph appears :-

"... It is not strictly necessary that the claim to Convention priority be made at the time of lodgement of the Australian application. However, it is prudent nonetheless to identify a Convention case as such as soon as possible to ensure that the Registrar does not mistakenly accept a competing application in ignorance of the priority claim. It is understood that a proposal to prescribe a time limit for claiming priority is currently under consideration". (Page 55)

He said that it showed that in Australia there was no need to claim convention priority at the start. He said that this was the same in the United Kingdom where one could make a late claim to convention priority if one could show reasons behind the failure to claim it at the start. He said that his client's failure to claim a convention priority right from the start was rectifiable and fell within Rule 98 of the Trade Marks Rules.

21. The issue in this particular case is whether I should exercise my discretion under Rule 98 (or Section 13(7) of the Trade Marks Ordinance) to allow Form TM-No. 3 to be amended to provide for convention priority. It is instructive to look at the original Form TM-No. 3 (Application for registration of a trade mark) which has been filed by Messrs. Johnson, Stokes & Master. Under para. J of Form TM-No. 3 which relates to "for additional matter if required" the word "none" was originally typed in the Form TM-No. 3. There is no indication in the Form TM-No. 3 that convention priority is being applied for.

22. Section 13A of the Trade Marks Ordinance refers to applications for convention priority. In essence, it provides that an application in Hong Kong for a trade mark which is made within 6 months from the date of application in a Convention country (as defined in the Trade Marks Ordinance) shall have the same date of registration as the date of application in the Convention country (see Section 13A(1) and (2)). But there are certain formalities. Section 13A(4) is as follows :-

" An application for the registration of a trade mark under this section shall, subject to such further requirements as may be prescribed -

(a) be made in the same manner as an ordinary application under this Ordinance; and

(b) specify -

(i) the Convention country in which the application for protection, or the first such application, was made; and

(ii) the date on which such application for protection was made".

23. Rule 9(1A) of the Trade Marks Rules is as follows :-

" Every application claiming priority under section 13A of the Ordinance by reason of an application made or deemed to have been made in a Convention country shall specify the country in which the application was made and the date of that application, and the applicant shall furnish a certificate by the registrar or other registering authority of that country, or otherwise verify the application made or deemed to be made therein to the satisfaction of the Registrar".

24. In this particular application no reference was made to convention priority in the original Form TM-No. 3. However, Rule 98 does enable the Registrar to provide for the amendment of any document. The Registrar clearly has a discretion for Rule 98 refers to the fact that "any document ... may be amended ... if the Registrar thinks fit ...". It will be seen from Kerly's Law of Trade Marks and Trade Names para. 4-27 (12th Edition) (discussing by reference to the equivalent English legislation) that the power to amend contained in Rule 98 is a more general power than that contained in Section 13(7) of the Trade Marks Ordinance which provides that :

"The Registrar or the Court, as the case may be, may at any time, whether before or after acceptance, correct any error in or in connection with the application, or may permit the applicant to amend his application upon such terms as the Registrar or the Court may think fit".

Even as regards Section 13(7) the Registrar has a discretion as a result of the use of the words "may at any time", "upon such terms as the Registrar or the Court may think fit".

25. The question is whether I should allow the amendment of Form TM-No. 3 to provide for convention priority. I do not think I should and I set out below my reasons.

26. The first point to note is that the Applicant has delayed for over one year before making a claim for convention priority (see paras. 1 and 3, page 1 above). In this respect the intention of Section 13A(4) and Rule 9(1A) of the Trade Marks Rules is clear: It is that the Registrar should be given the information as to convention priority as expeditiously as possible. This is the point that has been made by Shanahan (above cited, page 5) :-

"... However, it is prudent nonetheless to identify a Convention case as such as soon as possible to ensure that the Registrar does not mistakenly accept a competing application in ignorance of the priority claim".

27. In my opinion, there has been an excessive delay in claiming convention priority in this case and no satisfactory explanation has been given to me explaining this delay. All I have been told is that a mistake has been made in filing Form TM-No. 3. No further details have been supplied to me. I note that the argument has been put to me by Mr. Halstead that Form TM-No. 3 is a complex document (see above, page 4, para. 14). With respect, I think it would have been a very simple matter to identify in para. J of Form TM-No. 3 whether a convention claim was being made.

28. There is one other point which inclines me against exercising my discretion under Rule 98 of the Trade Marks Rules and Section 13(7) of the Trade Marks Ordinance. I have referred earlier (see page 2, para. 6, above) to the applications for the mark "CRAFTWOOD" which had been made on behalf of Dart Industries Inc. The date of both these applications was the 14th March 1989 and the Leaves to Advertise for both these applications were issued on the 13th April 1991. Both these applications have been opposed by the Applicant, ACI International Limited and both these oppositions are still on-going. So long as both (or either one) of these oppositions are on-going, I do not think that I should, at this late stage, exercise my discretion to amend the Form TM-No. 3 filed in respect of this Application No. 2518/89 as this could prejudice the outcome of the opposition proceedings commenced in respect of the applications by Dart Industries Inc.

29. I would like to make a few other comments. I do not find the reference to the TEXTRON Case to be relevant to this case as it related to a patent matter which related to specific U.K. legislation. I note the points that Mr. Halstead attempted to make as regards the United Kingdom and Hong Kong legislation on registered user. However, each case must be decided on its own facts. This case before me has nothing to do with registered user and I therefore find his arguments relating to registered user not particularly helpful or relevant.

30. I note the report of Mr. Halstead's conversation with a Mr. Michael Tuck, a senior executive officer at the Trade Marks Registry. I do not think that this conversation (which was reported to me on a hearsay basis) assists me in any way in reaching a decision on specific Hong Kong legislation.

31. At the end of the Hearing Mr. Halstead presented me with a written copy of submissions on which he had based his oral submissions.

32. Having considered all the arguments made to me and all the documents presented to me, I decline to exercise my discretion under Rule 98 of the Trade Marks Rules or Section 13(7) of the Trade Marks Ordinance to allow the amendment of Form TM-No. 3 filed in respect of Application 2518/89 to provide for convention priority.

RJ Perera.
(R.J. PERERA)

Date : 25th October 1991