

File Nos. 6322/1989 and
6324/1989

IN THE MATTER of the Trade
Marks Ordinance (Cap. 43)

and

IN THE MATTER of applications
by SCHERING CORPORATION to
register the marks

"SCHERING-PLOUGH" and

"先靈葆雅"

both in class 5 and Part A of
the Register

Decision

of

FLORA CHENG acting for the Registrar of Trade Marks.

Miss Tanya Pullin of Messrs Deacons appeared on behalf of the
Applicant.

Hearing held on 23rd March 1993.

1. On 9th August 1989, Schering Corporation, a corporation organised and existing under the laws of the State of New Jersey, United States of America (hereinafter called "the Applicant" applied under the Trade Marks Ordinance (hereinafter called "the Ordinance") for the registration of two trade marks in Part A of the Register both in class 5 in respect of "pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides; herbicides" (hereinafter called "the specified goods"). Particulars of the two applications are as follows :

Application No.

Mark

6322/1989

SCHERING-PLOUGH

6324/1989

先靈葆雅

2. Objections were taken to the two applications under Section 20 of the Ordinance on account of the following registered trade marks :-

In respect of Application No. 6322/1989 :-

<u>Mark</u>	<u>Trade Mark No.</u>	<u>Class</u>	<u>Specification</u>
(1) Schering	901/1952	3 (Schedule III of the Trade Marks Rules "the Rules")	Chemical substances prepared for use in medicine and pharmacy
(2) Schering & device	580/1960	5 (Schedule IV of the Rules)	Pharmaceutical, veterinary and sanitary substances; infants' and invalids' foods; plasters, material for bandaging; material for stopping teeth, dental wax; disinfectants; preparations for killing weeds and destroying vermin.

(3) SCHERING	1023/1988	5 (Schedule IV of the Rules)	Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; materials for stopping teeth, dental wax; disinfectants (other than for laying and absorbing dust); preparations for destroying vermin; fungicides, herbicides.
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In respect of Application No. 6324/1989 :-

<u>Mark</u>	<u>Trade Mark No.</u>	<u>Class</u> (Schedule IV of the Rules)	<u>Specification</u>
(1) 先 聖	636/1956	5	Chemical substances prepared for use in medicine and pharmacy

- | | | | |
|-------------------------|-----------|---|---|
| (2) 先灵 | 1025/1988 | 5 | Pharmaceutical,
veterinary and
sanitary preparations;
dietetic substances
adapted for medical
use, food for babies;
plasters, materials
for dressings;
material for stopping
teeth, dental wax;
disinfectants (other
than for laying and
absorbing dust);
preparations for
destroying vermin;
fungicides, herbicides |
| (3) SCHERIPROCT
先靈痔寶 | 148/1958 | 5 | Chemical preparations
for use in medicine
and pharmacy |
| (4) SCHERISOLON
先靈性隆 | 499/1957 | 4 | - ditto - |

3. All the cited marks listed above belong to the same owner viz. SCHERING AKTIENGESELLSCHAFT, a joint stock company organized under the laws of the Federal Republic of Germany, of Mullerstrasse 170-178, Berlin-Wedding, Berlin, Federal Republic of Germany (hereinafter called "the cited proprietor").
4. Despite submissions and the filing of a copy of a letter from the cited proprietor consenting to the registration of the Applicant's trade marks, objections were maintained and the Applicant sought a hearing.
5. A hearing was conducted before me on 23rd March 1993, the Applicant being represented by Miss Tanya Pullin of Messrs Deacons. Following the hearing the objections were upheld and the applications for registration were refused.
6. I am now asked under Section 13(4) of the Ordinance and Rule 20 of the Rules to state in writing the grounds of my decision and the materials used in arriving at it.
7. The relevant law governing this matter is the law as it was in 1989 when the two applications were received. Section 20 of the Ordinance provides :-

" 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".

8. It is not disputed that the cited marks are registered for the same goods or goods of the same description as the specified goods of the present applications. So in relation to the 2 Applications the questions are :

8.1 Application No. 6322/1989

Does "SCHERING-PLOUGH" so nearly resemble the cited marks as to be likely to deceive or cause confusion ?

8.2 Application No. 6324/1989

Does "先靈葆雅" so nearly resemble the cited marks as to be likely to deceive or cause confusion ?

9. The Onus lies on the Applicant to justify registration. If there is any doubt then registration must be refused.

10. In comparing the marks, I must have regard to all the circumstances and must consider the marks as wholes. The test in relation to the likelihood of confusion was summed up by Parker J in Pianotist Co.'s Application (1906) 23 R.P.C. 774 at 777 :-

"... You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case."

11. Application No. 6322/1989 "SCHERING-PLOUGH" :-

11.1 Cited marks 901/1952 and 1023/1988 consist solely of the word "Schering". Cited mark 580/1960 consists of the word "Schering" and the device of two hands with a flower device in between the hands. The essential or distinguishing feature of the cited marks is the word "Schering". The applied for mark have incorporated the essential or distinguishing feature of all the cited marks. As to the question whether "SCHERING-PLOUGH" so nearly resembles the cited marks as to be likely to deceive or cause confusion, in my view the answer must be in the affirmative. The Applied for mark has incorporated the whole of the cited marks 901/1952 and 1023/1988. The addition of the word "PLOUGH" does not avoid the confusion.

12. Application No. 6324/1989 " 先靈葆雅 " :-

12.1 For the purposes of comparison I set out the subject mark and the cited marks (excluding the English words) below with the English translations and transliterations of the Chinese characters :

Subject mark	:	先靈	葆	雅
translation	:	Ancestors	Luxuriant foliage	Elegant
transliteration	:	Sin Ling	Po	Nga

Cited mark 636/1956:		先靈		
translation	:	Ancestors		
transliteration	:	Sin Ling		

Cited mark 1025/1988:		先靈		
translation	:	Ancestors		
transliteration	:	Sin Ling		

Cited mark 148/1958	:	先靈	痔	寶
translation	:	Ancestors	Piles	precious
transliteration	:	Sin Ling	Chi	Po

Cited mark 499/1957:		先靈	甦	隆
translation	:	Ancestors	to revive	prosperous
transliteration	:	Sin Ling	So	Lung

12.2 As can be seen the subject mark contains four characters, the first two characters of which are identical with the first two characters of the cited marks 148/1958 and 499/1957.

12.3 As regards cited mark 1025/1988, the second character " 天 " is the simplified version of the character " 天 " which is the second character of the other marks. The subject mark has incorporated the whole of the cited marks 636/1956 and 1025/1988.

12.4 I have taken note of the fact that all the cited marks are owned by the same proprietor and all the cited marks incorporate the characters " 先 靈 " (or its simplified version) meaning "Ancestors" which I consider is the common distinguishing feature of the marks. I must say that these are circumstances adverse to the Applicant of the subject mark which contain the same distinguishing feature, since the public might think that such a mark indicated goods coming from the same source. I quote from the U.K. Registrar's decision of Beck Koller & Co. Ltd.'s Application. [1947] 64 RPC 76 at 83 :-

"When an application for registration is before the Registrar it frequently happens that the search for conflicting marks reveals several marks having some characteristic feature in common with the mark of the application, which marks may stand on the Register in the name of one proprietor only, or in the name of several different proprietors. At this stage, when the matter is one between the applicant and the Registrar, the latter generally has before him no evidence as to whether the registered marks

are in actual use or not, but in forming an opinion under Sec. 12 as to whether or not confusion or deception is likely to arise, he is bound, I think, in the absence of evidence to presume that, prima facie, some at least of the registrations have been effected bona fide by persons who at the date of their respective applications were using or proposed in the near future to use their marks. If, therefore, all the marks were owned by one proprietor, the Registrar would presume that the latter was using a "series" of marks and judge the conflict between the applicants' mark and each of the proprietor's marks with this consideration in mind. "

12.5 In my view the commonality of the characters "先靈" or "先灵" in the respective marks renders the subject mark confusingly similar to the cited marks.

13. At the hearing no submissions were made as regards the similarity of the marks. However Miss Pullin submitted that there were special circumstances in this case which gave grounds for allowing the two marks to proceed to registration.

14. Firstly Miss Pullin submitted that relationship between the Applicant and the cited proprietor was a special circumstance that I have to take into consideration. According to Miss Pullin the Applicant (a U.S. company) was once a subsidiary of

the cited proprietor (a Germany company). During World War II the cited proprietor's assets were frozen. However in U.S. the law allowed the German assets to be sold off at auction. Some of the assets were then sold off and the relationship between the two companies was severed. Since then both companies developed separately. Miss Pullin submitted that in view of the special relationship between the Applicant and the cited proprietor, I should allow the two marks to proceed to registration. I cannot see the logic of this argument. The background and relationship between the Applicant and the cited proprietor do show that the Applicant has no intention to deceive. However the law is clear that Section 20 does not require there be an intention to deceive or cause confusion. Miss Pullin further submitted that the parties likely to be damaged by the coexistence of the applied for marks and cited marks are the Applicant and the cited proprietor themselves. I am unable to accept this argument. The persons to be considered in estimating whether the resemblance between the marks in question is likely to deceive are all those who are likely to become purchasers of the goods upon which the marks are used, provided that such persons use ordinary care and intelligence. While the Applicant and the cited proprietor themselves may not be confused, for reasons indicated above, I am not satisfied that the public would not be confused. In this particular case the goods are pharmaceutical preparations. I must bear in mind the special dangers associated with pharmaceutical preparations. It is

particularly important that the public should be protected, so far as is possible within my responsibilities, from the consequences of confusing the marks because any confusion between the marks could have serious consequences. I refer to the following observations made by Lloyd-Jacob J in Harker Stagg Ltd.'s Trade Mark [1953] 70 RPC 205 at 210 :-

"It is therefore, unnecessary that I should go on, but I think it is desirable that perhaps I should say this. Had the matter been one for my initial consideration. I should, I hope, have appreciated that, having regard to the absence of any restriction upon the means of distributing these goods, and the fact that all sorts and conditions of people may be either visited with complaints which require their consumption or may be sent to procure supplies of these goods, the matter properly falls to be considered by an examination of the two marks and, if there were, or is, any reasonable ground for supposing that by reason of their similarity, confusion or deception is likely to arise, the fact that they are used in relation to a pharmaceutical preparation is, perhaps, all the more reason for seeing that the public are protected from the consequences of deception and confusion".

15. Secondly, Miss Pullin drew my attention to the Applicant's trade mark "SCHERING-PLOUGH", Trade Mark No. 3272/1990, which is registered in class 3 (Schedule IV of the Rules) in respect of "bleaching preparations and other substances for laundry use; cleaning, polishing scanning and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices". In Miss Pullin's submission, the fact that this mark has coexisted on the Register with the cited mark 901/1952 "Schering" also in class 3 gives grounds for allowing the present Applications. I am unable to accept this argument. The cited mark 901/1952 was registered in class 3 of Schedule III of the Rules, which is the classification of goods before Hong Kong adopted the International classification of goods and services recorded in Schedule IV of the Rules. The goods registered under the cited mark 901/1952 being "chemical substances prepared for use in medical and pharmacy" are goods falling in class 5 of Schedule IV which are clearly different from those goods registered under the Applicant's trade mark no. 3272/1990.
16. Miss Pullin submitted that the applied for English mark coexist with the cited marks in other parts of the world. However no evidence whatsoever was submitted to substantiate the case. In any event such evidence if submitted does not necessarily support the argument that coexistence of the applied for marks and the cited marks would not lead to confusion in Hong Kong.

17. Lastly I turn to the matter of consent from the cited proprietor to the registration of the present two Applications. Miss Pullin submitted that the fact that the cited proprietor had given a very broad consent to the Applicant should be considered by the Registrar in favour of the Applicant. I quote the U.K. Assistant-Controller's summing-up on the matter of consent as stated in British Lead Mills Ltd.'s Application [1958] R.P.C. 425 at 427 :

"The effect of a consent on the part of a registered proprietor of a trade mark to the registration of a similar mark is referred to in Dewhursts' Application (1896) 13 RPC 288 where Lindley and Kay LJ both indicated that a consent was not conclusive and not binding on the Registrar, but was merely some evidence that there might not be confusion between the two marks. Lopes LJ, however, went further and said 'I do desire to say one word about a matter which I consider a very important one. We have been told here that rival traders, those who have trade marks resembling, as pictures, the words sought to be registered, consented to this registration, now, to my mind those consents are absolutely immaterial. It may be, and I think it is properly said, that those consents are some evidence of there not being a probability of persons being deceived. I think to that extent that may be

used : but to say that they have any greater effect I think would be most mischievous. The public have no notice of these consents. The general public are to be protected as well as traders. They have no notice of these consents and it is obvious - and, on point of fact, it is stated to have happened; and I do not doubt that it has happened - that these consents might be bought and sold to any extent; and anything more mischievous than that it would be impossible to imagine having regard to the principal object of the Act of Parliament'."

18. Accordingly, while I am prepared to give the said consent due weight, I have found that the marks are confusingly similar. Consent from the proprietor of the cited marks does not therefore resolve the matter in the Applicant's favour.
19. No other special circumstances have been drawn to my attention and no evidence of use of the marks applied for have been put before me.
20. For reasons above stated, I am not satisfied that the use of the marks applied for and the cited marks in respect of identical goods or goods of the same description would not lead to confusion.

21. In this decision I have considered all the documents filed by the Applicant and all the arguments submitted to me in relation to these Applications and, for the reasons given, they are refused under the terms of Section 13(2) of the Ordinance because of the prohibition imposed by Section 20.



(Flora CHENG) (Mrs.)
p. Registrar of Trade Marks
20th July 1993