

Application No. 199214592

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

AND

IN THE MATTER of an application for
the registration of the trade mark: -

BOSS

in Class 30 in Part B of the Register by
Suntory Kabushiki Kaisha

AND

IN THE MATTER of an opposition by
Hugo Boss AG

**DECISION
OF**

Mr. Frederick Wong acting for the Registrar of Trade Marks after a hearing on 3 October 2007.

Appearing: Mr. Felix Pao, counsel, instructed by Messrs. Wilkinson & Grist for the applicant Suntory Kabushiki Kaisha.

Mr. Colin Shipp, counsel, instructed by Messrs Twiggy MH Liu Law Office for the opponent Hugo Boss AG.

1. These proceedings arise out of an application made on 14 August 1992 by Suntory Kabushiki Kaisha of 1-40, Dojimahama 2-Chome, Kita-Ku, Osaka, Japan, to register in Part A of the register, pursuant to the provisions of the Trade Marks Ordinance Cap. 43 (the "Ordinance"), the trade mark, a representation of which appears below :

BOSS

(the "suit mark") in Class 30 in respect of "coffee, coffee based beverages; tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces, except salad dressings; spices; ice" (the "specified goods"). The suit mark was accepted for registration in Part B after examination and advertised for opposition purposes in the Government of the Hong Kong Special Administrative Region Gazette on 22 July 1994.

Pleadings

2. Hugo Boss AG (the "opponent") filed a notice of opposition on 25 November 1994.

3. The opponent is a company incorporated and existing under the laws of Germany, having a registered address at Dieselstrasse 12, 7439 Metzingen, Federal Republic of Germany. The opponent claims to be the owner of trade marks "BOSS", "HUGO BOSS", "BIG BOSS", "BOSS HUGO BOSS", "HUGO HUGO BOSS" and "BALDESSARINI HUGO BOSS" and has registered the marks in quite a number of places across the world. In Hong Kong, it is the owner of or the applicant for registration of the aforesaid marks which cover goods and services in classes 3, 9, 18, 25, 28 and 42.

4. The opponent claims that it first used the trade mark "HUGO BOSS" over four decades ago and has commenced using trade marks "BOSS" and "HUGO BOSS" in Hong Kong since 1972. It claims that it has been extensively selling, retailing and advertising under the trade marks in respect of a wide range of articles of clothing in Hong Kong and overseas, and has also diversified the use of the trade marks in Hong Kong and overseas in connection with various other products, whether related or unrelated to articles of clothing. It also claims that it has been carrying on the business

as a manufacturer and seller of the aforesaid goods under or by reference to the names BOSS, HUGO BOSS and/or BOSS HUGO BOSS for over forty years and is widely known by such trade names throughout the world.

5. It alleges that the suit mark is identical to or so nearly resembles its trade marks that the general public would be highly likely to be misled into the belief that the goods sold under the suit mark are the products of the opponent's or otherwise associated with it. Registration of the suit mark should be refused under section 12 of the Ordinance. It seeks costs against the applicant.

6. The applicant filed a counter-statement on 15 May 1995, denying all claims of the opponent. It avers that any reputation the opponent may have acquired in the trade mark "BOSS" is confined to articles of clothing only which are entirely unrelated to the specified goods of this subject application. It further alleges that the opponent does not enjoy exclusive right to use the mark "BOSS" in respect of all kinds of goods and is not entitled to prevent the applicant from obtaining registration of the suit mark in relation to the goods that are entirely unrelated to those covered by the registrations of the opponent's trade marks. It claims that it has used the suit mark in Japan since 1992 and has acquired substantial reputation through voluminous sales and heavy promotion of the applicant's goods bearing the suit mark. It seeks costs against the opponent.

Preliminary issue

7. The hearing was originally fixed to take place before me on 9 October 2006. But due to the late attempt by the opponent to seek to file a second statutory declaration of Ms. Liu Mei Ho, the hearing on 9 October 2006 turned out to be a hearing of arguments in that connection, details of which I need not recite here. As a result, the hearing on the substantive issues of these proceedings was adjourned to a new date to be fixed in consultation with counsel's diaries, and leave was given under Rule 28 of the Trade Marks Rules Cap. 43A (the "Rules"), for the opponent to file the second statutory declaration of Ms. Liu Mei Ho within 7 days from the date thereof and for the applicant to file any evidence in reply within 28 days upon receipt of the copy of the supplemental statutory declaration. I also awarded the costs of the hearing on 9 October 2006 and the costs occasioned by and incidental to the filing of further evidence to the applicant.

8. The opponent filed the second statutory declaration of Ms. Liu Mei Ho on 17 October 2006, and the applicant filed two statutory declarations in response on 14 November 2006, namely, statutory declarations of Man Chi Hung Edward and Tsang Suk Yin, respectively. But then in January 2007 the applicant raised objection to the filing of the second statutory declaration of Ms. Liu, alleging that it was not in compliance with the order I made during the hearing on 9 October 2006 as pursuant to which the filing should have been done on or before 16 October 2006. Having considered written submissions from both sides, the Registrar gave a preliminary ruling on 19 March 2007 granting an extension of time up to 17 October 2006 for the filing of the second statutory declaration of Ms. Liu. The applicant was given an opportunity to call for a hearing to dispute that preliminary ruling but it did not exercise that option. The ruling was thus made a formal ruling on 27 April 2007. Hearing on the substantive issues of these proceedings was resumed before me on 3 October 2007.

Opponent's Evidence

9. The opponent's evidence comprises a statutory declaration of Manfred Schäfer dated 6 March 1996, a statutory declaration of Jörg-Viggo Müller dated 8 September 1997, a statutory declaration of Ms. Liu Mei Ho 12 September 1997 and, as discussed, the second statutory declaration of her dated 14 October 2006.

10. Manfred Schäfer is the legal counsel of the opponent. He claims that the opponent is a company transformed from Hugo Boss GmbH in 1984, the latter being a limited company founded by Hugo Boss in 1948. The opponent has a number of trade mark registrations in respect of a wide range of goods throughout the world including Hong Kong, and it first used the trade marks BOSS and HUGO BOSS in Hong Kong in 1972. I shall discuss in detail the evidence of Mr. Schäfer in the later part of this decision.

11. Mr. Jörg-Viggo Müller's statutory declaration was filed as evidence in reply to the applicant's evidence, which in the main consists of comments and submissions. I do not propose to summarize it but would refer to the relevant parts of it as and when appropriate.

12. Ms. Liu Mei Ho's first statutory declaration deposes to a Taiwanese proceedings in respect of which it was agreed at the hearing that it should not be an issue

for these proceedings as it seems the opponent had mistakenly believed that the Taiwanese entity involved was the applicant.

13. The second statutory declaration of Ms. Liu Mei Ho was filed pursuant to my order given on 9 October 2006 (see paragraphs 7 and 8 above), which prompted the filing by the applicant of two statutory declarations of Man Chi Hung Edward and Tsang Suk Yin, respectively, both dated 14 November 2006, in response. I shall deal with these statutory declarations in the later parts of this decision.

Applicant's Evidence

14. The applicant's evidence, besides the abovementioned statutory declarations of Man Chi Hung Edward and of Tsang Suk Yin, consists in the main two statutory declarations of Shinichiro Torii, one dated 6 March 1997 and the other dated 12 September 1997.

15. Mr. Shinichiro Torii is the President of the applicant which is a corporation organised and existing under the laws of Japan. Mr. Torii claims that the applicant first adopted the suit mark in 1992 in Japan and has obtained for it a registration in Japan in respect of beverages and food products. "Since September 1992 the suit mark has been extensively and continuously used in Japan in respect of, in particular, canned coffee based beverages manufactured and sold by the [applicant]" (paragraph 3 of Mr. Torii's first statutory declaration). Annual sales figures for "Suntory's canned coffee based beverages bearing the suit mark for the period of 1992 to 1996" were given, the number of cans sold for September to December 1992 is 300,000,000, valued for 32,100,000,000 in yen. Details of the promotional and advertising efforts of the applicant with respect to "[the applicant]'s canned coffee based beverages bearing the suit mark", many of which are in fact discussions of promotional strategies, appear in Mr. Torii's first statutory declaration. I do not think I need to summarize them here.

16. I shall refer to the relevant parts of Mr. Torii's second statutory declaration and the statutory declarations of Man Chi Hung Edward and of Tsang Suk Yin in the later parts of this decision.

Decision

17. Although the substantive hearing on 3 October 2007 took place after the commencement of the Trade Marks Ordinance, Cap. 559, by virtue of section 10(2) of Schedule 5 of Cap. 559, oppositions that are pending at the commencement date, 4 April 2003, remain to be dealt with under the provisions of the repealed Trade Marks Ordinance, Cap. 43.

18. Although the opponent has pleaded sections 10 and 12(1) of the Ordinance as the basis of its opposition in the Grounds of Opposition, at the hearing it only pursued the opposition based on section 12(1). It also pleads that the Registrar should exercise his discretion to refuse registration of the suit mark. I shall consider the opposition under section 12(1) first.

Opposition under section 12(1)

19. It is well-established that before an opponent can invoke section 12(1), it must establish a certain degree of reputation in Hong Kong of its mark. At its very highest, it is a question of a substantial proportion of the interested public being aware of its mark, and at its very lowest, the question relates to the significance of the numbers in relation to the market for particular goods. The reputation in the opponent's mark must be more than de minimis to bring section 12(1) into operation the reason being, if the opponent's mark is unknown in Hong Kong, deception or confusion is unlikely to arise (*Da Vinci Trade Mark* (1980) RPC 237). Only if the opponent discharges this burden does the onus shift to the applicant to satisfy the tribunal that there is no reasonable likelihood of deception among a substantial number of persons if the suit mark proceeds to registration (*Eno v Dunn* (1890) 15 App Cas 252 at 261). The date at which this cognizance or reputation is to be established is the date of the application to register the suit mark (*NOVA Trade Mark* (1968) RPC 357 at 360), which in the present case is 14 August 1992 ("the application date").

20. Reputation in the local market may be established through user of the mark in its widest sense including advertisements if the goods are available to be traded in Hong Kong or even if they are not, through the spill-over of foreign goodwill and reputation into Hong Kong (*Hong Kong Caterers Ltd v. Maxim's Ltd* [1983] HKLR 287. See also *Sans Souci Trade Mark*, unreported decision of the acting Registrar M W Fox dated 28

May 1991).

21. Mr. Colin Shipp, counsel for the opponent, pointed out that there is much common ground between the parties insofar as the law is concerned, but the parties are at issue on the sufficiency of the reputation of the opponent's mark or marks to mount a section 12(1) opposition. I shall therefore turn to the evidence of the opponent first to ascertain the reputation of the opponent's marks as at the application date. In this respect the bulk of the opponent's evidence is in Mr. Schäfer's statutory declaration.

22. According to Mr. Schäfer, the opponent is a German company carrying on business in the design, manufacture and marketing of, among other things, men's clothing under the trade marks "BOSS", "HUGO BOSS", and in the words of Mr. Schäfer, "a combination mark "BOSS/HUGO BOSS" (with "HUGO BOSS" represented in smaller lettering below the word "BOSS")" (I shall further discuss this mark in paragraph 29 below). The opponent has also mentioned that it has a number of trade mark registrations for these marks throughout the world including Hong Kong in respect of a wide range of goods. I note, however, that section 12(1) does not require that the mark the opponent relies upon to mount an opposition must be a registered mark.

23. The opponent alleges in Mr. Schäfer's statutory declaration that the worldwide sales of goods bearing these trade marks in the early 1990s had been in the region between DM 700 to 800 million annually, of which Hong Kong sales accounted for DM5.58 million in 1992 (out of a total of about DM19.1 million in Asia). Some retail sales figures, which can be said to be impressive from the late 1980s onwards, are also given in the statutory declaration. All these, however, are subject to the criticism of Mr. Pao that they lack documentary proof in the sense that no catalogues, photographs, sales invoices, or whatsoever have been produced to show that the opponent's goods had been sold in Hong Kong prior to the application date.

24. I find Mr. Pao's criticism a fair one to make. The retail figures, which I find to be impressive from the late 1980s onwards, are alleged to be from 1973 to 1993 for the "[opponent]'s menswear and related goods (*undefined*) in Hong Kong" under and by reference to the mark "BOSS" and other marks including "BOSS". However, at paragraph 5 of Mr. Schäfer's statutory declaration, it was said that, "Until the early 1990's, [the opponent's] products were sold mainly in Europe and North and South America. In 1992, Europe and the Americas accounted for some 93% and 5% respectively of [the opponent's] sales. The remaining 2% of sales were in Asia, with a value of ..."; and then, in the next paragraph, it was stated that since the appointment of

a new chairman in 1993, the opponent had taken steps to increase its sale in South East Asia, and from 1994 to 1995, the opponent's "prime target is to concentrate on increasing its sale in Asia, with Hong Kong serving as headquarters for the region." Contrary to the impression given by the retail sales figures which I found to be steadily growing since 1973 and have become substantive in the mid-1980s, from these two paragraphs it seems it was not until 1993 did the opponent start to pick up its business presence in the Asian markets. Besides, I note that in the opponent's "trade mark policy" exhibited in Exhibit "E" (which I will later discuss), there is a historical account of the opponent from 1923 to 1990. Despite the long chronology of business developments of the opponent mentioned there, it does not appear that the opponent had done any business in Hong Kong up to 1990.

25. It is also surprising to find that Mr. Schäfer only states that the opponent "currently has 3 shops in Hong Kong in Central Building, Hong Kong Hotels and the Pacific Place" and booths in Lane Crawford Stores over five places in Hong Kong", referring to the situation in 1996 when he made the statutory declaration, but he made no mention of when these shops were opened and whether the opponent had any retail outlet in 1992.

26. In the circumstances and in the absence of documentary proof, the assertion of retail sales in Hong Kong of the opponent's menswear and related goods under and by reference to the mark "BOSS" and other marks including "BOSS", from 1973 to 1993, is a mere assertion without proof.

27. Mr. Schäfer also gives the opponent's worldwide promotional and advertising expenditures from 1977 to 1993. Although the figures are again impressive, no breakdown for Hong Kong is given.

28. Exhibit "D" to Mr. Schäfer's statutory declaration is said to contain "summaries of advertisements for 1992 and 1993 and copies of advertisements". I could see that there are lists of magazines, newspapers and hotel TV in or via which the opponent's goods are alleged to have been advertised in 1992 and 1993. These magazines, newspapers and hotel TV all appear to have local circulation or be targeting Hong Kong audience. Exhibit "D" also contain copies of some actual advertisements. Mr. Pao correctly alerted me that some of them were marked with dates that fall in 1993 or 1994, which are after the application date, whereas the remaining are simply undated. Nonetheless, presuming that these advertisements correspond to those on the lists of magazines and newspapers, the earliest date shown on the list is March 1992, which is a

few months before the applicant filed the subject application.

29. As to the advertisements themselves, they show quite consistently what mark and goods of the opponent had been advertised – the subject goods involved are men’s clothing, and the mark conspicuously displayed is a mark matching the description of Mr. Schäfer of “a combination mark “BOSS/HUGO BOSS” (with “HUGO BOSS” represented in smaller lettering below the word “BOSS”)”. Representations of the marks depicted in the advertisements are reproduced below:-



I shall call this mark “the combination mark “BOSS/HUGO BOSS”” hereinafter in this decision. The combination mark “BOSS/HUGO BOSS” appears to be the only mark that had been used by the opponent in Hong Kong prior to the application date, and further evidence in exhibit “E” to Mr. Schäfer’s statutory declaration, which I am going to discuss, lends support to this.

30. Exhibit “E” is said to contain the opponent’s “trade mark policy”, though it appears to be extracts from several documents or from a document that has several sections. In a section called “Basic Graphics Elements of the Corporate Design”, the combination mark “BOSS/HUGO BOSS” appears at the top of each page of this section. Under this section, it is stated that “The logo Boss (Hugo Boss) is the basic element maintaining and consolidating the brand identification and assuring its uniform impact. The Boss logo represents a maximum value ... The Boss logo stands for the reputation and the status of the product and the company ...”. The section also contains certain “Rules relating to the Sales Sector”, Rule II(1) states that “The logo is to be used exclusively in direct, clearly recognizable relationship with Boss products.”; Rule II(3) provides that “Boss photos or pictures of Boss products in dealer catalogues, folders, ads, must only be used in conjunction with the Boss logo. This is also valid for photos shown in the sales department.” The combination mark “BOSS/HUGO BOSS” also appears on the front page of the “our Sales Guidelines” section which is dated September 1990. As the only mark featured in the opponent’s “trade mark policy” is the combination mark “BOSS/HUGO BOSS”, it is apparent that this mark is prescribed to be the mark that would be used in all of the opponent’s promotional, advertising and sales campaign. The policy seems to bear a date of September 1990.

31. On the other hand, Mr Schäfer also claims in his statutory declaration that the trade mark “BOSS” and other marks bearing the word “BOSS” have been used by the opponent as “the singular identifying marks of origin on virtually all goods carried by [it]”, as well as “the identifying mark of [the opponent company]”, that the opponent has been continuously expanding or diversifying its traditional high fashion clothing business into other areas and products, such as perfumes, spectacles, watches, tennis rackets and golf clubs, and that these marks “are used on labels, hangtags and other packaging materials used, and are used decoratively on various items of goods”, and that these marks “are also used extensively on promotional items such as umbrellas, golf hats and towels”. However, none of these have been borne out by any evidence contained in the exhibits attached to his statutory declaration.

32. Taking the evidence of the opponent discussed above as a whole, although I find that the alleged retail sales of the opponent’s goods bearing the opponent’s marks a mere assertion without proof, and the evidence of promotion and advertisement contains many advertisements that seem to be post-application date, there is some evidence contained in Exhibit “D” pointing to that the opponent has at least advertised the combination mark “BOSS/HUGO BOSS” in respect of men’s clothing since March or April of 1992 which pre-dates the application date. As mentioned above, reputation in the local market may be established through user of the mark in its widest sense including advertisements if the goods are available to be traded in Hong Kong. I therefore find that the opponent has established a reputation in the combination mark “BOSS/HUGO BOSS” in respect of men’s clothing in Hong Kong prior to the application date sufficient at least to mount an opposition under section 12(1).

33. For the purpose of overcoming the threshold for mounting an opposition under section 12(1) of the Ordinance the awareness of the opponent’s mark in Hong Kong need not be in respect of the same goods as the applicant wishes to protect. Mr. Shipp submitted rightly therefore that there is no need to show a reputation of the opponent’s mark in Classes 29 and 30 goods. All that the opponent needs to show, which I have already found they do, was reputation for the mark in Hong Kong derived from user in the widest sense or awareness here. The difference in the goods may become a factor when I consider the likelihood of deception but it is not a pre-condition to mounting an opposition – see *Re Yuen Nuen Sun* [2000] HKLRD 341 at 354-356 (also reported as *Re Sun’s Jewellery Co.* [2000] 2 HKC 210 at 223C-224F), *Re Omega Trade Mark* [1995] 2HKC 473 at 479.

34. The onus thus shifts to the applicant to satisfy me that use of the suit mark will not be reasonably likely to cause deception and confusion amongst a substantial number of persons. The classic expression of the question to be decided is in *Smith Hayden & Co.'s Application* (1946) 63 RPC 97 which, if adapted to the present case, is as follows:

“Having regard to the reputation of the opponent’s mark in respect of men’s clothing, is the tribunal satisfied that the mark applied for, if used in a normal and fair manner in connection with any goods covered by the registration proposed, will not be likely to cause deception and confusion amongst a substantial number of persons? May a number of persons be caused to wonder whether goods under the respective marks come from the same source? Is there a real tangible danger of confusion if the applied for mark is put on the register?”

35. The reference to “substantial” is a question to be judged in relation to the market for the goods concerned. “Persons” are all those likely to become purchasers of the goods upon which the respective marks are used. The reference to “the user” of the opponent’s mark and “if used in a normal and fair manner” of the suit mark in the above test normally mandates that what is to be compared is the notional and fair use which the applicant would be entitled to make of its mark in the ordinary course of trade in respect of the specified goods, against the use actually made by the opponent of its mark.

36. One point to note in the instant case is that there is no suggestion of a deliberate copying of the opponent’s mark for the purpose of trading on the goodwill of the opponent and so as to deceive the purchasing public into associating the applicant’s goods with the opponent’s. This distinguishes the instant case from cases such as *Re Omega* and *Re Gay Giano* (cases to be discussed later) where the applicant’s proposed mark was identical to the proprietor’s mark and no explanation was advanced as to why the mark had been chosen by the respective applicants in the two cases. Nevertheless, lack of intention to deceive on the part of the applicant does not absolve the Registrar from his statutory duty to refuse registration of any matter which is likely to deceive or would be disentitled to protection in a court of justice. The real question is whether people would be confused, given the reputation of the opponent’s mark in respect of men’s clothing, if they see the specified goods of the applicant with the suit mark.

37. This would involve the comparison of the two marks. The comparison is between the opponent’s mark as it has in fact been used and the suit mark in notional fair use.

38. The opponent's mark in actual use is the combination mark "BOSS/HUGO BOSS" as represented under paragraph 29 above. It contains the word "BOSS" in prominent size with "HUGO BOSS" represented in much smaller lettering just below it. Although because of its size the single word "BOSS" appears to be the dominant component of the mark, I must regard the opponent's mark as a whole, and in so doing, given that the word "BOSS" is not, in my view, a strongly distinctive word in relation to men's clothing, it is impossible to completely discount the prominence of the term "HUGO BOSS".

39. The suit mark is also a word mark, consisting only of the word "BOSS".

40. Comparing the two marks, whether from the visual perspective or the aural perspective, the same can be said that there is both similarity and dissimilarity existing between them. On the one hand, there is some similarity between the respective marks as they both contain the word "BOSS". On the other hand, as I have said, the prominence of the term "HUGO BOSS" which appears just beneath the large-sized word "BOSS" in the opponent's mark cannot just be discounted, and its presence would make the overall appearance and impression of the opponent's mark, as well as the way it is called, somewhat different from that of the suit mark. But marks are not to be seen side by side, and regard must be had to sequential or imperfect recollection. On balance, I consider the similarity outweighs the dissimilarity and the marks are visually and aurally similar.

41. Conceptually, I would accept that they both convey the same idea or meaning namely, "BOSS", which as Mr. Torii said is someone who exercises control or authority.

42. To summarize, I find the opponent's mark and the suit mark to be similar.

43. I must next consider the goods to which the respective marks are to be applied. The inevitable consequence of registration of a trade mark is that protection will extend not only to the goods covered by the registration, but also to a penumbra of closely related goods. This is clear from the provisions of sections 20 to 23 of the Ordinance which prohibit the registration of identical or nearly resembling marks owned by different proprietors in respect of the same goods or the same description of goods except in the case of honest concurrent use. It is accordingly important, when considering the likelihood of deception or confusion, to have regard to the respective goods to which the marks are applied or might be applied.

44. In *The Eastman Photographic Materials Co. Ltd. and another v The John Griffiths Cycle Corporation Ltd. and The Kodak Cycle Co. Ltd.* (1898) 15 RPC 105 it had been established that the plaintiffs had invented and used the word “Kodak” in relation to cameras and related goods. The defendants had obtained registration of the word “Kodak” for cycles and other vehicles. At first sight cameras and cycles would appear to be totally dissimilar products, but on the facts this proved not to be the case, and the defendants’ mark was ordered to be expunged. At p-110 Romer J summarised the evidence :

“It appears that the ‘Kodak Cameras’ are especially available for use on cycles, and that they are much used by cyclists, and the Plaintiff company had done a large trade in these ‘Kodaks’ for the purpose of cycles. It has made certain special forms of ‘Kodaks’ so as to especially adapt them for use on cycles. It has advertised for some time these special ‘Kodaks’ as ‘Cycle Kodaks’ or ‘Bicycle Kodaks’, and it also has a considerable trade in bicycle assessories as far as relates to the adaptation of the bicycle for photographic purposes. At one recent large cycle show the Plaintiff company had a stall, and the evidence shows that between the two trades, the bicycle trade and the camera trade, there is an intimate connection. Many shops sell and deal in both bicycle and photographic cameras and materials. To a certain extent the Plaintiff company is identified with the name ‘Kodak’ as connected with cycles, and so great is the connection between the two classes of business, that in all probability, I may say, the Plaintiff company may wish hereafter to manufacture and sell cycles specially adapted to carry their ‘Kodaks’.”

45. In *Edward Hack’s Appn.* (1941) 58 RPC 91 an application for the registration of “Black Magic” in respect of “medicated preparations in solid form for human use as laxatives” was opposed by the proprietors of “Black Magic” in respect of “chocolate”. On appeal, the opposition was successful on the basis that there was a risk of confusion in that some persons would be likely to think that the two “Black Magic” preparations were made by the same manufacturers, and others to wonder if this might be the case. At p.105 Morton J. said this of the evidence :

“The evidence shows that, at the time of application for registration chocolate laxatives were a very common form of solid laxatives. When I say “chocolate laxatives”, I mean laxatives in which chocolate is either employed as a coating for the actual laxative medicine or is admixed with it. There were, I think, twelve samples produced, and of these samples four contained about 90

percent of chocolate and one contained 87½ percent of chocolate. One of these samples is a brand called “Ex-lax” which appears, from the evidence, to be widely advertised, and it looks just like a bar of solid chocolate. These chocolate laxatives are all medicinal preparations. The evidence also shows that it is not unusual for chocolate manufacturers to supply the chocolate to the manufacturers of medicated preparations, or to make certain medical preparations themselves. ... It is also clear from the evidence that laxatives and chocolates are not infrequently sold in the same shops and over the same counter. ... It is to be observed also that chocolates and laxatives are alike in this, that they are both edible, that the laxatives which Mr. Hack seeks to sell under his trade mark are in solid form, and that both articles are intended for human consumption.”

46. In *PLAYERS Trade Mark* [1965] RPC 363 the applicant sought to register “PLAYERS” in respect of confectionery intending to use it on imitation cigarettes made of confectionery. The application was opposed by the owner of the mark PLAYERS, registered in respect of tobacco. There was evidence showing it was well known that confectionery goods and cigarettes were sold in a great majority of cases from the same shop or kiosk and even from the same counter in many shops. There was also questionnaire evidence in which all declarants in answer to the question “What goods does the word PLAYERS imply to you?” replied cigarettes; and to the question “If you were to see confectionery cigarettes or confectionery tobacco goods sold under the trade mark PLAYERS with whom would you associate such goods?” replied that the goods came from the opponent company. Based on these evidence, and despite the finding that the goods are not goods of the same description, the opposition was held to be successful.

47. In *Re OMEGA* [1995] 2HKC 473, where the respondent’s attempt to register a composite OMEGA mark in respect of “writing instruments” was disallowed in view of the appellant’s registrations and user of a practically identical mark in respect of “horological instruments”, Deputy Judge Le Pichon (as she then was) noted, at p. 476 :

“Whilst the opponent admits that it has neither registered its marks in respect of writing instruments, refills and parts thereof nor sold such goods in Hong Kong, it has adduced evidence to show that owners of famous trade marks tend to use them for a range of products including, in particular, watches and writing instruments. Examples of famous trade marks being used in relation to watches and writing instruments include ‘ST Dupont’, ‘Cartier’, ‘Dunhill’,

‘Christian Dior’, ‘Guy Laroche’, ‘Tiffany’, ‘Corum’, ‘Chaumet’, ‘Philippe Charriol’ and ‘Caran d’Ache’.

48. Finally in *Re Gay Giano Trade Mark* [1996] 2 HKC 646 at 651, Leonard J. was invited to take, and indeed took judicial notice of the fact that owners of famous trade marks in the fashion industry apply those marks to various fashion items such as clothing, hand bags, footwear and watches.

49. The reason I set out at some length above the findings in respect of the evidence in these cases is to show that there is a common thread running through all these decisions, viz., it is not the reputation of the opponent’s mark per se that extended the penumbra to apparently dissimilar goods but that it must also be shown, by evidence, that there is likely to be a perception of association, in the trade, between the respective goods. I shall now turn to the evidence to see whether there is anything in support that could lead to such a conclusion in respect of the respective goods in the instant case.

50. The specified goods covered by the registration proposed are “coffee, coffee based beverages; tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces, except salad dressings; spices; ice”. Comparing them with men’s clothing upon which the opponent’s mark had built its reputation, it is apparent that they cannot be said to be of the same goods, nor can they, in my view, be fairly described to be of the same description of goods.

51. Mr. Shipp submitted that because of the business model set out in Mr. Jörg-Viggo Müller’s statutory declaration, there would be a real likelihood of deception. In essence, the model is that the opponent has constantly expanded and diversified its business and products through the operation of tightly controlled franchisees and licensees network; and the opponent’s products have been mainly designed for the masculine gender. It is argued on behalf of the opponent that deception is possible under such a business model as it is not improbable that the public on seeing the suit mark would mistake that it is under the licence or otherwise somehow endorsed by the opponent, and the applicant’s goods, which I would generalize as coffee and other beverages, and food products, are within the reasonable diversification of the opponent’s business. Such allegation, of course, has to be tested in the context of the facts of the present case.

52. First, about the alleged business model, Mr. Müller in his statutory declaration said that the opponent “has had franchised shops set up in almost all countries in the world” and it has “licensees appointed for its different products, for example, perfumes and watches”. The trouble with such wide assertion is that it rests on surprisingly little evidence.

53. Secondly, about the alleged linkage between the goods, the opponent claimed that “[c]offee consumption is customarily known to be more heavily male dominated”, and that “[t]he applicant’s products, featuring a dominant ‘man’s head device’, is clearly intended for the male consumers, i.e., the same category of customers of the opponent’s goods.” With this, the opponent argued, “It does not require too much stretch of imagination for one to expand men’s clothing to men’s other ancillary products like cigarettes, lighters, alcohols and coffee” (paragraph 5 of Mr. Jörg-Viggo Müller’s statutory declaration).

54. Whilst I could see there was a ‘man’s head device’ featuring on the applicant’s products sold in Japan, alongside with the suit mark, I do not see the logical linkage between the opponent’s goods and the applicant’s as alleged. Even assuming the claim that coffee consumption is more heavily male dominated is true, putting consumers of men’s clothing and consumers of coffee in the same category simply because the goods involved are both men’s products is, in the absence of concrete proof, at best unconvincing. There is no evidence to show at least any retail outlets that sell men’s clothing (not necessarily the opponent’s) also sell coffee and other beverages, and food products, or vice versa. Hence it sounds hollow when Mr. Müller averred that “[i]t is not uncommon these days that different varieties of products ranging from household equipment to clothing are offered and available for sales within the same specialty shop, boutique department stores, etc.”, and that he “would not be surprised to find customers coming into [the opponent’s] shops and ask for a BOSS can of coffee or a BOSS pack of cigarettes”. One would just wonder if these were the cases, why is it that the opponent did not file any evidence in that regard.

55. Mr. Müller is the Chief Financial Officer of the opponent and his deposition in his statutory declaration was, besides gleaning from the records of the opponent, from “the opponent’s staff who have had dealings with marks and facts relating to the present opposition.” I would also repeat what I have found in paragraph 31 above, with respect to the statutory declaration of Manfred Schäfer, who is the legal counsel of the opponent, that he has adduced no evidence to support his claim that the opponent has been expanding or diversifying its traditional clothing business into other areas and products.

56. On the other hand, Mr. Torii affirmed generally that “the goods applied for by [the applicant] herein will be sold in places like cafeterias, restaurants, supermarkets and groceries”. Mr Torii was at the time of making his statutory declaration the President of the applicant and had been associated with the applicant for over 30 years. He had given a very detailed account of the promotional strategies of the applicant in Japan with respect to the suit mark in the statutory declaration. His evidence in so far as relating to the trading circumstances is to be preferred to that of Mr. Muller’s, and his allegation that “the opponent’s goods are and will be sold in boutiques and special booths at department stores” appears to accord with the opponent’s real evidence.

57. I pause here to record that I do not lose sight of the second statutory declaration of Ms. Liu Mei Ho (see paragraph 7 above) in which it is alleged, inter alia, that “[s]ince 1998, [the opponent] has granted a license for the production of ‘BOSS’ mineral water for sale worldwide including in Hong Kong.” This is intended to be a rebuttal of the suggestion that the opponent had no plans to enter the beverages and food products business, and the opponent’s brochures alleged to be “circulated worldwide including in Hong Kong in 1998/9 and 1999/2000” are exhibited as “TL-5” and “TL-6” to the statutory declaration, in which there are two photos showing bottles of mineral water with the opponent’s mark imprinted. As regards this evidence, first, I do not think two photos of a few bottles of mineral water is sufficient evidence of plans to enter the beverages and food products business. Secondly, this evidence is being challenged by the applicant via the statutory declarations of Man Chi Hung Edward and of Tsang Suk Yin. Mr. Man and Mr. Tsang are both commercial investigators engaged by the applicant’s solicitors to investigate the claim of the opponent about the mineral water. From the investigations they had carried out, details of which I need not recite here but they are, in my view, quite extensive, they could not find there is any mineral water bearing the opponent’s mark “BOSS/HUGO BOSS” on sale in any of the opponent’s shops in Hong Kong, nor in any of the delicatessens or supermarkets that they had visited. I do not therefore consider any claim that suggests sale of mineral water by reference to the opponent, at least in respect of Hong Kong, a valid claim.

58. Returning to the test propounded under paragraph 34 above, I must consider whether a substantial number of purchasers of coffee and other beverages, and food products, with a passing familiarity with the opponent’s mark, would be reasonably likely, upon seeing “BOSS” applied to coffee and other beverages, and food products, to be caused to wonder whether both come from the same source. Is there any tangible danger of confusion among people of reasonable intelligence taking ordinary care?

59. As discussed above, notwithstanding the assertion of Mr. Müller in his statutory declaration, there is no evidence of what the ordinary purchasers in Hong Kong of coffee and other beverages, and food products, with a passing familiarity of the opponent's mark might think if they encounter the suit mark on these goods. I have to therefore substitute myself as one who might be such a potential purchaser, and ask myself: would I, upon seeing "BOSS" on coffee and other beverages, and food products, conjure up an association with the opponent so that I may be caused to wonder whether they come from the same source? The answer is no.

60. I therefore cannot conclude that there is a real tangible risk that the purchasing public would be confused into believing the goods of the parties come from the same source.

61. The two limbs of objection under section 12(1) of the Ordinance, namely likelihood of deception and disentitlement to protection by the court, are disjunctive so that the likelihood of deception is an independent ground of objection (*Hong Kong Caterers Limited v Maxim's Ltd* [1983] HKLR 287 at 296). As the opponent has not advanced any argument in respect of the other limb of section 12(1), the applicant has accordingly defeated the opposition under section 12(1) of the Ordinance.

Section 13(1) and exercise of discretion under section 13(2)

62. At the hearing, apart from addressing me on the ground of opposition based on section 12(1) of the Ordinance, Mr. Shipp also contended that there was no intention to use the suit mark at the date of application for registration, pointing out that the mark the applicant actually used was not the word mark "BOSS" as they applied for registration, but a mark consisting of the word "BOSS" together with other elements, namely, the word "SUNTORY" and the "boss device", and that the mark had not been used on any of the specified goods, other than on "canned coffee based beverages".

63. Mr. Pao pointed out that "no intention of using the mark" is not a pleaded ground of objection. I think this is a fair complaint. Section 2 of the Ordinance, read together with section 13(1) of the Ordinance, requires that the mark in question must be "used or proposed to be used" in relation to certain goods. It follows that any opposition based on "no intention of using" should be properly pleaded under these two sections, which has not been the case here.

64. Having said that, as parties have spent time arguing on these points, I would also like to say a few words as I see, there is little chance that Mr. Shipp's contentions could have succeeded even if they have been properly pleaded.

65. Mr. Shipp's first point is that since the suit mark was always used by the applicant in conjunction with SUNTORY and/or with the "boss device" (which is a 'man's head device' featuring on the applicant's products), referring to the evidence shown in Exhibits A and B to Mr. Torii's statutory declaration, there was no intention to use the suit mark at the date of application for registration. The evidence shown in Exhibits A and B are post-application date evidence of use of the mark in Japan, I cannot see how they can be relevant to construe the intention of the applicant to use the mark in Hong Kong at the time of making the subject application.

66. The second point of Mr Shipp is that the applicant's goods of interest are only "canned coffee based beverages" and nothing else, hence it is argued that there cannot be any real intention on the part of the applicant to use the suit mark on any goods other than "canned coffee based beverages" as at the time of application. In support of the argument, Mr. Shipp cited *Duckers TM* (1928) 45 RPC 397, *Thermax TM* [1985] RPC 403 and *Rawhide TM* [1962] RPC 133 to put forward the proposition that "proposed to be used" under section 2 of the Ordinance means there must be a real intention to use at the time of application, not an uncertain possibility or a mere contingent intention (which was used by Mr. Shipp to characterize the applicant's intention). Mr. Pao rightly pointed out that all these authorities are decisions in rectification proceedings, which is not the situation here. In particular, *Duckers* and *Thermax* are decisions in which there had been a period of non-use of the marks after registration, hence the courts concluded that there had not been any bona fide intention to use the marks at the date of application. I have not been referred to any parallel rulings for opposition cases.

67. The Ordinance expressly permits an applicant to apply for registration of a mark that it has not yet used and does not require an applicant to begin to use a mark immediately after making an application to register it. The fact that a mark has not been used on certain goods prior to application for registration cannot be taken to imply lack of intention to use the mark on those goods after registration has been obtained.

68. Moreover, contrary to what Mr. Shipp submitted, I find the applicant has affirmed via the statutory declaration of Mr. Torii that they have the intention to use the suit mark on the specified goods. Mr. Torii said, at paragraph 17 of his statutory declaration, that "in order to better protect the goodwill and reputation so acquired over

the suit mark when used in respect of *beverages and food products*, [the applicant] has since 1992 applied for and obtained registrations of the suit mark in International Classes 29 and 30 in a number of countries in the world” including Hong Kong. That should be sufficient to cast aside any doubt that the applicant genuinely wishes to use the suit mark.

69. Finally, a discretion arises under section 13(2) of the Ordinance when the opponent has failed in its objection under section 12(1) of the Ordinance and the suit mark is registrable under either section 9 or 10 of the Ordinance.

70. There are no specific grounds advanced by the opponent in relation to my exercise of discretion under this section. As no proper reasons can be advanced why registration should be refused for the suit mark which is, after all, a qualifying mark, the exercise of discretion should not be adverse to the applicant. I decline to exercise the discretion to refuse the application for registration.

Costs

71. The opponent has failed in all grounds of opposition. The applicant has sought costs. As nothing in the circumstances or conduct of this case warrants a departure from the general rule that the successful party is entitled to his costs, I order that the opponent pays the costs of these proceedings.

72. 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 of this decision, costs will be calculated with reference to the usual scale in Part 1 of the First Schedule to Order 62 of the Rules of the High Court (Cap 4A) as applied to trade mark matters, with one counsel certified, unless otherwise agreed between the parties.

(Frederick Wong)
p. Registrar of Trade Marks
31 March 2008