

Application Nos. 1994/6913-6929,
1994/6931 &
1994/6933-6934

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

AND

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

WORLD CUP

in Classes 4, 6, 9, 12, 14, 16, 18, 20, 21, 24,
25, 28, 29, 30, 32, 33, 36, 38, 39 and 42 by
ISL Properties Ltd.

DECISION
OF

Mr. Kestutis Stasys Kripas acting for the Registrar of Trade Marks after hearings on
17 October 2000 and 14 August 2001.

Appearing : Ms Chloe Y.F. LEE (17 October 2000)
Mr C.W. Ling (14 August 2001) instructed by Messrs Hastings & Co on
behalf of ISL Properties Ltd.

1. On 23 June 1994, ISL Properties Ltd, (“the applicant”) a Swiss company sought to register the mark “WORLD CUP” (the “suit mark”) unadorned in block capitals in Classes 4, 6, 9, 12, 14, 16, 18, 20, 21, 24, 25, 28, 29, 30, 32, 33, 36, 38, 39 and 42 (the “applications”). The Registrar of Trade Marks (“the Registrar”), maintaining that the applications did not meet the requirements for registration set out in the Trade Marks Ordinance (Cap. 43) (“the Ordinance”), refused the applications save those in Classes 3, 8 and 11. The Registrar’s unsatisfied objections can be encapsulated as :

- the suit mark is neither a “trade mark” by definition nor by function contrary to section 2(1) of the Ordinance; or
- if it is a “trade mark”, it is not distinctive contrary to sections 9 and 10 of the Ordinance; and
- in any event the applicant does not intend itself to use the suit mark contrary to section 13(1) of the Ordinance;

thus the suit mark is not registrable.

2. Despite filing evidence and written submissions, the applicant, upon whom the onus lies, had not persuaded the Registrar that the applications can be accepted for entry onto the Register of Trade Marks (“the Register”).

3. The applicant sought a formal hearing on the registrability of the suit mark which I fixed on 17 October 2000. Ms Chloe Y.F. Lee represented the applicant on that occasion. During the course of Ms Lee’s argument, and from the written submissions filed, it became evident that the submissions would not address the objections under sections 2(1) and 13(1) of the Ordinance. I adjourned the matter, part heard, *sine die*. As no request was received to resume the hearing, on 17 January 2001, I imposed a deadline of 17 March 2001 to file such further evidence/written submission/request for resumption of hearing as the applicant may elect.

4. On 17 March 2001, the applicant filed a draft statutory declaration of Patsy Heavey (the original followed two days latter).

5. I considered the content of the statutory declaration and on 27 March 2001 caused a letter to be issued clarifying the section 13(1) objection and imposing a further deadline of 26 April 2001 for the applicant to file further evidence or to request a resumption of the hearing. The applicant filed further written submissions and requested a resumption of the hearing if these were not persuasive. Eventually, after more correspondence the resumed hearing was fixed for 14 August 2001.

6. On that occasion the applicant was represented by counsel C.W. Ling. Mr Ling indicated that the applicant wished to file “survey evidence” but so as not to waste the fixture, he intended to address me on the sections 2(1) and 13(1) objections.

7. To complete the chronology, no survey evidence was filed. I fixed 27 August 2002 for a resumption of the hearing. On 20 August, the applicant advised that they would not attend the hearing but intended to file a further statutory declaration. I allowed the applicant until 5 September 2002 to file the further evidence. On 5 September a statutory declaration of Kieren Barry was filed. The following comprises the written grounds for my decision and the materials used in arriving at it pursuant to Rule 20(2) of the Trade Marks Rules (“Rule(s)”).

Facts

8. The Fédération Internationale de Football Association (FIFA) was founded in Paris in 1904 with the aim, inter alia, of being solely entitled to organise and run an international football competition. This ambition finally materialised with the staging of the first World Cup tournament in Montevideo on 18 July 1930. By mid-1978, FIFA has grown to include 203 member associations, undoubtedly making it the biggest sports federation in the world. The competition is staged every four years, the 32 finalists playing for a solid gold trophy named after FIFA’s most enduring President, Jules Rimet. FIFA has been at pains to identify the words WORLD CUP with its football tournament. When the Hutchison Encyclopedia included the following definition of WORLD CUP :

“The most prestigious competition in international soccer; World Cup events are also held in rugby union, cricket and other sports. Most World Cup events are held every four years but the Skiing World Cup is an annual event.”

in its 2000 Millennium Edition, FIFA challenged the references to rugby union, cricket and other sports as incorrect and prejudicial to their rights and interests in the trade mark WORLD CUP.

9. For the purposes of this decision I am prepared to accept that the words WORLD CUP *solus* are understood by the public as referring to the football tournament organised by FIFA.

10. As a private institution, FIFA receives neither governmental subsidies nor funds from sources other than from the profits from the tournament. Part of the profits it derives is from sponsorship and from licensing, to others, the right to use FIFA marks upon their products and services. To exploit the marketing rights of the tournaments held in 1990, 1994 and 1998, FIFA entered into an agreement, in August 1987, with ISL Properties AG (formerly ISL Football Ltd, formerly ROFA-Sports Management AG) a Swiss corporation. At the same time FIFA granted ISL Properties AG the right to register trade marks of FIFA in its own name. When those agreements expired on 31 December 1998, the trade marks registered by ISL Properties AG were assigned to FIFA. Should the present applications be accepted by the Registrar, this assignment will be recorded.

11. At the date of the application ISL Marketing AG, an associated company of ISL Properties AG held certain world-wide exclusive promotional, advertising, marketing, licensing and merchandising rights associated with the football tournament. In particular, it held the right to license the right to use FIFA's trade marks, both registered and unregistered throughout the world on and in relation to any and all products and services. With respect to sponsors of the event, the rights to use the marks defined in the agreement, are exclusive for the terms of the agreement, for the territory specified and for the product specified.

12. A product licensing agreement is in similar terms to a sponsor agreement, save that the rights are not necessarily exclusive to the licensee.

13. Both types of agreements have elaborate provisions relating to quality control. All licensed products must comply with specifications and standards of quality in relation to their manufacture, materials used, workmanship and design, packaging and storage set by FIFA or its representatives from time to time. Sample products are to be provided for the prior approval by ISL, and each approved product must bear the approved Official Licensed Product label, hang tag and/or hologram as appropriate. There are rights reserved for ISL to

enter any place where the products are manufactured processed or stored. If any material default in the terms of the licence is not remedied by the licensee, ISL has the right to terminate the licensing agreement.

14. Neither FIFA nor the applicant engage in the manufacture of goods or the provision of services themselves. The marks applied for are proposed to be used by the sponsors and licensees upon their own goods and services. Considerable income is derived from the licensing of the FIFA marks, through sponsorship and through the sale of broadcasting rights in addition to the income derived from ticket sales. To maximise its ability to license its marks to others, ISL has sought to register the FIFA marks and obtain the benefit of the protection registration secures. The acceptance, therefore, of the applications is of great importance to the applicant and ultimately FIFA.

Decision

15. The registration of a trade mark creates, subject to periodic renewal, a perpetual monopoly in the mark. To balance this monopolistic right with the interests of the general public there are restrictions placed on what may amount to a registrable trade mark under the Ordinance, and on whom may be registered as the proprietor thereof. To be registrable as a trade mark an indicium must fall within the definition of a “trade mark” in section 2(1) of the Ordinance; it must be registered in respect of particular goods or classes of goods or services or classes of services respectively; and it must be distinctive. As to who may apply for registration, subject to two exceptions, it is he who proposes to use it in relation to the goods or services for which registration is sought.

16. The applicant ISL Properties Ltd, as is apparent from the facts recited above, does not shrink from the fact that it has not used the marks applied for on any goods or services it provides, but intends to licence other manufacturers and service providers to use the mark on goods of their manufacture or in relation to services they will provide, subject to certain quality control conditions. The section 13(1) objection is thus meet head-on.

17. Mr Ling addressed the first and third of the Registrar’s objections, viz under sections 2 and 13(1) of the Ordinance and Rule 10 together. This approach has blurred the issues which, in my view, are quite separate. Section 2 is concerned with whether a mark meets the requirements of a “trade mark”, whilst section 13(1) deals with who may apply to register a trade mark. I shall treat these issues separately dealing first with the latter. I

shall deal later with a further objection taken relating to whether, if the mark is a trade mark, is it distinctive?

Objection under section 13(1) of the Ordinance

18. Trade marks can only be registered by virtue of the provisions of section 13 of the Ordinance. Sub-sections (1) and (2) of section 13 provide :

“(1) Any person claiming to be entitled to be registered as proprietor of a trade mark **used or proposed to be used by him who is desirous of registering it** must apply in writing to the Registrar in the prescribed manner for registration in either Part A or Part B of the register.

(2) Subject to the provisions of this Ordinance, the Registrar may refuse the application, or accept it absolutely or subject to such conditions, amendments, modifications or limitations, if any, as he may think fit.”

19. Rule 10 provides :

“In the case of an application under section 13 for registration in respect of all the goods or services included in a class, or of a large variety of goods or services, the Registrar may refuse to accept the application unless he is satisfied that the specification is justified by the use of the mark **which the applicant has made, or intends to make** if and when it is registered.”

20. The words I have emphasised in section 13(1) and in Rule 10 clearly limit the class of person who may apply for registration of a trade mark to those who proposes to use it themselves. This would include his servants or agents whose actions would in law be regarded as his own.

21. The two exceptions to this rule are contained in section 18 of the Ordinance :

“(1) An application for the registration of a trade mark in respect of any goods or services shall not be refused, nor shall permission for such registration be withheld, on the ground only that it appears that the

applicant does not use or propose to use the trade mark –

- (a) if the Registrar is satisfied that a body corporate is about to be constituted, and that applicant intends to assign the trade mark to the corporation with a view to the use thereof in relation to those goods or services by the corporation; or
- (b) if the application is accompanied by an application for the registration of a person as a registered user of the trade mark, and the Registrar is satisfied that the proprietor intends it to be used by that person in relation to those goods or services and the Registrar is also satisfied that that person will be registered as a registered user thereof immediately after the registration of the trade mark.”

22. Subparagraph (a) is not applicable to the applicant for it is already a corporation, and subparagraph (b) has not been triggered, as the applications were not accompanied by applications for the registration of a person as a registered user of the trade mark. If section 18 is not triggered, the refusal to register on the ground that the applicant does not use or propose to use the trade mark itself is absolute.

23. As I said earlier, although the applicant needed to meet this prohibition to registration head-on, it instead merged the objection under section 13(1) with the objection under section 2(1). Mr Ling’s proposition was that if I were to accept that the ability to control the quality of a licensee’s goods or services is sufficient to establish a trade connection for the purposes of section 2(1) of the Ordinance, then the words “used by him who is desirous of registering it” in section 13(1) should be construed as if it included use by a party over whom quality control is exerted by he who is desirous of registering it. I am unable to adopt that construction in the face of the clear and unambiguous wording of section 13(1).

24. Support for the Registrar’s view of the meaning of section 13(1) of the Ordinance can be found in the authorities.

25. In *PUSSY GALORE Trade Mark* [1967] RPC 265 – a company associated with the late Ian Fleming and his widow sought to register, as trade marks, in a wide variety

of goods, the words “Pussy Galore” and a number of other marks derived from the fictional characters of Ian Fleming’s novels. It was their intention to exploit these trade marks by licensing them on the basis of registered user agreements, although they had made no application to register any third party as a registered user at the time of the application. Registration was refused by the hearing officer who concluded at p. 267 :

“If the Legislature had intended ...to allow application to be made by a person who merely proposed after application to seek possible registrable users of the mark but had no intention at that time of using it himself, I cannot think the words “by him” would have been used in section [13(1)] or that the specific exemption of section [18(1)(b)] would have been necessary. The [Ordinance] in my view requires that to qualify as an applicant, the proprietor of the mark must either possess the intention to use the mark himself at the time of the application or have applied under the conditions of section [18(1)(a) or (b)].”

The Registrar’s decision was upheld by the Board of Trade at p. 269 :

“Having carefully considered the relevant section of the [Ordinance], I conclude that the Registrar’s decision is right. In my view, section [13] has the limited meaning attributed to it by the Registrar ...

The foregoing interpretation of the [Ordinance] appears to me to be in conformity with the general tenor of the [Ordinance] which does not anywhere contemplate legitimate use of a registered trade mark otherwise than by the registered proprietor or by a registered user.”

26. In *HOLLY HOBBIE Trade Mark* [1984] RPC 329 the point arose less directly. The applicants were the proprietors of the copyright in the drawings of a little girl in a distinctive style of dress. They had previously used the mark in relation to greeting cards and similar goods in the USA and had there registered the mark and licensed others to use it on suitable goods. The applicants neither used nor intended to use the mark in respect of the 12 classes of goods for which they applied to register in the U.K. Accordingly, they accompanied the applications for registration with contemporaneous user agreements under the equivalent to section 18(1)(b) of the Ordinance.

27. The case fell to be decided on whether the Registrar's refusal to approve the user agreements as tending to facilitate trafficking in a trade mark (contrary to section [58(5)] of the Ordinance) was correct. Whitford J in the High Court, the Court of Appeal and ultimately the House of Lords unanimously rejected the user agreements.

28. The case is instructive in that it was advanced on the understanding that if the applications for the registration of the user agreements were refused, section [13(1)] of the [Ordinance] precluded the applicant itself from being registered as proprietor as it did not itself intend to use the mark upon the goods specified.

29. Mr Ling bravely argued that *PUSSY GALORE* was not followed in the Supreme Court of India in *DRISTAN Trade Mark* [1986] RPC 161 and that *HOLLY HOBBIE* is weak authority as the section 13(1) point was not fully argued.

30. The Supreme Court of India did not say *PUSSY GALORE* was wrongly decided, merely that, whether UK authority can be applied by the Courts of India :

“...must be judged in the context of our own law and legal procedure and the practical realities of litigation in our country.

The relevant provisions relating to registered users in the UK Act and in the 1958 Act [of India] are materially different.” (page 196)

31. I find it unnecessary to recite the facts of the case and the differences between the Indian Act of 1958 and our Ordinance for I do not find the case assists me here nor does it cast doubt on the correctness of the Comptroller-General and Board of Trade's decision in *PUSSY GALORE*.

32. I turn now to *HOLLY HOBBIE* (supra) and Mr Ling's dismissal of the case as persuasive authority on the interpretation of section 13(1) of the Ordinance. Whitford J, on appeal from the Registrar, at page 332 said :

“...[the applicants] want to use the mark on their own fairly limited range of products, and no difficulty arises on registration so far as these are concerned. They also, however, want to license other manufacturers to use

the *HOLLY HOBBIE* mark on any goods for which it may be thought suitable. Over here, as in America, they intend not only to sell their own goods, but to sell to others the right to use this mark *HOLLY HOBBIE*. In respect of the vast majority of goods covered by the present applications for registration, they had never used the mark, nor had they ever had any intention to use it. **On the basis of the strict provisions of section [13] alone, the case of the applicants on the applications for registration must accordingly fail.**”

33. A little later, at page 335, his Lordship posed the question relevant to that case, viz :

“Will the grant of these applications for registered usership facilitate trafficking in the trade mark *HOLLY HOBBIE*? If it will, the Registrar must refuse registration ... **If the registered user applications are not going to succeed, the terms of section [18(1)(b)] cannot be met and the applications for trade mark registrations must fail on the terms of section [13].**”

34. And at page 338 :

“In my judgment, the Registrar rightly came to the conclusion that the registered user applications must be rejected; **and, in the result, the applications for registration, which are supported only on a section [18(1)(b)] basis must likewise fail.**”

35. The three statements highlighted are unequivocal. If the applicant could not bring itself within the terms of section [18(1)(b)], its applications to register the marks in its own name must fail under section [13(1)].

36. In the Court of Appeal, Dillon L.J. said at p. 340 :

“It is common ground that as the 12 applications before this court are all concerned with goods to be made by licensees under the appellant’s character marketing activities and not goods to be made by or for the applicant’s themselves, **the applicants cannot rely on section [13] unaided by section [18(1)].** The applicants neither use nor propose to use the mark

themselves in respect of any of the 12 classes of goods. Each of the 12 applications is therefore supported by a registered user agreement with the relevant licensee and by an application for the registration of the licensee as a registered user under section [58]. It is common ground, and here is the nub of the case, that if the registered user agreements fall foul of section [58], and in particular of subsection [5] of section [58], and cannot be accepted by the Registrar, **the rejection of the applications for registration of the mark “Holly Hobbie” in these 12 classes must follow.”**

37. In the House of Lords, Lord Brightman at p. 351 :

“The majority of trade mark applications are made under section [13] of the [Ordinance]. Under this section a person claiming to be the proprietor of a trade mark “used or proposed to be used” by him may apply for the registration of the mark in the register of trade marks. **Clearly such an application could not be made by the appellants in respect of the goods of the licensees, since the mark is not used or intended to be used by the appellants in relation to such goods.** These goods are produced by or for, and until sale remain the exclusive property of, the licensees.”

38. In none of the speeches of the judge in the High Court, the judges in the Court of Appeal or the House of Lords, who all unanimously upheld the Registrar, was there a suggestion that section 13(1) of the Ordinance would not be fatal to an applicant who did not intend personally to use the marks on the specified goods other than in the circumstances where the two exceptions provided in section 18(1) apply. As neither section 18(1)(a) or (b) is triggered by the facts, registration of the applications must be refused under section 13(2) of the Ordinance.

39. I am mindful of the criticism of section [58(5)] of the Ordinance contained in the judgment of Lord Bridge of Harwich (pages 350-1). However, if the Ordinance no longer reflects commercial reality in its prohibition to registration of trade marks intended to be licenced to others to use, that is a matter for the Legislative Council, not for statutory construction - see *Fisher v Bell* [1961] 1 QB 394 Lord Parker C.J. at 400.

40. This finding is sufficient to dispose of the applications but in fairness to the applicant I shall go on to consider the other objections to registration taken by the Registrar.

WORLD CUP not a Trade Mark

41. Section 2(1) of the Ordinance provides :

““trade mark relating to goods” means a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods and some person having the right either as proprietor or as registered user to use the mark, whether with or without any indication of the identity of that person;”

““trade mark relating to services” means a mark used or proposed to be used in relation to services for the purpose of indicating, or so as to indicate, that a particular person is connected, in the course of business, with the provision of those services, whether with or without an indication of the identity of that person;”

42. Thus, to secure registration, the applicant had to satisfy the Registrar that the proposed use of the words WORLD CUP upon goods or in connection with the provision of services was for the purpose of indicating a trade or business (respectively) connection between the goods or services and the applicant ISL Properties Ltd. In my view the applicant could never hope to discharge its onus, for the requisite connection in trade or business simply does not exist.

43. There are two reasons for this finding. Firstly the “trade” referred to in the definition must be trade by the applicant, in the goods concerned – see *Aristoc Ld v Rysta Ld* (HL) (1945) 62 RPC at 78 line 2 and at 83 line 6; *Bestobel v Bigg* [1975] F.S.R. 421. The applicant trades in none of the goods concerned nor performs any of services concerned. The goods will not be made for or on behalf of the applicant nor will any services be provided by or on behalf of the applicant. The only “trade” proposed to be carried on by the applicant is that of a licensor with a number of marks to license. The goods will be made for and on behalf of the various licensees, the property in the goods will, until sold, repose in the hands of the licensees and the profits from the sale of the goods will belong to the licensees.

44. Mr Ling, as I have said earlier, urges me to adopt a different construction. He submits that if it can be established that there is a sufficient degree of control by the

applicant over the goods to be manufactured by the intended licensees (and the services to be provided by the intended licensees) this would amount, in law, to a trade connection between the applicant and the goods or services for the purpose of section 2 of the Ordinance. Mr Ling submits that *HOLLY HOBBIE* left this argument open, for although Lord Brightman said at p. 356 :

“...I can discern no general rule that the mere ability to control quality is always to be sufficient to establish the required connection [in the course of trade]”,

he did not say that **no** amount of control will ever be sufficient to establish the required connection.

45. I am not persuaded that this extract supports Mr Ling’s submission. The quote from Lord Brightman’s speech needs to be placed in context. The paragraph begins :

“The appellants accept that in the case of the grant of a licence by the proprietor of a mark to another trader to use that mark on the licensee’s own goods, there must always be some connection in the course of trade between the proprietor of the mark and the goods to which the mark is to be applied by the licensee, if registration is to be granted, but, the appellants submit, this connection is sufficiently established if the proprietor controls or is able to control the nature and quality of the goods put on the market under the mark; see paragraph 13(b) and (c) of the appellant’s case. Put shortly, quality control is said to be enough. ... No doubt in a number of cases, e.g. *BOSTITCH Trade Mark* [1963] R.P.C. 183, a provision for quality control by the licensor over the goods of the licensee has been relevant in establishing a connection in the course of trade between the licensor and such goods. Such decisions are confined to their own factual circumstances, and I can discern no general rule that the mere ability to control quality is always to be sufficient to establish the required connection.”

Lord Brightman in fact made no finding on the appellant’s submission that quality control is enough as, in the event, he was of the view that, on the facts of the case, the quality control exercisable was slight.

46. Mr Ling also relied on *Scandecor Development AB v Scandecor Marketing AB and others*, both at first instance ([1998] FSR 500), and on subsequent appeal ([2000] FSR 7). Mr Ling submits that *Scandecor* deals the final blow to the myth that *HOLLY HOBBIE* imposed a rule that quality control alone could never amount to a trade connection.

47. The case was decided under the provisions of the UK Trade Marks Act of 1994 which has a markedly wider definition of “trade mark” to that in section 2(1) of the Ordinance. The question that the court had to decide in that case was whether revocation should be made under section 46(1)(d) of the 1994 Act and that question was dependent upon whether the registered marks were “liable to mislead the public” as matters stood at the date of the application to expunge. The case decides nothing for ultimately all questions were referred by the House of Lords to the European Court of Justice for guidance. I do not find the *obiter* observations have any bearing in the present context.

48. The “quality control is enough” argument is thus unsupported by authority. In all the other cases cited by Mr Ling the relationship between the proprietor and the user of the mark was undeniable. None of these cases is analogous to the present case and I find nothing in these cases to persuade me that my construction of section 2(1) (see paragraph 42) is too narrow. I shall however deal briefly with the cases cited.

49. The passage relied upon by Mr Ling in *BOSTITCH Trade Mark (Validity)* [1963] RPC 183 is at page 197 :

“There is nothing in the Trade Marks Act, or in the principles of trade mark law which have been developed thereunder which requires a proprietor of a registered trade mark to refrain from introducing modifications or variations in the goods to which he applies his mark or in the manner in which they reach the market. If he should find it convenient to transfer manufacture from one locality to another, or procure his supplies from sub-contractors, or arrange for assembly of completed articles by someone of his choice in lieu of doing it himself, these and a vast number of other possible changes in procedure are his sole concern. His mark only becomes vulnerable in this connection if he permits its use in a manner which is calculated to deceive or cause confusion.

The test of his actions is in consequence this : has he authorised such

use of the mark as to deprive it of its very reason of existence, namely, as a mark which should distinguish his goods from the goods of other makers. It is to be noted that only such acts as he has been shown to have authorised (or acquiesced in) can be used against him, and this is of significance in the present case, for, apart from consent to the complete manufacture of the B8 stapler, the only other authority given by Bostitch Inc. in relation to the goods covered by this registration was for the assembly in the United Kingdom of other machines. The essential (that is to say, specialised) components were to be manufactured and sent to England by the proprietors, and only the non-essential (that is to say commonly procurable) components supplied from other sources. In supplying all the relevant working drawings, manufacturing and assembly data, and specimen components for reproduction, without which it is not and cannot be said that any manufacture or assembly by McGarry & Cole Ltd., or on their behalf, would have been initiated, Bostitch Inc. were imposing their identity upon the articles produced therefrom, and thus saving goods made by other hands from being fairly regarded as goods of other makers.”

50. The passage needs to be read in the context of what the court had been asked to decide. The facts, taken from the headnote, were : a foreign owner of a trade mark sold his goods in [the UK] through a distributor. When war-time conditions made import impracticable, the trade mark owner assisted the distributor to manufacture some of the goods locally, and in advertising the goods, the distributor indicated that they were part of the trade mark owner’s range. In the course of time, the distributor produced other goods which he sold under the trade mark. When a disagreement arose between the parties, the trade mark owner withdrew his consent to the distributor making any further use of the trade mark. The distributor contended that as there had been no registered user agreement, and as the mark had come to signify to the public goods of the distributor’s manufacture, the mark was now distinctive of him, and he moved to have the existing registrations expunged.

51. The court held (*inter alia*) that by advertising themselves as being distributors of the trade mark owner’s goods, the distributor maintained a connection in the course of trade between the goods and the trade mark owner; the mark had not been used in a deceptive or confusing manner and should not therefore be expunged.

52. *Bostitch*, in which the facts were very special, shows no more than that in certain circumstances, use by a distributor of a registered trade mark under control in a

material way by the registered proprietor, will not destroy the distinctiveness of the mark in relation to the proprietor. It does not in my view have any bearing on the construction of section 2(1) relating as it does to the definition of a “trade mark” (nor for that matter to section 13(1) relating as it does as to who may apply to register a trade mark).

53. I was also referred to *Revlon Inc. and others v Cripps & Lee Ltd and others* [1980] FSR 85 at pages 95 and 97. The passage at page 95 is :

“I turn to the phrase in section 4(3)(a), “goods connected in the course of trade with the proprietor.” Mr Cullen has referred me to an observation of Lord Macmillan in *Aristoc Ltd. v Rysta Ltd.* [1945] A.C. 68, 97, where he said : “A connection with goods in the course of trade in my opinion means ... an association with goods in the course of their production and preparation for the market.” This has, however, to be read with an appreciation that he was concerned to contrast production and preparation for the market with subsequent operations such as repair. He was not concerned with the nature or extent of the association with production or preparation for the market.

Mr Prescott has submitted that goods are only connected in the course of trade with the proprietor of a mark if the proprietor has at some stage exercised control over the quality of the goods. No doubt where the proprietor has exercised quality control the goods are connected in the course of trade with the proprietor, but I do not think that the negative necessarily follows from that.”

54. Again it is necessary to see what the case was about. Part of the plaintiff’s claim was that there had been an infringement of the plaintiff’s monopoly in its mark under section [27(1) of the Ordinance] and that the respondents were not saved by the provisions of section [27(3)(a)] as the mark was owned by a company other than the company which had produced the goods (which the respondent had occasioned to parallel import). The expression “goods connected in the course of trade with the proprietor” were thus drawn from section [27(3)(a)] rather than section [2(1)] of the Ordinance.

55. The significant factor in that case was that the goods were produced by Revlon Inc. a Delaware company whilst the UK trade mark was held by Revlon Suisse S.A., a wholly-owned subsidiary of Revlon International which in turn was a wholly-owned

subsidiary of Revlon Inc. The finding of the court on “connection in the course of trade” was the passage on page 97 :

“I conclude therefore that all products produced by any company in the group are connected in the course of trade with all other trading companies in the group. Thus REVLON FLEX products manufactured and marked with the trade mark REVLON FLEX by Revlon Inc. in the United States are connected in the course of trade with Revlon Suisse and Revlon Overseas.”

56. ISL Properties Ltd does not suggest it owns shares in or is part of a corporate group structure with any of its potential licensees, so this case does not assist.

57. Of more relevance to the issue is the *RADIATION Trade Mark Case* (1930) 47 RPC 37. There the applicant had applied to register the mark “Radiation” in five classes. It was opposed and the opponent also sought to expunge an earlier registered “Radiation” mark in another class. One of the grounds relied upon was that the applicants had not themselves used the mark as a trade mark within the definition of a “trade mark” in the Act of 1905. The facts were that the applicant company held practically all the shares in a group of associated companies by whom the goods were manufactured and marketed; it controlled the policy of the associated companies; decided whether a particular article should be produced by them; and maintained their own testing establishment and staff to inspect the works of the associated companies. It was accordingly held that the mark had become, in effect, the house mark of the whole group of companies formed by the applicant company and their associated companies, or that, alternatively, the applicant company had used the mark to indicate their “selection” or their “dealing with” the goods within the definition (in the 1905 Act). Part of the reasoning was that “the goods are sold by the associated companies for the ultimate benefit of the applicants to whom all or substantially all the profits earned by the associated companies finally accrue.” (p. 44) Registration was allowed and the application for rectification refused.

58. The case is distinguishable not only because it deals with a different definition of a trade mark under a different Act, but also in that the applicant there was the ultimate beneficiary of the profits made by the sale of the goods, a very different scenario from that before me.

59. I return now to the second reason for holding that there is no connection in the

course of trade between the goods and services to which the suit mark is to be applied, and the applicant ISL Properties Ltd.

60. It is settled law that the purpose of a trade mark is to indicate the connection in trade between the goods and the proprietor. This purpose is frustrated by the fact that the mark will not, in use, indicate the **same** trade origin when used by different licensees.

61. In *GE Trade Mark* [1973] RPC 297 Lord Diplock, in the course of a lengthy review of the development of the law relating to trade marks, said at page 325:

“To be capable of being the subject matter of property a trade mark had to be distinctive, that is to say, it had to be recognisable by a purchaser of goods to which it was affixed as indicating that they were of the same origin **as other goods which bore the same mark** and whose quality had engendered goodwill.”

62. The passage appears, in Lord Diplock’s chronology, under the heading “The Common Law of Trade Marks before 1875”. However, after quoting this passage from Lord Diplock, Lord Nicholls in his own summary of the development of the law relating to trade marks in *Scandecor* (supra) at paragraph 17 said : “This fundamental proposition still remains true.” True, not only in the United Kingdom, but throughout the European common market as well, for in the European Court of Justice in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] RPC 117 at 133 the court said, in relation to the function of a trade mark :

“28. Moreover, according to the settled case – law of the court, the essential function of the trade mark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin. For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the Treaty seeks to establish, it must offer a guarantee **that all the goods or services bearing it have originated under the control of a single undertaking** which is responsible for their quality (see in particular, *Case C – 10/89 HAG GF (HAG 11)* [1990] E.C.R. I-3711, paragraphs 14 an 13).

63. An identical mark intended to be used on an extensive range of goods and services of a number of apparently unrelated traders cannot be distinctive of the goods or services of any one particular trader. This is plainly common sense. I illustrate this by reference to pages 41 – 74 of the bundle. These pages list the licensees for the France 1998 world cup tournament. There are no less than 42 separate licensees listed for goods which would fall within or would be regarded as the same description of goods in International Class 25 (clothing, footwear, headgear). If each of these 42 entities marked their goods with WORLD CUP the test propounded by Lord Diplock i.e. that the trade mark had to be recognised by a purchaser of goods to which it was affixed as indicating the same origin as other goods which bore the same mark is clearly not met.

64. It is for these reasons that I maintained the objection to registration taken under section 2. There is however a more fundamental objection which is common both to section 2 and to sections 9 and 10 of the Ordinance. Simply stated it is this : “Would the words WORLD CUP, when seen on goods, be taken to be a trade mark at all?”

65. On page 31 of the aforesaid bundle, the sponsors of the tournament in 1982 were listed as : Coca Cola; Fuji; Gillette; JVC; Canon; R.J. Reynolds (Winston); Seiko; Iveco and Metaxa. In 1986 Budweiser; Opel; Philips; Bata and Cinzano were added whilst Iveco and Metaxa were deleted. Each of these sponsors are household names and their trade marks familiar to all. Confidentiality has been claimed in respect of the standard sponsor agreement, but I believe it would be no breach of confidence to state the obvious, that each sponsor has the right to use the suit mark in connection with its own products and known brands. I have not been shown such use upon any particular product but it does not take much imagination to picture a can of Coca Cola (to take the first sponsor from the list) with the words WORLD CUP added. I think it would be inconceivable that Coca Cola would omit its own name from the can so that the brand appeared only as WORLD CUP cola. Would a purchaser in these circumstances see WORLD CUP as a trade mark for the Cola? Common sense dictates that this would not be so. The trade mark would remain solely as Coca Cola and the words WORLD CUP would convey only the message that Coca Cola is a sponsor of the event.

66. In my view, no one seeing WORLD CUP on a can of Coca Cola would perceive the words as indicating trade origin. If the words do not indicate trade origin, then they do not function as a trade mark.

Not inherently adopted to nor capable of distinguishing

67. If I am wrong in all that I have said about section 2 of the Ordinance and WORLD CUP is a “trade mark” by definition, it still does not follow that it is automatically registrable in the Register as a trade mark.

68. Sections 9 and 10 of the Ordinance provide :

“9. Trade marks registrable in Part A

- (1) A trade mark (other than a certification trade mark) to be registrable in Part A of the register shall contain or consist of at least one of the following essential particulars –
 - (a) the name of the company, individual, or firm, represented in a special or particular manner;
 - (b) the signature (in other than Chinese characters) of the applicant for registration or of some predecessor in his business;
 - (c) an invented word or invented words;
 - (d) a word or words having no direct reference to the character or quality of the goods or services, as the case may be, and not being according to its ordinary signification a geographical name or a surname;
 - (e) any other distinctive mark, but a name, signature, or word or words, other than such as fall within the descriptions in paragraphs (a), (b), (c) and (d), shall not be registrable under the provisions of this paragraph except upon evidence of its distinctiveness.

- (2) For the purposes of this section, “distinctive” means –
- (a) in the case of a trade mark relating to goods, adapted in relation to the goods in respect of which the trade mark is registered or proposed to be registered, to distinguish goods with which the proprietor of the trade mark is or may be connected, in the course of trade, from goods in the case of which no such connection subsists; or
 - (b) in the case of a trade mark relating to services, adapted in relation to the services in respect of which the trade mark is registered or proposed to be registered, to distinguish services with the provision of which the proprietor is or may be connected, in the course of business, from services with the provision of which he is not so connected,

either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

- (3) In determining whether a trade mark is adapted to distinguish as aforesaid the tribunal may have regard to the extent to which –
- (a) the trade mark is inherently adapted to distinguish as aforesaid; and
 - (b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact adapted to distinguish as aforesaid.”

“10. Trade marks registrable in Part B

- (1) A trade mark relating to goods to be registrable in Part B of the

register must be capable, in relation to the goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connexion subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to the use within the extent of the registration.

- (1A) A trade mark relating to services to be registrable in Part B of the register must be capable, in relation to the services in respect of which it is registered or proposed to be registered, of distinguishing services with the provision of which the proprietor of the mark is or may be connected in the course of business from services with the provision of which he is not so connected either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

- (2) In determining whether a trade mark is capable of distinguishing as aforesaid the tribunal may have regard to the extent to which -
 - (a) the trade mark is inherently capable of distinguishing as aforesaid; and

 - (b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.

- (3) A trade mark may be registered in Part B notwithstanding any registration in Part A in the name of the same proprietor of the same trade mark or any part or parts thereof.”

69. The sections are restrictive. To qualify for registration in Part A of the Register a trade mark must not only contain or consist of at least one of the essential

particulars contained in paragraphs (a), (b), (c) or (d) of section 9(1), but it must also be distinctive – see *Fanfold Limited's Application* (1928) 45 RPC 325. To qualify for registration in Part B of the Register, a trade mark need only be distinctive. If it does not fulfil these requirements it cannot be registered, I have no discretion.

70. The “distinctiveness” addressed by the sections is the ability of the proposed trade mark to distinguish goods with which ISL Properties Limited is connected in the course of trade, from goods in which no such connection subsists (or services with the provision of which ISL Properties Limited is connected in the course of business from services with the provision of which it is not so connected). In determining this question of distinctiveness the tribunal “must” (the word “may” having been judicially interpreted as imposing a mandatory rather than a permissive requirement – see *Blue Paraffin Trade Mark* [1977] RPC 473 at 483) have regard to the extent to which, for Part A, it is inherently or is in fact adapted to distinguish, and for Part B, inherently or in fact capable of distinguishing as aforesaid. As no evidence of factual distinctiveness has been filed I am only concerned with whether the suit mark is inherently adapted or inherently capable of distinguishing.

71. I am of a view that the suit mark does not distinguish as aforesaid. I do not believe it is necessary to repeat my view expressed in paragraphs 60 to 64 hereof that an identical mark intended to be used on an extensive range of goods and services of a number of apparently unrelated traders cannot be distinctive of the goods or services of any one particular trader. This is plainly common sense.

72. The objection however goes deeper. WORLD CUP refers to a football event, it does not refer to goods or to services. It was not adapted to refer to goods or services and could not now, in view of its meaning as a football tournament, have the inherent capacity in law to be distinctive of goods or services. In my view it was never at any time after 1930 capable of distinguishing goods and services and certainly is not so capable now in view of the meaning to be given to those words which the applicant has been at pains to have me accept. Once words pass into the public domain as referring to a character or event they lose the ability to be distinctive of any particular trader's goods. I refer to *ELVIS PRESLEY Trade Mark* [1999] RPC 567, *TARZAN Trade Mark* [1970] RPC 450, and *JANE AUSTEN Trade Mark* [1999] RPC 879 as cases where famous characters or personalities were considered incapable of making one particular trader's products distinctive of him. The position becomes even more tenuous when one considers the number of potential licensees involved. I accordingly find that the word WORLD CUP, referring as they do to a football tournament cannot be inherently adapted nor capable of distinguishing, as that term is defined

in sections 9 and 10, goods or a service save that of organising a particular football tournament.

73. In reaching my decision I have had regard to the various written submissions of the applicant (letters dated 6 August 1996, 11 March 1997, 13 March 1997, 6 November 1997, 16 January 1999, 13 July 1999, 28 September 2000, 26 April 2001 and 28 April 2001), the materials submitted at the informal discussion held on 16 September 1997, the statutory declarations of Patsy Heavey and Kieren Barry and annexed exhibits, the written and oral submissions of Ms Chloe Y.F. Lee, the written and oral submissions of Mr C.W. Ling, the sample sponsor and product licence agreements and related materials provided by the applicant, the Trade Marks Ordinance and Rules and the authorities referred to herein.

Original Signed

(K.S. Kripas)
p. Registrar of Trade Marks
27 September 2002