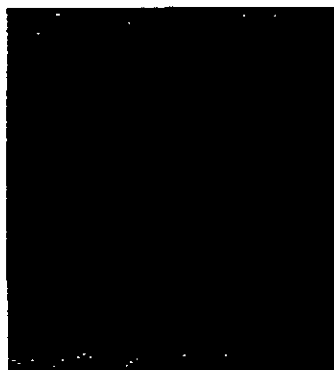


Application No. 11772 of 1996

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

AND

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



by Louis Vuitton Malletier in Part A of the
Register in Class 18

**DECISION
OF**

Miss Lavinia Chang acting for the Registrar of Trade Marks after a hearing on 5 January 2000.

Appearing: Ms Rosa Pang of Messrs Baker & McKenzie, Solicitors on behalf of the applicant Louis Vuitton Malletier.

1. Louis Vuitton Malletier of 54, avenue Montaigne 75008 Paris, France applied on 17 September 1996 to register a device mark ("subject mark") as shown below



in Part A of the Register in Class 18 for the following specification of goods (as amended on 29 September 1998) :

"Goods made of leather or of imitations of leather not included in other classes, boxes of leather or of leatherboard, envelopes of leather for packaging; trunks, valises, travelling bags, travelling sets (leatherware), garment bags for travel, vanity-cases, rucksacks, handbags, beach bags, shopping bags, shoulder bags, attache-cases, briefcases, pouches, fine leather goods, pocket wallets, purses, key-holders, card holders, checkbook holders; umbrellas, parasols, sunshades, canes, walking-stick seats."

2. The subject mark consists of a chequered pattern as applied to the surface of the goods of interest.

3. An examination report was issued on 24 March 1997 rejecting the mark for registration on the basis of indistinctiveness contrary to Section 9(1)(e) of the Trade Marks Ordinance ("TMO"). The mark was said to consist simply of an indistinctive pattern "commonly used by other traders in the course of trade".

4. The applicant on 26 August 1997 submitted that the mark consisted of "the distinctive checkerboard pattern giving the impression of a weaving" which should be sufficiently distinctive for registration. The applicant also submitted that the mark had been extensively used worldwide and in Hong Kong through sales and advertising. The applicant indicated it would be prepared to verify the user evidence by a statutory declaration.

5. On 31 December 1997, the Registrar informed the applicant that he was not persuaded to accept registration of the mark on a prima facie basis. If the applicant intended to file evidence of use, such evidence should date back to at least 5 years prior to the date of application.

6. The applicant sought an informal discussion with the Registrar on 6 May 1998. This took place on 24 June 1998, at which the Registrar considered that:

- (a) the applicant's New Zealand registration of the same mark on a prima facie basis had no bearing on the outcome of the Hong Kong application.
- (b) a colour limitation to brown and beige would serve no useful purpose as these colours were commonly used (in the class of goods claimed) and would not add any distinctiveness to the mark.
- (c) the applicant might amend the mark by inserting the "Louis Vuitton" house mark to it as shown in the promotional catalogues which would qualify it for registration in Part A. A condition as to the origin of goods would be necessary if "Paris" was added to the mark as well.

7. On 29 September 1998 the applicant wrote proposing to add the housemark "LOUIS VUITTON" in the following fashion :-



LOUIS VUITTON

8. The Registrar replied on 11 December 1998 pointing out that the proposed amended mark was different from the one acceded to at the informal discussion; the acceptable amended version was the mark as shown in the applicant's promotional literature.

9. On 29 January 1999, the applicant had a change of mind and indicated it did not wish to amend the mark after all. It reiterated that the subject mark consisted of "the distinctive checkerboard pattern of light and dark brown with unusual contrast of weft and warp giving the impression of a weaving" which should be sufficiently distinctive for registration. The mark had been used in Hong Kong. It had been accepted for registration on a prima facie basis in New Zealand, South Korea and at the Community Trade Mark Office (OHIM).

10. On 19 April 1999, the Registrar in refusing registration of the mark, pointed out that the test for determining distinctiveness of a mark is that laid down in the case of *W & G Du Cros Ltd* (1913) 30 RPC 660 (HL), namely: it would "largely depend upon whether other traders are likely in the ordinary course of their business and without improper motive, to desire to use the same mark, or some mark nearly resembling it, upon or in connection with

their own goods.” If the applicant wished to pursue registration of the subject mark, it would have to file evidence of use.

11. The applicant did not file evidence of use but instead applied for a registrability hearing.

12. The hearing took place on 5 January 2000 at which Ms Rosa Pang appeared on behalf of the applicant.

Applicant's Submissions at Hearing

13. At the hearing, Ms Pang referred to the informal discussion held on 24 June 1998 and alleged that the Registrar had agreed to reconsider the application if it had been accepted in other Commonwealth countries. Ms Pang informed me that the mark had just been accepted in Australia on the basis of post-application use and trade evidence which included a statutory declaration from the applicant's competitor Christian Dior, a copy of which was handed to me. I was also given copies of journal of advertisements abroad, i.e. acceptance in New Zealand and at the Community Trade Marks Office (OHIM). When I queried how this very loosely termed “evidence” could be taken into account without any supporting statutory declaration, Ms Pang replied that she would “take client's instructions if 'proper' evidence [was] required”.

14. Ms Pang then repeated that the subject mark was a distinctive combination of light and dark brown squares of weft and warp giving the impression of weaving. The applicant was not claiming exclusive use of any chequerboard design but the specific one defined above.

15. It was also submitted that there had been substantial post application use in Hong Kong. The chequerboard design was distinctive of the goods claimed in the specification. The chequerboard design was not a natural pattern of leather. Before the hearing, the applicant's solicitors had sent in precedents of registered chequerboard designs previously accepted for registration in Hong Kong. The applicant cited Trade-Mark No. 4220 of 1996 in Class 18 TATI & DEVICE (registered proprietor: Textile Diffusion (SA)) accepted on a prima facie basis and Application No. 11354 of 1996 consisting of a chequered design by Daks Simpson Group in Part B for which Notice to Advertise had issued. Subsequent to the hearing, however, I noted that the latter application was in fact accepted on the basis of evidence of use.

16. At the hearing Ms Pang said that the applicant would be prepared to transfer the application to Part B subject to a colour limitation, if necessary.

17. The applicant would also be prepared to amend the mark to the brown and beige specimen as submitted at the hearing.

Applicant's Legal Submissions

18. Turning then to the applicable law, Ms Pang argued that the mark was distinctive on the basis of Section 9(1)(e) TMO, and that alternatively, it was at least registrable in Part B as being capable of distinguishing from other traders.

19. In support of this proposition, the applicant relied on the cases *F Reddaway & Co's Application* 31 RPC 147 and *Smith Kline & French Laboratories Ltd's Application* [1976] RPC 511. In *Reddaway*, the mark which consisted of two blue lines with a red line running in between was accepted for registration subject to the condition that no protection should be given to the mark except when used throughout the whole length of the fabric. In *Smith Kline & French*, it was held on appeal that nothing in Section 68 of the UK Trade Marks Act 1938 excluded from the definition of "trade mark" a mark which covered the whole of the visible surface of the goods to which it was applied. On the strength of *Reddaway* and *Smith Kline & French*, the applicant's solicitor submitted that the mark should be acceptable for registration in Part B.

20. When I asked what the level of pre-application use of the subject mark was, Ms Pang conceded that there was minimal pre-application use. She said that the post-application figures were more impressive and she urged me to consider the same, based on *Pound Puppies* [1988] RPC 530, where it was said that "if a mark has in fact become distinctive, then it is at least likely to have had a capacity to distinguish" (at 333). However, save some figures casually submitted for "reference" at the hearing, no statutory declaration of user evidence as stipulated under section 83 TMO had been filed by the applicant to verify these figures.

21. I reserved my decision until after the hearing. By a letter dated 24 August 2000, I communicated my refusal of the application to the applicant. I am now asked under Trade Marks Rule 20(2) to state the grounds of my decision and the materials used in arriving at it.

Reasons for Decision

22. The relevant provisions are found in sections 2(1), (2), 9 and 10 TMO:-

2(1) ... "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 ...

2(2) References in this Ordinance to -

- (a) the use of a mark shall be construed as references to the use of a printed or other visual representation of the mark;
- (b) the use of a mark in relation to goods shall be construed as references to the use of the mark upon, or in physical or other relation to, goods...

9(1) A trade mark ... to be registrable in Part A of the register shall contain or consist of ...

(e) any other distinctive mark ...

- 9(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 ..."
- 9(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(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 ...
- 10(2) In determining whether a trade mark is capable of distinguishing... the tribunal may have regard to the extent to which -
- (a) the trade mark is inherently capable of distinguishing ...; 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...

23. Objection to registration had been raised on the basis of inherent indistinctiveness of the mark in respect of the goods claimed. Having surveyed the authorities, I maintain that view, and rule that the subject mark is neither registrable in Part A nor Part B of the register.

24. There are three facets to the question of whether the applicant's mark is registrable:
- (a) whether the subject mark which covers the whole of the visible surface of the goods of interest is used as a trade mark under section 2 TMO;
 - (b) whether the subject mark serves to indicate connection with the applicant in the course of trade; and
 - (c) whether the applicant's mark is registrable, either by being inherently adapted to distinguish under section 9 TMO, or capable of distinguishing, the applicant's goods under section 10 TMO.

(a) A mark applied to entire surface

25. This point can be shortly disposed of by reference to case law on the subject. In *Smith, Kline and French Laboratories Ltd's Application* [1976] RPC 511, the issue before the House of Lords was whether the mere external appearance of goods was capable of being a

“mark” and registrable as a “trade mark.” It held that a mark which consisted of a combination of colours as applied to the whole of the visible surface of the goods, i.e. pellets inside a pharmaceutical capsule, could be a trade mark within the meaning of section 68, the interpretation section of the UK Trade Marks Act 1938. In my view, the subject mark is one falling within this category.

26. As Section 2 TMO is substantially modelled on section 68 of the UK Trade Marks Act 1938, I am satisfied that the subject mark is capable of being a trade mark within the requirement of section 2(2) TMO.

(b) Indication of connection in course of trade

(c) Distinctiveness

27. I take these two questions together as the considerations are inter-linked.

28. Section 9 TMO lays down the criteria for registration of a mark in Part A of the Register, while section 10 TMO provides for registration in Part B. In determining distinctiveness of the mark for registration under either Part, the Tribunal may (“may” means the same as “must” – see *Blue Paraffin Trade Mark* [1977] RPC 473 at 483) have regard to the extent of the inherent distinctiveness of the mark and any factual distinctiveness through use or through any other circumstances.

29. Distinctiveness is to be assessed in relation to the goods in respect of which the subject mark is sought to be registered. The mark should be taken as a whole. The onus of establishing that the subject mark is registrable lies with the applicant (*Torq-set Trade Mark* [1959] RPC 344).

30. As above-mentioned, except for certain unverified and unattested sales figures and other documents submitted at the hearing, no statutory declaration of use has been filed to demonstrate that the mark is in fact adapted to distinguish. I do not regard the informal “evidence” to be admissible, and clearly no decision can be made based on the same. I mention here in passing that following the applicant’s suggestion at paragraph 4 above, the Registrar had on more than one occasion invited the applicant to submit user evidence for considering *de facto* distinctiveness. The applicant had had ample opportunity to compile such evidence but had chosen not to pursue this option.

31. Neither has the applicant at the hearing drawn my attention to “any other circumstances” relevant to the issue of registrability. Thus the only issue before me is whether the applicant’s mark is distinctive in law, i.e. whether it is under section 9 TMO “inherently adapted to distinguish” and qualify for Part A registration, or under section 10 TMO “capable of distinguishing” and qualify for Part B registration.

Part A - Inherently adapted to distinguish

32. The applicant's mark does not fall within the registrable categories under section 9(1)(a) to (d) TMO but Section 9(1)(e) TMO allows otherwise distinctive marks to be registrable in Part A.

33. By "inherently adapted" is meant "adapted of itself, standing on its own feet" (per Harman LJ in *Weldmesh Trade Mark* [1966] RPC 220 at 228, Court of Appeal). To be registrable in Part A, the subject mark must have an innate aptitude or ability to distinguish the proprietor's goods from those of others. The presence or absence of such an adaptability to distinguish is a matter of fact (*Ford-Werke AG's Application* [1955] 72 RPC 191).

34. Lord Parker's classic statement in *W & G, supra* at 672 puts the test in more concrete terms. Thus the question whether a mark is inherently adapted to distinguish "largely depends upon whether other traders are likely, in the ordinary course of their businesses and without any improper motive, to desire to use the same mark, or some mark closely resembling it." Under this test, a trader will not be allowed to obtain, by a trade mark registration, a monopoly in what other traders may bona fide and legitimately wish to use on or in relation to their goods. This principle has been widely applied in subsequent case law including that of the House of Lords (e.g. *Smith, Kline & French, supra*).

35. Applying the principle in *W & G*, I am not satisfied that the subject mark should be the subject of a monopoly, since this would debar other traders from employing a very commonplace and run-of-the-mill geometric design on their goods.

36. The applicant laboured the point that the mark has a weft and warp pattern resembling that of a woven fabric. In my opinion, one would be wrong to attach too much importance to this feature as it is too fine a detail to be noticeable by the average shopper. As such it is doubtful if it could function as a badge of origin. It certainly cannot cure the rest of the mark of its inherent lack of distinctiveness.

37. The offer of a colour limitation is of no avail as brown and beige must be two of the most popular colours used for Class 18 goods, and the combination of brown and beige one of the most obvious combinations to use in relation to Class 18 goods.

38. I do not find the subject mark so unusual inherently as to justify granting a monopoly to the applicant to the exclusion of others. I conclude that it does not satisfy the test of "adapted to distinguish."

39. Turning to section 9(3) TMO, the authorities make clear that in construing this subsection, the two limbs (a) and (b) must to some degree be present and that distinctiveness as a whole depends on the combined answer to (a) and (b) (see *Yorkshire Copper Works Limited's Application* (1954) 71 RPC 150 at 156 (HL); *Tarzan Trade Mark* [1970] RPC 450 at 455; and *Blue Paraffin Trade Mark* [1977] RPC 474 at 484). There is nothing before me to suggest that section 9(3)(b) TMO applies. As the answer to both section 9(3)(a) and (b) TMO is in the negative, the mark cannot proceed to registration in Part A.

Part B - Capable of distinguishing

40. I go on to consider if the mark qualifies for registration in Part B of the register. Section 10(2) TMO uses the same language in relation to the requirements for a Part B registration as does section 9(3) TMO in respect of Part A registrations, except that the words “capable of distinguishing” are substituted for “adapted to distinguish.” In determining whether a trade mark is “capable of distinguishing” the applicant’s goods from those of others, consideration is required of the inherent capacity of the mark to distinguish and whether, by reason of the use of the mark or of any other circumstances, it is in fact capable of distinguishing.

41. The onus is on the applicant to establish that a mark is capable of actually becoming distinctive rather than on the Registrar to bring forward reasons why it may not become distinctive.

42. The two limbs of section 10(2) TMO are meant to be taken together. The first limb, i.e. a mark’s capability of distinguishing a trader’s goods depends on the features of the trade mark itself not on the result of its use. The question of inherent capacity of the mark to distinguish is one of degree (*Rotolok Trade Mark* [1968] RPC 227; *Autoanalyser Trade Mark* [1970] RPC 201). However, the fact that a mark has by use become such as to denote the goods of a particular trader does not necessarily mean that it is capable of distinguishing (*Philips Electronics v Remington* [1999] RPC 809 at 817 (CA)).

43. In applying section 10(2)(a) TMO, reference is made to the case law decided under section 1(1) of the UK Trade Marks Act 1994 on a similar test of distinctiveness. The test is whether the mark is taken by the public as a badge of origin (*British Sugar plc v James Robertson & Co Ltd* [1996] RPC 281 at 286). In the present case, however, one is left wondering what there is about the subject mark that would lead a purchaser to suppose that the pattern is a trade mark denoting the applicant rather than a surface design. Jacob J also observed in *British Sugar* that to be distinctive, a sign must be incapable of fair and honest application to the goods of anyone else. I cannot say that other traders could not use the shape fairly and honestly; in fact they are as likely as the applicant to wish to use this pattern or a very similar pattern on the surface of their goods.

44. The capacity to distinguish for Part B registration may depend on development by external factors. In *Torq-set Trade Mark* [1959] RPC 344, Lloyd-Jacobs J opined at page 346 that “Part B of the register is intended to comprise marks which in use can be demonstrated as affording an indication of trade origin without trespassing upon the legitimate freedom of other traders.” The question to ask is whether, with subsequent user of the subject mark, it can fairly be assumed that such user will be exclusive (per Lloyd-Jacob J in *Ford-Werke AG’s Application* [1955] RPC 191 at 196).

45. In that regard, there is no evidence before me to suggest that the contrary to what I have said at para. 43 is true, i.e. that other manufacturers would not wish to use the same mark or one nearly resembling it. Even though there are other possible patterns to be used

on the goods of interest, that is not to say there is then no objection to the applicant's assertion of monopoly of a pattern which, in the absence of patent, registered designs or copyright protection, another trader is entitled to use. The subject mark must contain some additional distinctive feature which gives it the ability to denote the applicant.

46. For these reasons, I conclude that the subject mark as a matter of law lacks the capacity to distinguish for registration in Part B. As no evidence of use is before me, it is not necessary to decide whether the subject mark falls into the category of marks so totally devoid of the capacity to distinguish that no amount of use or public recognition of the mark will cure it of the defect.



(Lavinia Chang)
p. Registrar of Trade Marks
16 November 2000