

Trade Mark Application No. 1908 of 1998

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

AND

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



by Unilever N.V. in Part A of the Register in Class 30

**DECISION
OF**

Mr Kestutis Stasys Kripas acting for the Registrar of Trade Marks after a hearing on 11 January 2001.

Appearing : Ms Catrina Lam of counsel, instructed by Messrs Baker & McKenzie, Solicitors on behalf of the applicant Unilever N.V.

1. On 17 February 1998 Unilever N.V. of the Netherlands (the “applicant”) applied to register, in Part A of the Register, the mark, a representation of which appears below :



(the “mark”).

2. The goods for which registration was sought were : “ice-cream, water ices, frozen confections; preparations for making the aforesaid goods; all included in Class 30”. The Registrar objected to registration on the grounds that the mark was neither inherently adapted to nor inherently capable of distinguishing the applicant’s goods from similar goods of others, contrary to sections 9(1)(e) and 10(1) of the Trade Marks Ordinance Cap. 43 (the “Ordinance”).

3. On 8 September 1998, citing a clerical error in omitting this piece of information, the agent for the applicant requested an amendment of the application to indicate that the mark was a 3-dimensional mark. The amendment was eventually granted.

4. In the meantime, in response to the Registrar’s registrability objection the agent filed a copy of the registration it had secured in New Zealand for the same mark. The agent indicated that the applicant would be prepared to transfer the application to Part B of the Register if necessary. The agent also informed the Registrar that “the device appearing in the mark is a stylized representation of a taco-shaped wafer, not commonly used in relation to ice-cream products”. Based on that information, the Registrar raised a further objection to registrability, namely, that as “a taco-shaped wafer [the mark] probably filled with the applied for goods is considered as having a direct reference to the good, thus it is not registrable”, contrary to section 9(1)(d) of the Ordinance. At this juncture, the applicant requested an informal discussion with a view to advancing the application.

5. An informal discussion was duly held on 26 August 1999. The Acting Registrar maintained refusal of registration of the mark on a *prima facie* basis, although the

view was taken that evidence of use on a substantial scale prior to the date of application might assist. However, since the mark had not been used in Hong Kong, the applicant was advised instead to file a fresh application upon having acquired sufficient factual distinctiveness of the mark through use.

6. In the event, the applicant opted instead for a formal registrability hearing on this application.

7. The formal hearing was fixed before me on 11 January 2001. The applicant was represented by Catrina Lam of counsel.

8. I understand the gist of counsel's argument, as stated in her written skeleton submission, to be as follows. The test for determining the distinctiveness of a mark is that 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." (*W & G du Cros Ltd* (1913) 30 RPC 660). The mark consists of a taco-shaped wafer, the shape and design of which are striking enough to be distinctive for the goods applied for. Since a taco-shaped wafer is not something which is normally associated with ice-cream or frozen confectioneries, other traders have no legitimate cause to wish to use the same or a similar mark upon or in connection with their own goods. Counsel also brought to my attention the registration of the same mark in New Zealand on a *prima facie* basis, as well as a Madrid Protocol application based on a filing in Benelux, but I do not understand counsel to be relying on the latter.

9. During the course of submissions counsel was unable to advise me whether the mark represented the shape of the applicant's goods or was intended as a 3-dimensional device to be used in connection with traditional ice-creams, water ices and frozen confection products. I allowed the applicant further time to provide samples of the mark in actual use.

10. On 21 April 2001 the applicant filed a short statutory declaration of Hubertus Gerardus Martinus Berendschot annexing a portion of the Intellectual Property Office of New Zealand's practice manual on shape marks; promotional material featuring various ice-cream products and water ices, including what must be the ice-cream product intended to be associated with the mark; a cardboard carton designed to hold four of the ice-creams; and copy certificates of registration of a similar mark in the UK and Australia, and the Notice of

Acceptance of the mark in New Zealand.

11. The annexures confirmed that the mark comprised a pictorial representation of the actual goods to which it was intended to be applied. I should add at the outset that none of the annexures related to use of the mark in Hong Kong from which a finding of acquired distinctiveness could be made. On 27 April 2001, I advised the applicant's agent in writing that I refused to accept the mark as being contrary to sections 2(1), 9(1)(e), 10(1) and 12(3)(b) and (c) of the Ordinance.

12. As no further step was taken by the applicant's agent, the application to register the mark was deemed withdrawn on 16 August 2001.

13. On 7 January 2002, the agent sought the Registrar's decision on the hearing, only to be notified that the application had been deemed withdrawn as of 16 August 2001. Eventually, following the filing of a statutory declaration by Pang Chau Sheung Rosa to the effect that the agent had not in fact received the letter decision of 27 April 2001, the Registrar exercised his discretion to reinstate the application. On 4 March 2002, the applicant sought full written grounds for my decision and the materials used by me in arriving at it. These are provided as follows.

Grounds for Decision

14. By way of preamble, the test for registrability of shape marks has been held to be the same as for word marks (*Philips Electronics N.V. v Remington Consumer Products Ltd* [1999] RPC 809). The shape must be capable of distinguishing the goods of the applicant from those of other traders, and it must not fall within the categories of marks excluded by the Ordinance.

15. As there was no evidence before me relating to use of the mark in Hong Kong to support a finding of distinctiveness in fact, I have only to decide the *prima facie* case for registrability i.e. whether it was inherently adapted to or inherently capable of distinguishing the applicant's goods.

Contrary to sections 2(1) of the Ordinance

16. A “mark” is defined in section 2(1) as “any sign that is visually perceptible and capable of being represented graphically ...”, however not every visually perceptible and graphically represented sign is a ‘trade mark’. To qualify as a “trade mark relating to goods”, the mark must be used or proposed to be used in relation to those goods for the purpose of indicating a connection in the course of trade with the applicant. In other words, it should be capable of performing the function of a badge of origin. If it cannot so function when put to use, it is not a “trade mark” by definition, and only “trade marks” can be registered under the Ordinance.

17. The mark comprises solely of a pictorial representation of what I will accept to be a frozen confection manufactured by the applicant. Despite argument by counsel that the shape of a taco as applied to frozen confections, among other things, was unusual and therefore distinctive, the relevant question is whether the appearance of the taco device by itself serves, or would serve, as a badge of origin to the average consumer. For the reasons appearing below, my view is that it does not and would not.

18. The applicant has filed evidence, by way of the statutory declaration of Mr Berendschot, to demonstrate how the mark has been used elsewhere. The annexures to Mr Berendschot’s evidence show that the picture of the frozen confection which forms the mark is overprinted with the words ‘Winner Taco’. This item, along with an array of other frozen confections, are all featured under a house brand and device in promotional literature. The particular house brand and device used differ from country to country (‘Miko’, ‘Ola’, ‘HB’, ‘GB Glace’ or Pierrot Lusso’, all used with a ‘heart within a heart device’; or ‘ALGIDA’ projecting from an orange circle). The name ‘Winner Taco’, on the other hand, is consistently used as an overprint on the mark.

19. The public at large are not accustomed to regarding the shape of goods, without more, as carrying trade origin significance. Where goods (of whatever shape and size) are sold with the use of word(s) or figurative device(s), as in this case with the use of the brand “Winner Taco” and a host of other brands referred to, consumers are even more likely than not, to identify the goods by reference to those elements. This proposition can be tested by asking : by what name would the goods be ordered - “taco-shape brand” ice-cream or “Winner Taco”? I have no doubt it would be the latter, and the promotional material provided supports this view. The particular ice cream has been given a name “Winner Taco”

(as each of the applicant's other products have been given a name) and this name is used consistently irrespective of the country in which it is promoted. That is not to say that shape cannot *prima facie* be a badge of origin; far from it. However, it has to be perceived as such by the public even before it is educated that the mark is used for that purpose. I am not persuaded that the 3-dimensional taco-shape mark meets that requirement. To the adage that "words speak louder than devices" may be added, in my view for modernization, that "but they both speak louder than shapes".

20. In so finding, I draw support from Laddie J's succinct formulation of the enquiry, in *Yakult Honsha Kabushiki Kaisha's Trade Mark Application (Bottle shape)* [2001] RPC 756, on the need for a trade mark to serve as an indication of origin:

"Where inherent distinctiveness is concerned, the Registry has to find that the mark performs the function of identifying origin even before the public is educated that it is used for that purpose. Where invented, non-descriptive word marks are concerned, it may be easy to come to such a finding. But where a container is in issue it may well be much more difficult...the fact that a container is unusual or attractive does not, *per se*, mean that it will be taken by the public as an indication of origin. The relevant question is not whether the container would be recognised on being seen a second time, that is to say, whether it is of memorable appearance, but whether by itself its appearance would convey trade mark significance to the average customer."

21. Accordingly I find that the unadorned mark, that is to say, the shape of a taco shaped wafer filled with ice-cream, is not a trade mark within the meaning of section 2(1) and cannot be registered.

22. The mark failing *ex hypothesi* to satisfy the threshold requirement in section 2(1), strictly I need not embark on an enquiry of whether the mark is inherently adapted to distinguish or is capable of distinguishing the applicant's goods from those of other traders. Lest I be wrong in so finding, I go on to examine if the mark would be debarred from registration by other provisions in the Ordinance.

Contrary to section 9(1)(e)

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

in Part A.

24. Assuming for the moment that the mark is a trade mark by definition, I agree with counsel that the question whether a mark is inherently adapted to distinguish largely depends on whether other traders dealing in goods of the relevant kind are likely, in the ordinary course of their businesses and without improper motive, to desire to use the same mark, or some mark closely resembling it (*W & G du Cros, supra* at 672).

25. In the *Yakult* case (*supra*), on the question of inherent distinctiveness Laddie J said

“For the purpose of this appeal, I am prepared to accept that the bottle shape which is the subject of these applications is both new and visually distinctive, meaning that it would be recognised as different to other bottles on the market. That does not mean that it is inherently distinctive in a trade mark sense.”

26. The distinctiveness addressed by section 9 is the ability of the mark to distinguish the applicant’s goods from the same or similar goods marketed by others, whether or not such goods currently exist. Absent patent, registered design or copyright protection, any trader would be at liberty to introduce ice cream or frozen confection housed in a taco shaped wafer provided it was appropriately labelled so as not to be confused with the applicant’s frozen confection. In that event there is nothing in the applicant’s mark, i.e. the shape of the goods, which could inherently distinguish the applicant’s taco - housed confection from any other. The brand name “Winner Taco” could however achieve that which the shape, *per se*, could not.

27. To hold that novelty equates with distinctiveness would run contrary to the interests of the public. The general rationale against the registration of the shapes of goods has been explained thus,

“a grant of exclusive use to even a concocted shape impermissibly narrows the great common of shapes available to traders generally; in the case of confectionery, it would be but a short time before so many shapes are registered that new traders would have difficulty putting out a product that avoided identity, or deceptive similarity, to one or other of them.” (*per Wilcox J, Kenman Kandy Australia Pty Ltd. v Registrar of Trade Marks*, Fed C of A, 52 IPR 137 at 145)

To that I would add, *a fortiori* a shape which has not been shown to be able to function as a badge of origin.

28. For these reasons, the mark fails to qualify as one which is inherently adapted to distinguish under section 9(1)(e).

Contrary to section 10(1)

29. I move on to consider whether the mark is one capable of distinguishing the applicant's goods from those of other traders under section 10(1) so as to be registrable in Part B of the Register. This provision calls for a consideration of the inherent capacity of the mark to distinguish and whether, by reason of use of the mark or of any other circumstances, it is in fact capable of distinguishing. The burden lies with the applicant to establish that the mark is capable of actually becoming distinctive.

30. The answer to the first part of the enquiry is no different from that under section 9(1)(e). I have concluded that *prima facie* other traders may, without improper motive, wish to use a shape which is the same or is similar to the mark. However, the capacity to distinguish for registration in Part B may depend on development by external factors. The applicant has not filed evidence of use of the mark in Hong Kong so factual distinctiveness cannot be established. The question to ask then is whether, with subsequent user of the 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).

31. For this assessment, I look again to the evidence of Mr Berendschot for indication as to how the mark is likely to be used. I look specifically at the cardboard carton designed for the frozen confection to which the mark is applied. On the carton, the 'heart within a heart' device appears immediately above the prominent words 'Winner Taco'. Beneath that is a large representation of the frozen confection displayed with a bite taken through the filling, and exposing two bands of flavouring. Alongside the frozen confection are shelled peanuts and what appear to be caramel toffees. The cardboard carton informs that it contains four of these confections. This presentation as a whole would inform the potential purchaser that this is a caramel-flavoured confection called Winner Taco which is coated with peanut-filled chocolate, and is manufactured by the same entity which makes other confections sold by reference to the 'heart within a heart' device. The pictorial representation on the cardboard carton packaging is but informative of the appearance and the

ingredients and flavour of the product.

32. The demonstrated use made of the mark therefore is not trade mark use in the sense of distinguishing the applicant's goods exclusively by origin. The mark is used purely in a descriptive sense, namely as an indication of the nature or character of the goods. I accordingly conclude that the mark is not capable of distinguishing contrary to section 10(1) of the Ordinance.

Contrary to sections 12(3)(b) and (c) of the Ordinance

33. Although not strictly necessary in the light of the objections already enumerated, I make the following observations for the sake of completeness.

34. Section 12(3)(b) provides :

“A sign shall not be registered as a trade mark relating to goods if it consists exclusively of -

- (a) ...
- (b) the shape of goods this is necessary to obtain a technical result;
or
- (c) the shape that gives substantial value to the goods.

35. Section 12(3)(b) was an objection raised at the hearing itself. A manufacturer of ice cream or any frozen confection intended to be held in the hand whilst being consumed, must devise a method of containing it so that it can be practically held. The shape of the mark under consideration consists exclusively of the technical solution adopted by the applicant for this requirement.

36. The meaning of the expression “necessary to obtain a technical result” in section 12(3)(b) has been explained by Aldous LJ dealing with the UK equivalent under Trade Marks Act 1994, in *Philips Electronics N.V. v Remington Consumer Products Ltd* [1999] RPC 809 at 821-2. According to Aldous LJ,

“the restriction upon registration imposed by the words ‘which is necessary to obtain a technical result’ is not overcome by establishing that there are other shapes which can obtain the same technical result. All that has to be shown is that the essential features of the shape are attributable only to the technical result. It is in that sense that the shape is necessary to obtain the technical result. To adopt the meaning suggested by Philips [that the word ‘exclusively’ means that the whole of the shape must obtain a technical result, and thus if there are equally good shapes available, the subsection does not exclude registration] will enable a trader or traders to obtain registration of all the alternative shapes that were practicable to achieve the desired technical result.”

37. At the time of this decision, certain questions arising out of the *Philips v Remington* case, including that on the interpretation of the phrase “necessary to obtain a technical result”, were awaiting ruling by the European Court of Justice. Pending the ECJ’s pronouncement, however, I take the law to be as stated by Aldous LJ and do not propose to conjecture the future course that it may take.

38. Thus while other technical solutions are available, such as a stick, a conventional cone or a wafers sandwich, the availability of these alternative solutions does not exclude the mark under consideration as being a shape necessary to obtain a technical result. Neither Counsel at the hearing, nor Mr Berendschot in his statutory declaration filed subsequent to the hearing, made any attempt at addressing that objection. The application thus also fails by virtue of section 12(3)(b).

39. Section 12(3)(c) of the Ordinance was raised as another possible ground of objection at the hearing, in anticipation of evidence to be filed of the manner in which the mark was used. As the evidence eventually filed does not give rise to such an objection, section 12(3)(c) forms no part of this decision.

Foreign registrations and acceptances of shape marks in Hong Kong

40. The applicant also sought to rely on the registrations it has obtained of the mark in New Zealand on 16 February 1998, Australia on 10 February 1998, and the UK Patent Office on 14 May 1999.

41. I do not find particularly helpful to my consideration of this matter, exhibit “B” to Mr Berendschot’s statutory declaration, namely, the brief email correspondence

between the applicant's New Zealand branch and the Hong Kong trade mark agent; and a memo in general terms on the New Zealand Trade Mark Registry's practice on shape marks. I did not find *James* (1886) 3 RPC 340 or *Bowden Wire* (1919) 30 RPC 45 cited by Ms Lam helpful as they were not decisions on the registrability of 3-dimensional marks.

42. As for the registrations themselves, in the absence of written decisions of the foreign tribunals which showed the grounds for the decision and the reasoning applied in arriving at them, I find these of little bearing. I refer to the observations of Falconer Q.C. in *NEEDLE-TIP Trade Mark* [1973] RPC 113 at 118. The precedents submitted of earlier acceptances in the Registry were similarly unhelpful. Three were not of 3 dimensional marks at all, one (in two classes) comprised shape plus distinctive specific colours, two were registrations for a 3 dimensional shape together with the distinctive words and/or devices appearing thereon, and only one was for a 3 dimensional shape alone. This mark, registered on 5 February 1997, would not, as a result of the developments in the law regarding shape marks, have been accepted at the application date of the applicant's mark.

43. In arriving at my decision I have considered the applicant's written submissions by correspondence with the Registrar, the written record made of the matters raised at the informal discussion held on 26 August 1999, counsel's submissions, both written and oral, and the authorities referred to at the hearing on 11 January 2001, the precedents of earlier acceptance of marks in the registry, the statutory declaration of Hubertus Gerardus Martinus Berendschot dated 17 April 2001, the Trade Marks Ordinance and Rules, the aforesaid foreign registrations and the authorities cited herein.

(K S Kripas)
p. Registrar of Trade Marks
15 April 2002