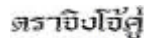


Trade Marks Ordinance (Cap 43)

IN THE MATTER of an opposition by Rice Growers' Co-Operative Limited to the registration of trade mark application 199816682 by Bangkok Inter Food Co Ltd to register the trade mark KANGAROO BRAND 雙袋鼠牌  and device in class 30

DECISION

of

Teresa Grant acting for the Registrar of Trade Marks after a hearing on 31 March 2005

Appearing : Colin Shipp, Counsel, instructed by Wilkinson & Grist for the applicant for registration

Ling Chun Wai, Counsel, instructed by Deacons for the opponent

1. The parties to these opposition proceedings under the Trade Marks Ordinance, Cap 43, (which was repealed on 4 April 2003 but applies to oppositions pending at that date) are Bangkok Inter Food Co Ltd ('the applicant') who has applied for registration of a trade mark under the Trade Marks Ordinance and Rice Growers' Co-Operative Limited ('the opponent') who opposes the application for registration under the Trade Marks Ordinance section 15.

2. The opposition hearing was on 31 March 2005. An opposition to the applicant's application for registration by another party was the subject of a separate hearing on 30 March 2005. A separate decision of the same date relates to that opposition.

Applicant's mark

3. The applicant has applied to register the mark:



application number 199816682 in class 30 for 'rice flour, glutinous rice flour; all included in class 30'. The application for registration was filed on 12 December 1998. The applicant claims use in Hong Kong from 1992 under the Trade Marks Ordinance section 22.

Opponent's marks

4. In these opposition proceedings, the opponent relies on the use, reputation and registration of its trade mark registrations in Hong Kong :



registration 19600846 in class 30 for 'rice'; date of application and registration 11 February 1960;



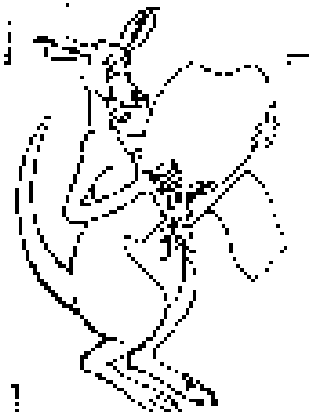
registration 19680293 in class 30 for 'pearl rice'; date of application and registration 1 September 1967; registration giving no right to the exclusive use of 珍珠米 and an outline map of Australia; registration subject to a condition that the trade mark shall be used in relation only to 'pearl rice' grown in Australia.



registration 19832489 in class 30 for ‘rice and edible rice products being the produce of Australia’; date of application and registration 19 May 1982; registration giving no right to the exclusive use of 澳洲 and an outline map of Australia;



registration 19952867 in class 30 for ‘rice’; date of application and registration 4 March 1993; registration giving no right to the exclusive use of 澳洲, 牌, ‘brand’ and an outline map of Australia; registration subject to a condition that the mark shall be used in relation only to rice produced in Australia.



registration 199910265 in class 30 for 'rice and rice products'; date of application and registration 7 July 1994;



registration 199908304 in class 30 for 'coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (except salad dressings); spices; ice; all included in class 30'; date of application and registration 16 October 1996;

Grounds of opposition

5. The grounds on which the opponent opposes under the Trade Marks Ordinance are : section 12(1) (applicant's mark likely to deceive or cause confusion in view of the use and reputation of the opponent's mark); section 20 (applicant's mark nearly resembling opponent's registered mark for goods of the same description). The opponent had included additional grounds in its notice of opposition but does not now pursue them.

Applicant

6. The applicant is a Thai corporation manufacturing and distributing rice flour, glutinous rice flour and tapioca starches in Thailand. The applicant first used its mark for rice flour and glutinous rice flour in 1989 in Thailand. It exports its products to a number of places, including Hong Kong (Sompop Chinthammit's statutory declaration paragraphs 4 - 6).

7. The applicant has used the mark in Hong Kong for rice flour and glutinous rice flour since 1992. The applicant's sales figures for the trademarked flour in Hong Kong from 1992 to 1998 are modest. Some allowance can be made for the fact that the flour is packaged and sold in bags of 600 grams and accordingly the unit price per bag is only a few Hong Kong Dollars (Sompop Chinthammit's statutory declaration paragraph 10 exhibit 4). In 1998, the year in which the applicant filed its application for registration, the applicant's sales in Hong Kong were US\$ 168,840 (approximately HK\$ 1,316,952).

8. The applicant's rice flour and glutinous rice flour are sold in Hong Kong in Wellcome supermarkets. The applicant states that in December 2001, Wellcome had over 252 supermarkets in Hong Kong (Sompop Chinthammit's statutory declaration paragraph 12).

Opponent

9. The opponent is an Australian corporation with a substantial business in developing rice production in Australia and in the marketing and distribution of rice and rice products in Australia and worldwide. The opponent's annual report 2001 states that the opponent is the world's fourth largest rice exporter (Jeremy Gordon Townsend's statutory declaration 30 April 2002 exhibit JGT-3). The opponent has manufacturing operations in Australia, Papua New Guinea and United Kingdom and marketing offices in Australia, New Zealand, Papua New Guinea, Singapore, Tokyo, Dubai, Solomon Islands and United Kingdom. The opponent employs over 1,100 people worldwide.

10. The opponent has trade mark registrations in many countries, including Australia, Canada, Singapore, Papua New Guinea, Fiji, Malaysia, Macau, China, Japan, Samoa, Indonesia, New Zealand, Philippines, South Africa, Saudi Arabia, France and Taiwan.

11. The opponent's mark was first used in Hong Kong in 1960. The opponent states that the mark has been used continuously and extensively in Hong Kong and overseas in relation to a wide range of goods (Jeremy Gordon Townsend's statutory declaration 30 April 2002 paragraph 8). The opponent states its Hong Kong distributor sold 'rice and rice products' (Jeremy Gordon Townsend's statutory declaration 11 December 2003 paragraph 12 exhibit JGT-1, Tsang Siu Hing's statutory declaration). However, the invoices and advertisements only show that the opponent has used the mark for 'rice' in Hong Kong. Since 1994, the opponent's annual sales of rice in Hong Kong have been very substantial: over 14,000 metric tonnes and over AU\$ 10,000,000 (Jeremy Gordon Townsend's statutory declaration 30 April 2002 paragraph 9).

12. The opponent's trademarked rice is sold in Hong Kong in supermarkets,

including Park' n Shop and Wellcome (Jeremy Gordon Townsend' s statutory declaration 30 April 2002 paragraph 13, Wong Hung Kwong' s statutory declaration 2 March 2004).

13. The opponent' s trademarked rice has been extensively promoted in advertisements on television, in newspapers and magazines (Jeremy Gordon Townsend' s statutory declaration 30 April 2002 paragraphs 12 – 14, statutory declaration 11 December 2003 paragraph 13 exhibit JGT-2).

14. The opponent' s evidence filed under Trade Marks Rule 25, includes statutory declarations both dated 4 January 2002, by Vaswani Sanjay and Wong Hung Kwong. However, the opponent did not rely on the declarations at the hearing.

Application to amend grounds of opposition and to admit evidence

15. As a preliminary issue, the opponent asks for leave to amend the statement of grounds in the notice of opposition to state its reliance on three registrations, 19832489, 199201049 and 19952867. I note the opponent has already filed copies of two of the registrations, 19832489 and 19952867, in its evidence under Trade Marks Rule 25.

16. The applicant does not consent to the amendments. The applicant makes the point that the amendments do not help to make the notice of opposition consistent with the evidence and could introduce more inconsistencies. The opponent' s evidence refers to the opponent' s ' trade mark' , as defined in the notice of opposition (Jeremy Gordon Townsend' s statutory declaration 30 April 2002 paragraph 7). The opponent' s evidence states that ' the

trade mark was first used and adopted by the opponent in Hong Kong on 11 February 1960' (Jeremy Gordon Townsend's statutory declaration 30 April 2002 paragraph 8). By implication, the statement refers to any mark included in the definition of the opponent's 'trade mark'. To add registrations 19832489, 199201049 and 19952867 to the definition would be to imply that these marks were used in 1960, yet the registrations date from 1982, 1990 and 1993 respectively. The marks may have been used in 1960 and registered later but equally, they may not have been used as early as 1960, or they may not have been used at all. The applicant says the proposed amendments may put a different interpretation on the evidence, which could have unexpected results.

17. Of the three registrations that the opponent asks to include, registration 199201049 is not in the opponent's evidence. The request to include it in the grounds of opposition at this stage is effectively a request to admit it in evidence. The applicant rightly says if a party applies to admit further evidence, it must justify the exercise of the registrar's discretion in its favour. Registration 199201049 is for the words KANGAROO BRAND registered for 'rice and rice products'. The date of application and registration of the mark is 13 November 1990. The opponent says that the registration may tip the balance of the opposition in the opponent's favour, at least for the purposes of section 20. The opponent concedes it has not used the mark as it appears in registration 199201049 and cannot rely on it for the purposes of section 12(1). The applicant says the opponent's statement that registration 199201049 may or may not be important to the opponent's case is not sufficient to justify an application to include it now.

18. There are a number of other 'minor and administrative' amendments that the opponent wishes to make to the statement of grounds (amendments marked in red on the copy attached to the opponent's letter of 17 March 2005). Many are simply amendments to style.

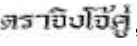
19. The opponent and the applicant have long since filed their pleadings and evidence in the proceedings. Amendments to pleadings and additions to the evidence at this late stage must be justified by the party seeking to make them. Before, or at the stage of filing evidence, it might have been helpful if the opponent had amended the statement of grounds of opposition to indicate that it relied on the registrations. At this late stage, there seems no good reason to amend, simply to mention registrations that have long since been filed in evidence. In seeking to make an addition to the evidence, the opponent must show that it would probably have an important influence on the result of the opposition. The opponent has already included in its evidence registrations of its other registered marks that feature the words KANGAROO BRAND, for example registration 19832489. The opponent gives no compelling reason for the need to amend the statement of grounds of opposition or for the need to admit registration 199201049 in evidence. As a result, I refuse the opponent's application to amend the grounds of opposition or to admit registration 199201049 in evidence.

Similarity of marks

20. The opposition to the applicant's application for registration is under section 12(1) and section 20, on grounds that the applicant's mark so nearly resembles the opponent's mark that deception or confusion is likely.

21. The test for assessing 'deceptive resemblance' of marks is stated in *Pianotist Co Ltd's Application (1906) 23 RPC 774 at 777*. The test is essentially the same for section 12(1) as it is for section 20 (*Smith Hayden & Co's Application (1946) 63 RPC 97 at 101, 102*). The difference is that for section 12(1) the comparison is between the opponent's mark as used and the applicant's mark in notional fair use. For section 20 the comparison is between both marks in notional fair use, that is, a normal and fair use on all goods covered by the registration or application (*Smith Hayden & Co's Application (1946) 63 RPC 97 at 101*).

22. Under section 20, the opponent relies on six registrations, for various forms of its mark which between them cover a range of goods including ‘rice’, ‘pearl rice’, ‘edible rice products’, ‘rice products’ and ‘flour’. For the purpose of comparing the applicant’s mark and the opponent’s mark, I consider primarily the opponent’s registration 19832489. It includes features that are also present in the applicant’s mark: the words KANGAROO BRAND, the characters 袋鼠牌 and a kangaroo device. It is registered not only for ‘rice’ but also for ‘edible rice products’ which covers a variety of goods; and for the purposes of 12(1) the opponent uses the mark in this form.

23. The opponent’s registration 19832489 and the applicant’s mark include the words KANGAROO BRAND, the characters 袋鼠牌 and a kangaroo device. These are the essential similarities in the marks. The points of difference are that the applicant’s mark is headed with Thai script, , (meaning ‘kangaroo brand’) and includes the character 雙 in addition to the characters 袋鼠牌 and a device of two kangaroos. The opponent’s mark includes the characters 澳洲 in addition to the characters 袋鼠牌 and a device of a kangaroo on an outline map of Australia. Despite the differences, the visual impression is that both marks are similar, although not closely similar. There is some difference between the opponent’s kangaroo which is a standing kangaroo, in silhouette, and the applicant’s device of two sitting kangaroos, facing each other. However, both marks include the words KANGAROO BRAND and characters 袋鼠牌. Both marks include devices that differ in details but reinforce the impression that that both marks are ‘kangaroo’ or ‘袋鼠’ marks. The presence of the words ‘KANGAROO BRAND and characters 袋鼠牌 means that in speech both marks are likely to be referred to as ‘kangaroo’ or ‘袋鼠’ marks.

24. The applicant argues that the marks are clearly different under section 12(1) and section 20 because the applicant’s mark with its prominent Thai script indicates Thai origin and the opponent’s mark with the characters 澳洲 and the outline map of Australia indicates Australian origin. Additionally, the applicant says under section 12(1) I should consider how the opponent actually uses its mark. I should take into account the fact that the opponent’s advertising and packaging stress the Australian origin of its rice.

25. The opponent notes that *Kerly's Law of Trade Marks and Trade Names 12edn paragraph 17-17* states that in comparing marks, 'differences in the nature or origin of the goods to which the trade marks are to be applied, though the goods are of the same description, are elements to be taken into consideration'. The footnote cites *Leiner (1903) 20 RPC 253* and *Pianotist (1906) 23 RPC 774* but comments 'neither a really satisfactory decision on this point, in spite of the high authority of *Pianotist*'.

26. In *Leiner* the applicant's and the opponent's marks were closely similar but the goods, gelatine on the one hand and tapioca and sago on the other, were substantially different in character and in origin: the court remarked that gelatine is of animal origin and tapioca and sago of vegetable origin. In *Pianotist* the competing marks, 'Neola' and 'Pianola', were not closely similar. The respective goods were 'a piano player, being a musical instrument' and 'musical instruments of all kinds'.

27. *Leiner* appears to have little relevance to *Kerly's* statement. In *Pianotist at 778* Parker J noted that the difference in the respective goods, the 'Pianola' being 'an outside attachment, to be attached to the piano' and the 'Neola', 'a thing where there is no outside attachment at all, but the mechanical part of the machine is inside the case of the piano', would make confusion unlikely, although he prefaced his remark with the comment, 'though I do not know that it is very material'. Neither *Leiner* nor Parker J's comments about attachments and mechanical parts have relevance to the present opposition.

28. More relevantly, *Pianotist at 777* is the source of the classic statement that in assessing the likelihood of confusion (in the words of the 1883 Act 'having such resemblance to a trade mark already on the register as to be calculated to deceive') 'you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective

owners of the marks'. On this authority, the fact that the applicant's goods originate from Thailand and the opponent's goods originate from Australia is not a distinguishing factor because, assuming notional use, the applicant could as well use its mark for goods originating from Australia. However, the fact that the applicant's mark gives the impression that it is a mark connected with Thailand and the opponent's mark projects a connection with Australia is a factor to take into account in comparing the marks.

29. The opponent cites *Chemische Fabrik Greisheim Elektron (1910) 27 RPC 201* in which the court, commenting on two opposing marks, noted:

'in both cases the object pictorially displayed is the same practically – it is an eastern dye works. It is said that one is Japanese and the other is Chinese. That may be quite possible, but they are both, as I understand them, pictures of dye works, and I cannot but think that it is very likely that people referring to either of these would refer to it as “the mark with the picture of a dye shop”, or “the picture of a dye works”, if they wanted shortly to intimate the kind of mark which was on the goods which they wished to obtain. Supposing orders were sent from the east to agents of either of these firms, and that either of these marks had obtained a popularity in the market, I think it is very likely they would say, - “we wish those goods marked with the dye works brand” or “the eastern dye works brand”. It is conceivable that it might be in one case the “Japanese dye works brand” and in the other the “Chinese dye works brand”, but I cannot say that that would be so.'

30. *Chemische Fabrik Greisheim Elektron* is not authority for the proposition that I should ignore features of a mark which give it a geographical flavour. The point decided there was that taking the features and the general impression of each mark into account, nevertheless on the evidence the marks were similar.

31. I also note the opponent's registration 19832489 is subject to a disclaimer of the characters 澳洲 and an outline map of Australia. At least under section 20, a disclaimed element must neither be ignored nor given less significance than it deserves when due allowance has been made for the degree to which it is non-distinctive of the relevant goods or services (*Fountain [1999] RPC 490 at 494; Granada [1979] RPC 303*). The applicant's Thai script and the opponent's characters 澳洲 and outline map of Australia are points of difference. However, considering each mark as a whole, I find they are similar. As I have noted, both marks impart the impression that they are 'kangaroo' or '袋鼠' marks because they both include the word KANGAROO, the characters 袋鼠 and respectively, a device that reinforces the impression.

32. The opponent says I should also compare the applicant's mark with the opponent's registration 19600846 袋鼠牌珍珠米 and kangaroo device, at least for the purposes of section 20. The opponent concedes it does not use the mark in this form and therefore cannot rely on it for the ground of opposition under section 12(1). The opponent argues that as registration 19600846 depicts two kangaroos, one in the pouch of the other, and does not include the characters 澳洲 or a map of Australia, this registration and the applicant's mark are particularly similar.

33. I disagree that the opponent's registration 19600846 gives an immediate impression of two kangaroos: the little 'joey' in its mother's pouch is apparent only on close inspection. Nevertheless, I find that the applicant's mark is similar to the opponent's registration 19600846. They both include the characters 袋鼠牌 and respectively, a device that reinforces the impression that both are '袋鼠' marks. But their differences: the applicant's mark includes the words KANGAROO BRAND, Thai script and the character 雙 : ensure they are not closely similar. A comparison of the applicant's mark to the opponent's registration 19600846 would not give the opponent any stronger case under section 20 than it has already in reliance on registration 19832489.

34. To answer expressly the applicant's argument that under section 12(1) I should take into account the fact that the opponent's advertising and packaging stress the Australian origin of its rice, I acknowledge I must consider how the opponent actually uses its mark. However, I must consider the opponent's actual use against a notional use of the applicant's mark. As I have noted, assuming notional use, the applicant could as well use its mark for goods originating from Australia.

Section 20

35. Under section 20, the ground of opposition is that the applicant's mark nearly resembles the opponent's mark, already on the register for the same goods or goods of the same description. Registration of the applicant's mark should be refused under section 20 because it is likely to deceive or cause confusion.

36. The opponent argues that the applicant's goods 'rice flour' and 'glutinous rice flour', are goods of the same description as 'rice'. For the purposes of deciding the conflict between the applicant's application and the opponent's registration 19832489 under section 20, I need not consider the connection, if any, between 'rice flour' and 'glutinous rice flour' and 'rice' because the opponent's registration 19832489 is not simply for 'rice'; it includes the wider term 'edible rice products'.

37. 'Edible' means 'fit to be eaten; eatable'. 'Edible rice products' is a broad term that covers a range of edible products made of rice. 'Rice flour' and 'glutinous rice flour', the goods for which the applicant seeks to register its mark, are made from ground rice and are goods within the term 'edible rice products'.

38. The applicant seeks to register a mark for goods that are the same, or of the same description, as at least some goods within the term ‘edible rice products’ in the opponent’s registration 19832489. The applicant’s mark, although not closely similar to the opponent’s registration 19832489, is nevertheless, ‘nearly resembling’ because it is sufficiently similar to cause purchasers to wonder if the goods come from the opponent. For this reason, registration of the applicant’s mark would be prevented under section 20 but for section 22, which I consider below.

Section 12(1) – deception and confusion

39. The ground of opposition under section 12(1) is that the opponent’s marks have a reputation through use and advertisement in Hong Kong so that at the date of the applicant’s application to register, use of the applicant’s mark would be likely to deceive.

40. The application of section 12(1) is not restricted to situations in which the competing marks are for the same goods or goods of the same description. But the extent of the reputation of the opponent’s mark and the goods for which it has been achieved are factors in determining whether there is a sufficient likelihood of deception or confusion to refuse the applicant’s application under section 12(1).

41. I consider the opponent’s registration 19832489. The opponent has extensively used and advertised this mark in Hong Kong and has shown a substantial reputation in it at the date of the applicant’s application. There is no doubt at all that the opponent can oppose under section 12(1).

42. The applicant's mark and the opponent's registration 19832489 are similar but the question is whether there is a likelihood of confusion under section 12(1). The applicant applies to register its mark for 'rice flour, glutinous rice flour'. In Hong Kong, the opponent has used and advertised its mark in the form in which it appears in registration 19832489. Furthermore, the opponent has used and advertised its mark only for 'rice' (Laurence Rickles' statutory declaration paragraph 8; Si Ting Ting's statutory declaration paragraphs 2 - 6, and exhibits 'STT-1' - 'STT3').

43. The opponent argues that rice flour and glutinous rice flour are the same goods or goods of the same description as 'rice' because the nature of the respective goods, the respective uses of the goods and the trade channels through which the goods are bought and sold are the same (*Jellinek's Application (1946) 63 RPC 59 at 70*). The opponent says that in nature rice flour is simply ground rice and in use rice flour can be made into noodles which are a staple food usually regarded as an alternative to rice. Additionally, the applicant's rice flour and glutinous rice flour and the opponent's 'rice' would be sold in neighboring sections in the same shops. Purchasers who buy the opponent's rice could buy 'rice flour and glutinous rice flour'. Neither the applicant's nor the opponent's goods are of a type that a purchaser would spend much time in assessing. The opponent says these factors point to a likelihood of confusion and deception.

44. The applicant cites *Spillers Ltd's Application (1953) 70 RPC 51* in which 'flour' and 'bread' were considered to be different goods:

'In this case it is not a matter of incorporating goods into a composite article of some kind. It is a matter of converting goods, i.e., the flour, mixed with other ingredients, into something different - into different goods, namely, a loaf of bread' (*at 57*).

45. The opponent cites *East Asiatic Co (Aust) Pty Ltd's Application (1957) 27 AOJP 673* in which 'flour' and 'cereals' were considered goods of the same description:

'While I am prepared to concede that many people would not regard flour as being a cereal I nevertheless think that a person who has registered a trade mark in respect of cereals would be entitled to claim that registration of his mark would entitle him to prevent another trader from using a similar mark in respect of flour' (at 674).

46. In *Coleman (1929) 46 RPC 126 at 132*, which is cited in *Kerly's paragraph 10-12*, Eve J said :

'there are no doubt several respects in which the goods are similar. They are both for human consumption; they seem to be very largely prepared for use by human beings in the same manner; that is to say the seeds of certain plants or vegetables are ground down and converted into a sort of flour; and they are supplied by wholesalers to retailers who, as a general rule, stock both. Both the mustard and the semolina one would expect to find in every shop supplying what one might generically describe as groceries.They are no doubt the sort of articles which would be displayed in the same quarter of the shop. They are as a rule supplied in receptacles which are not dissimilar and they are done up in small quantities – especially so, I suppose, with regard to mustard – and sold at very moderate prices in small quantities. Further than that, the ultimate destination when they reach the home of the purchaser is probably the kitchen cupboard one can say that the goods have a history which is very similar. But that of course is not sufficient, standing alone, to say that they are of the same description. One must, I think, go a little further and find out what is the real nature of the article. One here is a condiment. I should define mustard and the class of articles which are used in a similar way, such as salt and pepper and cayenne and many sauces, as in the nature of a condiment. The other, semolina, I should rather treat as a cereal, one of those things which is used in larger bulk, and is used for quite different purposes from those from which mustard is used.'

47. Neither *Spillers, East Asiatic* nor *Coleman* is directly relevant to the question whether ‘rice flour’ and ‘glutinous rice flour’ are goods of the same description as ‘rice’. *Spillers* and *Coleman* offer some assistance in indicating factors to be considered. *East Asiatic* gives no analysis of the issue.

48. The nature of the respective goods, ‘rice flour’ and ‘glutinous rice flour’ on the one hand and ‘rice’ on the other, is the same but the respective uses are not. I doubt purchasers would consider ‘rice flour’ or ‘glutinous rice flour’ as the same sort of thing as ‘rice’. ‘Rice’ is a staple food and in Hong Kong, usually part of the daily meal. ‘Rice flour’ or ‘glutinous rice flour’ can be used as a thickening, or for coating and frying food but is more likely to be used for making dumplings, buns, cakes, puddings, snacks or sweets. It can also be used for making noodles and rice paper wrappers. The trade channels are the same and the respective goods could be sold in neighboring sections in the same shops. However, considering the question from a business and practical view (*Daiquiri Rum [1969] RPC 600*) I doubt the respective goods would be considered ‘competitive’ (*British Sugar v James Robertson & Sons [1996] RPC 281*, a decision under the UK Trade Marks Act 1994 but which applied *Jellinek* in a context directly analogous to the position under the Trade Marks Ordinance (Cap 43)).

49. In *British Sugar at 297* it was noted that the inquiry into the extent to which the respective goods are competitive may take into account how those in trade classify goods, for instance whether market research companies put the goods in the same or different sectors. In that case, the respective goods were British Sugar’s ‘dessert sauces and syrups’ for pouring over desserts, particularly ice cream and Robertson’s ‘toffee spread’. Jacob J said :

‘the two products to some extent have the same use, but broadly in practice have different uses. They are hardly in direct competition and consumers will find them in different places in supermarkets. Their physical nature is somewhat different, the Robertson product being hardly pourable and really needing spooning out of the jar whereas the British Sugar product is meant to be poured out of the small hole in the

plastic top. Moreover it seems for the purpose of market research the two products are regarded as falling within different sectors. Taking all these things together, I think the spread is not to be regarded as similar to the dessert sauces and syrups of the registration'.

50. There is no evidence in this opposition of how the trade classifies 'rice flour' or 'glutinous rice flour' and 'rice'. However, their uses are different and they are hardly goods in direct competition with each other.

51. Even if the respective goods are not of the same description, nevertheless, under section 12(1) I must consider whether, owing to any circumstances, registration of the applicant's mark is likely to cause confusion with the opponent's mark. Would purchasers familiar with the opponent's 'rice' be likely to think, on seeing the applicant's mark for 'rice flour' and 'glutinous rice flour', that the goods have a common source or are associated with one another in some way? (*Jellinek at 72*).

52. There is no evidence of actual confusion but the absence of it is not determinative (see *GE [1973] RPC 297 at 320, 321*). The onus of showing there is no reasonable probability of confusion remains on the applicant.

53. I must consider the opponent's substantial reputation in its mark. However, the opponent's use of its mark and its reputation in its mark in Hong Kong is in 'rice' and there is nothing in the evidence that suggests that the same businesses that produce and sell 'rice' in Hong Kong will also sell 'rice flour' or 'glutinous rice flour' under the same trademarks so that

purchasers would be put into a state of doubt or uncertainty or be caused to wonder whether the applicant's 'rice flour' or 'glutinous rice flour' comes from the opponent.

54. For these reasons, the opponent does not succeed on the ground under section 12(1). If I am wrong and the applicant's mark might create uncertainty and confusion, I should nevertheless consider the applicant's and opponent's position under section 22.

Section 22 – concurrent use

55. Despite sections 12(1) and section 20, the registrar has a discretion, under section 22, to allow the registration of an identical or nearly resembling mark if the applicant establishes honest concurrent use of its mark (*Borsalini [1993] 1 HKC 587 at 591*).

56. The opponent says that in exercising the discretion, I should bear in mind the foreseeable risk of confusion, especially in the event that the opponent were in future to trade in 'rice flour' or 'glutinous rice flour'. The point is answered by Kerly's at 10-16, citing *Peddie (1944) 61 RPC 31 at 37*: 'the lack of use of the registered mark on the same goods as the applicant's mark ought surely to be an 'other special circumstance' favouring the application.

57. *Alex Pirie and Sons Limited's Application (1933) 50 RPC 147, at 159* states the factors to be taken into account in deciding if registration should be allowed under section 22. I consider the factors in turn.

Extent of use

58. The applicant's use is counted from the date of first use to the date of filing of the application. The evidence shows the applicant has used its mark in Hong Kong since 1992 (Sompop Chinthammit's statutory declaration paragraph 10 exhibit 4 showing invoices dating from November 1992). The applicant filed its application for registration in December 1998. The period of concurrent use is six years.

59. The applicant sells its goods through Wellcome supermarkets. The Wellcome chain is well represented throughout Hong Kong. Sales of the applicant's goods through Wellcome indicates that their distribution is fairly widespread. The sales are small by comparison to sales of the opponent's goods but they are not insubstantial and they have been continuous. Additionally, rice flour is not a staple food as rice is and the market for it in Hong Kong is unlikely to be as large. In any event, although it is a factor to be considered, the applicant's trade does not have to be larger than the opponent's for the purposes of section 22.

Degree of confusion

60. The degree of confusion is, to a large extent, indicative of the measure of public inconvenience; the most important consideration is the likelihood of inconvenience to the public (*Borsalini [1993] 1 HKC 587at 593*). In this opposition, the marks are similar but not closely similar and I do not think the risk of confusion is high.

Honesty

61. There is no suggestion that the applicant has copied the opponent's mark. The

applicant has used its mark openly. The applicant's goods are sold openly in Wellcome supermarkets and the opponent concedes that honesty is not in doubt.

Instances of confusion

62. There are no instances of public confusion, even though the applicant's and the opponent's goods are both sold in Wellcome supermarkets.

Relative inconvenience

63. The applicant has sold its goods under the trade mark in Wellcome supermarkets for six years and it would be inconvenienced if it could not protect its mark by registration. The applicant also sells its goods under the mark 'JADE LEAF BRAND' (Sompop Chinthammit's statutory declaration paragraph 5 exhibit 2 and exhibit 3) but even if the applicant sells goods under 'JADE LEAF BRAND' in Hong Kong and could build up its business in it, this cannot be a reason to refuse registration of the applicant's 'kangaroo' mark.

64. The opponent's mark is long established but the risk of confusion between the applicant's and the opponent's mark is not high. The inconvenience to the opponent is unlikely to be serious.

Discretion

65. For the reasons given, I find that this is a case in which the balance is in favour of the applicant and in which I should exercise my discretion under section 22 to allow the applicant's mark to proceed to registration.

66. There is, however, the fact that the opponent has long promoted its rice as a product of Australia and although the applicant uses its mark on 'rice flour' and 'glutinous rice flour' from Thailand, it could at least in theory, use its mark for 'rice flour' and 'glutinous rice flour' from Australia. To prevent any encroachment on the reputation of the opponent's mark, I impose a condition of registration on the applicant's mark : 'that the applicant's trade mark shall be used in relation only to rice flour and glutinous rice flour, the product of Thailand'.

Costs

67. As the opposition fails, I award the applicant costs. Subject to any representations, as to the amount of costs or calling for special treatment, which either party makes within one month from the date of this decision, costs will be calculated with reference to the usual scale in Part I of the First Schedule to Order 62 of the Rules of the High Court (Cap. 4) as applied to trade mark matters, unless otherwise agreed between the parties.

(Teresa Grant)
for Registrar of Trade Marks
15 July 2005