

Application No.14356 of 2000

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

AND

IN THE MATTER of an application by
Tiny Online Limited to register the mark

Tiny Online

in Part B of the Register in Class 35

AND

IN THE MATTER of an opposition
thereto by Time Group Limited

**DECISION
OF**

Ms. Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after considering the pleadings and evidence filed in the opposition proceedings.

Application for Registration

1. On 29 June 2000 (“the application date”), Tiny Online Limited (“the applicant”) applied to register, pursuant to the provisions of the Trade Marks Ordinance Cap. 43 (“the Ordinance”), in Part B of the register in Class 35, the trade mark, a representation of which appears below :

Tiny Online

(“the suit mark”).

2. The services intended to be covered by the registration were “provision of business information, advertising and promotional services provided on-line from a computer database or by means of web pages on the internet; compilation and systemisation of information into computer databases; electronic advertising by means of internet; on-line advertising services; compilation of advertisements for use as webpages; marketing, promotional and advertising services and preparation and presentation of advertising matter; all included in Class 35” (“the specified services”). The Registrar of Trade Marks (“the Registrar”) accepted the suit mark for registration in Part B of the register subject to a disclaimer of the word “online”. The application was advertised in the Government of the Hong Kong Special Administrative Region gazette on 20 December 2002.

Pleadings and evidence

3. On 27 February 2003, Time Group Limited (“the opponent”) filed notice of opposition to the application. The grounds of opposition state, *inter alia*, that the opponent is a limited liability company existing under the laws of England. It is in the business of, *inter alia*, computers, computer installations, apparatus and instruments, computer hardware, computer software, apparatus and instruments, all for the use of computers, parts and fittings for all the aforesaid goods and computer services. The opponent also advertises, markets and provides its goods and services online on web pages through the internet. The opponent claims that it is the proprietor of the trade marks “TINY”, “TINY ONLINE” and other marks incorporating the word “TINY” (“TINY trade marks”) in the United Kingdom being the country of origin and other countries in the world, including Hong Kong and/or China.

4. It is the opponent's case that it and/or its predecessors have used the TINY trade marks for its goods and services since at least the 1980s in the United Kingdom and elsewhere in the world, including Hong Kong and/or China. The opponent pleads that it has a worldwide reputation for the TINY trade marks. As a result, the applicant's use of the words "TINY ONLINE" is likely to mislead consumers into believing that the applicant's services are the opponent's services or services associated with, endorsed by, or approved by the opponent. The opponent asserts that the applicant, in its choice of the suit mark, is taking advantage of the opponent's reputation and proprietary rights in the TINY trade marks. Registration of the suit mark would unfairly prejudice the legitimate business interests of the opponent. The grounds of opposition comprise sections 2, 9, 10, 12, 13 and 23 of the Ordinance.

5. In the applicant's counter-statement, save and except the applicant's own application for registration of the suit mark is admitted, each and every allegation in the grounds of opposition is either denied or not admitted by the applicant. The applicant avers that it is the proprietor of the mark "TINY" which was devised for the applicant's predecessors in 1990 and has all along remained the property of the applicant or its predecessors. It is the applicant's case that it has used the TINY mark in Hong Kong since 1991. The applicant has engaged a lot of efforts and incurred substantial expenses in advertising and promoting goods bearing the TINY mark and as a result, sales have been substantial. The TINY mark has become distinctive of the applicant and none other. The applicant also pleads that it had started to supply products bearing the TINY mark to the opponent's predecessors since 1991.

6. Trade Marks Rule/s Cap 43, Sub. Leg ("Rule/s") 25 evidence consists of a statutory declaration from Dr. Tariq Mohammed, the director of the opponent, together with exhibits, which was declared on 8 March 2004 ("Mohammed's first statutory declaration") and a supplemental statutory declaration by the same Dr. Mohammed, together with exhibits, which was declared on 28 September 2004 ("Mohammed's second statutory declaration").

7. Under Rule 26, the applicant filed a statutory declaration of Mok Chi Wai Zeke, the principal of Messrs. Zeke Mok & Co, the solicitors acting for the applicant, which was declared on 30 September 2005. Copies of three statutory declarations were annexed as exhibits to Mok's statutory declaration. The first one is from Ngan Chan Chung Harrison, the director of the applicant, together with exhibits, which was declared on 23 May 2005 ("Ngan's statutory declaration"). In Mok's statutory declaration, he explained that as the original of the declared statutory declaration by Mr

Ngan was then retained by the former solicitors of the applicant which had not filed the same with the Registrar, a copy of Mr Ngan's statutory declaration was attached to Mok's statutory declaration as an exhibit. The second one is from Or Siu Lam, the sole proprietor of one Orion Graphic Communication, together with exhibit, declared on 6 December 2004. The third one is from Cheung Yik Wang, in the employ of a limited company within the Juko group of companies, together with exhibit, declared on 6 December 2004. Both Or's and Cheung's statutory declarations were evidence from another rectification proceedings to remove the registered trade mark no. B00064 of 2002 and were re-filed by way of exhibits to Mok's statutory declaration.

Decision

8. Though, by 1 November 2007, the date the matter was fixed to be heard, the Trade Marks Ordinance Cap. 559 had come into operation, by virtue of section 10(1) and (2) of Schedule 5, oppositions to registrations still pending as of 4 April 2003 are to be determined under the provisions of the repealed ordinance, Cap. 43.

9. A date for hearing the opposition was fixed for 1 November 2007. Neither the applicant nor opponent (both their previous solicitors had ceased to act for them) gave notice of their intention to appear by filing Form TM-No. 8 under Rule 30(3). They are therefore treated as not desiring to be heard. Neither have they filed any written representations. I shall therefore decide the matter on all the materials available before me without the benefit of any oral submissions or written representations by the parties.

Under section 2

10. The opponent alleges in its notice of opposition that :

“The opposed mark [suit mark] is not a trade mark within the meaning of section 2 of the Hong Kong Trade Marks Ordinance as it cannot serve the purpose of indicating, or be so as to indicate, a connection in the course of trade between the applicant and services of the applicant.”

11. The opponent does not explain why the suit mark fails to qualify as a trade mark within the meaning of section 2 of the Ordinance either in the notice of opposition or the evidence filed. There is nothing before me from which I can conclude that the suit mark is not a trade mark within the meaning of section 2 of the

Ordinance. The suit mark is clearly a sign that is visually perceptible and capable of being represented graphically. It can also serve the purpose of indicating a connection in the course of trade between the applicant and the specified services of the applicant. It follows that the opposition under section 2 is defeated.

Under sections 9 and 10

12. In paragraph 11 of the grounds of opposition, the opponent states that :

“The opposed mark [suit mark], by reason of its resemblance to the opponent’s TINY Trade Marks is neither adapted to nor capable of distinguishing the applicant’s services and contravenes section 9 and/or section 10 of the Ordinance.”

13. It appears from the pleadings that the opposition under sections 9 and 10 of the Ordinance was based on the same point as the opposition under section 12(1) of the Ordinance. Although a trade mark which offends against section 12(1) of the Ordinance can never be distinctive of the applicant for the purpose of sections 9 and 10 of the Ordinance, the question is best determined in the wider context of section 12(1) of the Ordinance (see *Kerly’s Laws of Trade Marks and Trade Names*, 12th Edition, note 2 to paragraph 10-01).

Under section 12(1)

14. Before an opponent can invoke section 12(1), it must establish a certain degree of reputation in Hong Kong of its mark. At its very highest, it is a question of a substantial proportion of the interested public being aware of its mark, and at its very lowest, the question relates to the significance of the numbers in relation to the market for particular goods. In any event, the reputation of the opponent must be something more than *de minimis* (*Re Da Vinci Trade Mark* [1980] RPC 237). The date at which this reputation in its mark or marks is to be established is the date of the application to register the suit mark, viz : 29 June 2000 – *NOVA Trade Mark* [1918] RPC 357 at 360.

15. In Mohammed’s first statutory declaration, he says that the trade mark “TINY” was first used in the United Kingdom in the 1980s by Time Group Limited’s predecessor Tiny Computers Limited. Tiny Computers Limited supplied preassembled computer equipment branded with TINY trade mark. The intellectual property rights including the TINY trade mark and business of Tiny Computers Limited were subsequently assigned to OT Computers Limited. The opponent, Time

Group Limited, then acquired the assets and goodwill of OT Computers Limited and its intellectual property rights including the TINY trade mark. No documents were produced in the statutory declaration to prove the relationship between the opponent and its alleged predecessors Tiny Computers Limited, OT Computers Limited and the transfer of intellectual property rights including the TINY trade mark.

16. Dr Mohammed's aforesaid allegations are challenged by the applicant in its Rule 26 evidence. In Ngan's statutory declaration, copies of company search records for Tiny Computers Limited and OT Computers Limited obtained in Jersey and the United Kingdom were produced. As shown by the company search records, Tiny Computers Limited was first registered and incorporated on 31 January 1996 in Jersey and was registered as an overseas company in the United Kingdom on 9 May 1996. As at 1 January 2002, the shareholders of Tiny Computers Limited were OT Computers Limited (holding 9999 ordinary shares) and Culum Holdings Limited (holding 1 ordinary share). The total number of issued shares as at 1 January 2002 was 10,000. Therefore, OT Computers Limited was the holding company of Tiny Computers Limited. As for OT Computers Limited, according to the company search records, it was first incorporated in Jersey on 1 February 1996 and was registered as an overseas company with the branch in the United Kingdom on 9 May 1996.

17. Mr Ngan also points out in his statutory declaration that according to paragraph three of the Notes to the Account for the directors' report and summary financial statements for the year ended 31 January 2000 of OT Computers Limited exhibited as "DTM-3" to Mohammed's first statutory declaration, it is stated that Tiny Computers Limited, a subsidiary of OT Computers Limited with 99.9% shares held by it, has not "traded since incorporation, they do not have any assets or liabilities...".

18. Mr Ngan claims that since both Tiny Computers Limited and OT Computers Limited were incorporated around the same time in 1996 and the former was wholly owned by the latter, there was no need and it would be unusual for a wholly owned subsidiary to assign its intellectual property rights and business to its holding company. If this was done as alleged by Dr Mohammed, the opponent should produce evidence. Besides, since Tiny Computers Limited was a "non-trading" and dormant company, there was no business to be assigned.

19. In my view, the opponent's assertions on its relationship with its predecessors Tiny Computers Limited and OT Computers Limited and the transfer of intellectual property rights in respect of the TINY trade mark are very vague. The

opponent did not explain when the alleged acquisition or assignment of business and intellectual property rights took place. No documents of whatsoever nature have been produced to substantiate the same.

20. According to the company search records produced in Ngan's statutory declaration, the opponent was first incorporated with company no. 2504182 on 21 May 1990 in England and Wales with the name "Time Computer Systems Limited". The first directors were Tariq Mohammed, Tahir Mohsan, Shahid Mohammed and Adam Sidat. It changed its name to "Granville Technology Group Limited" on 1 April 1992. It changed its name the second time on 2 August 1999 to "Time Group Limited" (the opponent) and changed its name the third time to "Granville Technology Group Limited" on 1 July 2004.

21. Taking a fair appraisal of the applicant's and opponent's evidence, both the Tiny Computers Limited and OT Computers Limited were incorporated in Jersey and registered as overseas companies in the United Kingdom in 1996 and the opponent was incorporated in England and Wales in 1990. As at the application date, Tiny Computers Limited was a subsidiary of OT Computers Limited. OT Computers Limited was at all the material times involved in the manufacture and supply of computers and their components in the United Kingdom. While there is evidence to show that Tiny Computers Limited and OT Computers Limited are subsidiary and holding companies, there is nothing before me from which I can conclude that they are the opponent's predecessors and the opponent acquired the assets and goodwill of OT Computers Limited and the intellectual property rights including the TINY trade mark.

22. By Mohammed's first statutory declaration, the opponent produced some evidence of use in relation to both Tiny Computers Limited and OT Computers Limited. The opponent alleges that the two companies are its predecessors and therefore the use of the TINY trade mark by both companies should be attributed to the opponent. As I have found there is no evidence from which I can conclude that Tiny Computers Limited and OT Computers Limited are the predecessors of the opponent, it follows that I have to disregard all the evidence of use in relation to Tiny Computers Limited and OT Computers Limited. There is then nothing left behind as no evidence of use in relation to the opponent has been submitted in its evidence.

23. For the sake of completeness, I should perhaps add that even if the evidence of use in respect of Tiny Computers Limited and OT Computers Limited could be attributed to the opponent, it does not assist the opponent. All the evidence

of use in relation to Tiny Computers Limited and OT Computers Limited produced by the opponent is in relation to the manufacture and sale of personal computers and their components in the United Kingdom only. They were a direct personal computers manufacturing group in the United Kingdom claiming to offer computers at direct-from-manufacturer prices. All the retail stores and showrooms were located in the United Kingdom. The consumers could see and try the TINY computers in a TINY showroom nearby before purchase. The computers were delivered throughout the United Kingdom only. All the advertising materials were circulated in the United Kingdom. I do not find that there is any evidence of use in relation to the TINY trade mark by Tiny Computers Limited and OT Computers Limited in Hong Kong.

24. To conclude, the evidence which has been submitted by the opponent to establish an alleged reputation in Hong Kong for the opponent's mark whether by way of use or advertising of the mark goes nowhere to showing such reputation at the application date. It follows that the opponent has not done enough to trigger off section 12(1) of the Ordinance. I therefore hold that the section 12 opposition is defeated.

Under section 13(1)

25. The opponent alleges in the grounds of opposition that the applicant is not entitled to claim proprietorship of the suit mark under section 13 of the Ordinance. No reason was advanced by the opponent either in the pleadings or evidence which could support this ground of opposition. It suffices for me to say that a challenge to an application based on the opponent's prior use of a mark is available only where the two marks are virtually identical and in respect of virtually identical goods (*re Wowi & Device Trade Marks* [1998] 3 HKC at 221). It is clear in this case that the opponent's mark TINY is not virtually identical to the suit mark "Tiny Online" as a matter of side-by-side comparison which is the test for determining whether the two marks are virtually identical under section 13(1). Moreover, the opponent's alleged use of the TINY trade mark is not in respect of virtually identical services. Its alleged use of TINY trade mark in respect of the manufacture and sale of personal computers and their components cannot be seriously argued to be virtually identical to the specified services which are mainly the provision of online business information, advertising and promotional services. Therefore, I find that the section 13(1) opposition is defeated.

Under section 23

26. I set out the relevant provisions as follows :

“23. Protection of marks registered in country of origin

.....

(2) Subject to subsection (3), the Registrar may refuse to register any trade mark relating to services in respect of any services or description of services if it is proved to his satisfaction by the person opposing the application for registration that such mark is identical with or nearly resembles a trade mark which is already registered in respect of –

- (a) the same services;
- (b) the same description of services; or
- (c) goods or a description of goods which are associated with those services or services of that description,

in a country or place from which such services originate.

(3) No application to register shall be refused under this section –

- (a) if the applicant proves that he or his predecessors in business have in Hong Kong, in relation to such goods or services, continuously used the trade mark for the registration of which he has made application from a date anterior to the date of the registration of the other mark in such country or place of origin; or
- (b) if the opponent does not give an undertaking to the satisfaction of the Registrar that he will, within 3 months from the giving of the notice of opposition, apply for registration in Hong Kong of the trade mark so registered in the country or place of origin and will take all necessary steps to complete such registration.”

27. Section 23 is a provision peculiar to Hong Kong, affording protection to

foreign trade marks in priority to a Hong Kong pending application. The opponent relies on a Community Trade Mark Registration No. 1,572,221 for the trade mark “TINY ONLINE” in respect of class 35 services “advertising and promotion services and information services relating thereto; auctioneering services; business information services, including such services provided online from a computer database or from the Internet; compilation of advertisements for use as web pages on the Internet; compilation of directories for publishing on the Internet; provision of space on web sites for advertising goods and services; business administration services, including those for the processing of sales made on the Internet; accounting, telephone answering services, business appraisals, arranging newspaper subscriptions for others; business management; book-keeping, business appraisals, business information services, commercial and industrial information and management assistance services; direct mail advertising; demonstration of goods, distribution of samples; document reproduction; economic forecasting; employment agencies; organisation of exhibitions and trade for commercial and advertising purposes; computerised file management services; import and export agency services; market research services; marketing studies; modelling for advertising or sales promotion; rental of office machines and equipment; opinion polling; personnel management consultancy and recruitment; photocopying; word processing; public relations; rental of advertising space; document reproduction; sales promotion for others; secretarial services; window-dressing; compiling statistical information” registered as of 23 March 2000.

28. I shall first deal with the proviso in section 23 to see if there is a case for ruling out the application of this section. It appears that there is no basis for applying proviso (3)(a) as the applicant is not able to satisfy the Registrar that the suit mark has been continuously used in Hong Kong in relation to the specified services from a date anterior to the date of the opponent’s Community Trade Mark Registration. As regards proviso (3)(b), even though the opponent has not given the requisite undertaking, the opponent has in fact applied to register the trade mark “TINY ONLINE” in Hong Kong under application no. 300020320 on 17 May 2003 within three months from the giving of the notice of opposition. I am therefore satisfied that there is no case for ruling out the application of section 23 based on the proviso in sub-section (3). Accordingly, I shall proceed to consider whether the basic ground of section 23(2) has been made out by the opponent.

29. Under section 23, first, the opponent has to show a foreign registration existing as at the application date. I am satisfied that the opponent is able to show that by producing a copy of the record of the Community Trade Mark Registration in

exhibit “DTM-2” to Mohammed’s first statutory declaration. Secondly, the opponent has to prove that the foreign registration is in respect of the same services or services of the same description as the specified services. I am satisfied that the specified services are either the same as or are of the same description with the services covered by the foreign registration.

30. The third point that the opponent needs to show is that the services covered by the foreign registration originate from the country of registration, that is, the United Kingdom in the present case. I am of the view that the services concerned are only common services which can originate from any country. The fourth point that is required to be proved by the opponent is that the foreign registration must be in respect of a mark which is identical with or so nearly resembles the suit mark as to be calculated to deceive or cause confusion. It is beyond dispute in the present case that the respective marks are identical.

31. To conclude, I am satisfied that for the purpose of section 23 the suit mark is identical with the opponent’s mark which is already registered in respect of the same services or description of services in a country from which such services originate. I therefore find that the basic ground of section 23(2) has been made out by the opponent.

32. I now proceed to consider whether I should exercise my discretion under section 23 to refuse to register the suit mark applied for.

33. The leading authority on the interpretation of section 23 is *Hong Kong Caterers Ltd v Maxim’s Ltd* [1983] HKLR 287. Mr Justice Hunter observed at page 301 of the judgment as follows :

“(1) Section 23

In the Assistant Registrar’s view the intention of this section is to “protect marks registered in their country of origin from being copied or imitated in Hong Kong”. A similar view was expressed in the 1911 edition of Wilkinson on Trade Marks. Mr. Jeffs attempts to challenge it wholly failed. The section can be paraphrased as : “the Registrar may refuse to register a copied mark”. This is a valuable provision. It enables the Registrar to deal directly with a copy, because it is a copy. Unlike the position in the U.K. there is no need to rely upon, or in the view expressed in Kerly in paragraph 4-03 to stretch, the

provisions of s.13(1). I think it means that decisions like *The Pelican* [1974] RPC 692 have no authority here. The concept has a respectable antiquity. A court of chancery could and probably would refuse an injunction to a deceptive copier for want of clean hands, per Lord Diplock in *G.E.* at page 326. Refusal of registration is the modern equivalent. P.O. Lawrence, J. expressed similar views in *Poiret* at page 88.

The Registrar's finding that the applicants had copied the opponents' mark is beyond challenge. This alone entitled him to refuse to register. I would regard this as a "practical question" in the sense that this phrase is used in *National Machine Co.'s Application* 58 RPC, 135 and in *Reddaway & Co.'s Application* 44 RPC 27, 36."

34. It is laid down in the *Maxim's Case*, supra, that the whole purpose of section 23 is to prevent piracy of foreign marks. The crucial test is whether the opponent's mark registered in its country of origin is copied or imitated by the applicant in Hong Kong. In order to seek protection under section 23, the opponent must show there has been copying of its mark by the applicant.

35. In the grounds of opposition, the opponent pleads that the applicant has applied for registration of the suit mark in bad faith. However, no reason was advanced by the opponent as to why the application was made in bad faith. There is no allegation that there has been copying raised in the grounds of opposition or the opponent's evidence. Mr Ngan explains in paragraphs 39 to 55 of his statutory declaration how the mark TINY was devised by him with the assistance of a design house, Orion Graphic Communication, in or around 1990. A statutory declaration of Or Siu Lam, the sole proprietor of Orion Graphic Communication was re-filed in these proceedings (see paragraph 7 above) as corroborative evidence on how the mark TINY was devised on the instructions of Mr Ngan.

36. Mr Ngan continues to say that from about 1991 to 1993, Tiny Computers Technology Limited (the intellectual property rights relating to the mark TINY ONLINE and TINY are held by the applicant and one Tiny Intellectual Property Limited on trust for this company) supplied computer accessories and computers bearing the trade mark TINY to a company controlled by Mr Jon Gilbert-Harris. From 1996, after the establishment of Tiny Computers Limited in the United Kingdom with the same Mr Jon Gilbert-Harris as the director, Tiny Computers Technology Limited supplied Tiny brand computers to the Tiny Computers Limited. In or around

early 2000, the applicant decided to launch a new business and service in Hong Kong regarding provision of business information, advertising and promotional services on-line from a computer database or by means of web pages on internet. Hence, on 29 June 2000, the applicant filed an application for registration of the suit mark “Tiny Online”.

37. I find nothing in Ngan’s statutory declaration from which I could infer, irresistibly, that the applicant was dishonest in the selection of the suit mark. I bear in mind that the evidence of Mr Ngan and Mr Or is totally unchallenged. The opponent has not filed any evidence in reply under Rule 27 although it was entitled to do so. Furthermore, to my mind, so far as the direct evidence of use of the TINY mark by way of sales or advertising filed by the opponent under Rule 25 is concerned, the use of the TINY mark by Tiny Computers Limited and OT Computers Limited can be traced back to 1996 only which is consistent with the fact that both companies were incorporated in 1996 and the version of events given in Mr Ngan’s evidence. It seems that the opponent’s alleged use of the TINY mark by both Tiny Computers Limited and OT Computers Limited in the United Kingdom commenced some years after the creation of the TINY mark by Mr Ngan in Hong Kong in or about 1990.

38. To conclude, on the one hand, there is no evidence of copying from the opponent. On the other hand, there is evidence from the applicant as to how the suit mark came about. I do not find that the applicant has copied the suit mark from the opponent.

39. Apart from the copying point, there are other factors which should be taken into account by me including the type and source of supply of the goods or services; whether the suit mark had been used in Hong Kong at the application date and the extent of such use; and whether the opponent’s mark had been used in Hong Kong or was known to a number of persons in Hong Kong at the application date and the extent of such use or knowledge (*SANNEX & device*, unreported decision of LS Shum acting for the Registrar, 26 June 1982 at page 16).

40. Regarding the source and supply of the goods or services, if the goods or services in question originate from all sorts of countries as against goods which are normally imported from one particular country or a limited group of countries as, for example, cultured pearls, this should be weighed in favour of the applicant (*North Pole TM*, unreported decision of W.K. Thomson acting for the Registrar, 9 January 1959 at pages 11 and 12). In the present case, the services in question originate from all over

the world. Therefore, this factor should be weighed in favour of the applicant.

41. Turning to the use of the applicant's and opponent's marks in Hong Kong, as I have found earlier, there is no evidence of any user of the opponent's mark by the opponent in Hong Kong. The applicant has not used the suit mark in respect of the specified services in Hong Kong at the application date either. This is a neutral factor.

42. Having taken into account the above matters and intention of section 23, which in my view is to protect marks registered in a country of origin and not merely to facilitate the registration of such marks in Hong Kong (see *Sannex and Device*, supra, at page 18), I have decided to exercise my discretion in favour of the applicant. Accordingly, the opposition under section 23 fails.

Costs

43. The applicant has sought costs and there is nothing in the circumstances or conduct of this case which would warrant a departure from the general rule that the successful party is entitled to his costs. I accordingly order that the opponent pays the costs of these proceedings.

44. Subject to any representations as to 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. 4A) as applied to trade mark matters, unless otherwise agreed between the parties.

Original Signed

(Ms Fanny Pang)

p. Registrar of Trade Marks

12 November 2007