

Application No. 200018166

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

AND

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

盈 信

in Class 37 by Vantage International
(Holdings) Limited

AND

IN THE MATTER of an opposition by
PCCW-HKT DataCom Services Limited

DECISION
OF

Mr. Frederick Wong acting for the Registrar of Trade Marks after a hearing on 9 May 2007.

Appearing : Mr. Philips B.F. Wong, counsel, instructed by Messrs Stevenson, Wong &
Co. for the applicant Vantage International (Holdings) Limited.

Mr. Stewart K.M. Wong, counsel, instructed by Messrs So Keung Yip & Sin
for the opponent PCCW-HKT DataCom Services Limited.

1. These proceedings arise out of an application made on 14 August 2000 (“the
application date”) by Vantage International (Holdings) Limited (the “applicant”) of Room

703, West Coast International Building, 290-296 Un Chau Street, Shamshuipo, Kowloon, Hong Kong, to register in Part A of the register, pursuant to the provisions of the Trade Marks Ordinance Cap 43 (the “Ordinance”), the trade mark, a representation of which appears below :

盈 信

(“the suit mark”). The services applied for are “provision of construction and civil engineering information; supervision of construction of buildings and civil engineering works; construction of buildings; civil engineering works; construction and real estate development; decoration services, repair, restoration and maintenance of buildings; furniture maintenance and repair; rental of construction equipment; building insulation during construction; plumbing, scaffolding, building sealing during construction; window cleaning; pipeline construction and maintenance; installation and repair services relating to real estate buildings; installation, servicing and repair of lifts, elevators, security systems, electric appliances, heating, lighting systems, ventilating and air conditioning equipment and parts thereof; all included in Class 37” (the “applied for services”). The suit mark was accepted for registration in Part A after examination, and advertised for opposition purposes in the Government of the Hong Kong Special Administrative Region Gazette on 7 June 2002.

Pleadings

2. PCCW-HKT DataCom Services Limited (the “opponent”) filed a notice of opposition on 30 January 2003. The notice of opposition states that the opponent is a company organized and existing under the laws of Hong Kong of 39th Floor, PCCW Tower, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong. The opponent claims to be the owner of trade marks “盈訊”, “盈科電訊” and “電訊盈科” in a number of trade mark applications to register the aforesaid marks in various classes of goods and services in Hong Kong. The opponent avers that it has acquired a strong reputation in these marks as a

result of its strong and extensive use of the marks in Hong Kong and various other jurisdictions.

3. The opponent states that the suit mark is confusingly similar to its trade marks and the applicant's services are of the same or similar description as its services. It pleads that the suit mark is not a trade mark under section 2 and is not registrable under section 9 of the Ordinance. It also pleads that registration of the suit mark should be refused under sections 12, 20 and 23 of the Ordinance, and in the exercise of the Registrar's discretion under section 13(2) of the Ordinance. It seeks costs against the applicant.

4. The applicant filed a counter-statement on 29 April 2003, denying all the opponent's claims.

Preliminary issues

5. At the hearing on 9 May 2007, the opponent sought leave to amend the notice of opposition. The proposed amendment was to add a new paragraph 8A, which was set out in a draft received by the registry on 30 April 2007 and reproduced below : -

“The applicant did not and does not at any time use or intend to use the [*suit mark*] in relation to any of the services specified in this application. In the premises, the [*suit mark*] is not a “trade mark relating to the services” under section 2 of the Trade Marks Ordinance, nor is the applicant entitled, to be registered as the proprietor of the [*suit mark*] under section 13(1) of the Trade Marks Ordinance”.

6. Mr. Stewart Wong, counsel for the opponent, submitted that the amendment sought was to clarify the extent of the original pleading at paragraph 8 of the notice of

opposition, and was in any event based on the evidence already filed in the proceedings.

7. Paragraph 8 of the notice of opposition pleads that the suit mark is not a trade mark under section 2 of the Trade Marks Ordinance “because it is not capable of indicating a connection in the course of trade between the applicant’s services and the applicant”.

8. Section 2 of the Trade Marks Ordinance defines “trade mark relating to services” as meaning “a mark used or proposed to be used in relation to services for the purpose of indicating, or so as to indicate, that a particular person is connected, in the course of business, with the provision of those services, whether with or without any indication of the identity of that person”. Mr. Philips Wong, counsel for the applicant, correctly in my view submitted that this definition consists of two limbs. The first limb relates to the intention to use the mark in question, it requires that the mark must be “used or intended to be used” in relation to certain services. The second limb relates to the functional aspect of the mark, it requires that the mark must be used for the purpose of indicating trade origin.

9. Mr Philips Wong submitted that the opponent’s pleading at paragraph 8 of the notice of opposition as well as the evidence filed by the opponent relate only to the second limb and could not be extended to cover the first limb, whereas the proposed amendment, which concerns the applicant’s actual use of or intention to use the suit mark, relates to the first limb and therefore raises a new ground of objection. He further submitted that this new ground of objection being put forward at such a late stage of the proceedings would cause serious prejudice to the applicant.

10. Mr. Stewart Wong did not agree. There were arguments between the parties as to whether the evidence already filed touched upon the applicant’s actual use of or intention to use the suit mark in relation to the applicant’s services. I do not propose to summarize them here as I would have to deal with these points in the latter part of this

decision. Mr. Philips Wong indicated, without prejudice to his stance that the request for leave to amend should be refused, that in case I should be minded to grant the leave, the applicant would request that leave should also be granted for the applicant to file further evidence, and in that connection he placed before me for reference a statutory declaration of Mr. Yau Kwok Fai (the second of his in the proceedings) that was sworn on the day just before the hearing.

11. After hearing counsel on both sides, I indicated that I agreed with Mr. Philips Wong that the amendment sought did raise a new ground of objection not covered by the previous pleading of the opponent. Nevertheless, in the interest of justice, I gave leave to the opponent to amend the notice of opposition in order that the real issues between the parties can be resolved (see for example Brett M.R. in *Clarapede & Co. v. Commercial Union Association* (1883) 32 W.R. 262 at 263; Jenkins L.J. in *G. L. Baker Ltd v. Medway Building & Supplies Ltd* [1958] 1 WLR 1216 at 1231). Mr. Philips Wong then made request for leave for the filing of the second statutory declaration of Yau Kwok Fai as further evidence, under Rule 28 of the Trade Marks Rules, Cap. 43, Sub. Leg. Mr. Stewart Wong took issues on only some of the paragraphs of the statutory declaration, details of which I need not recite here. In the end I deemed it just to allow the filing of the second statutory declaration of Yau Kwok Fai as further evidence and accordingly ordered so. The parties agreed that there is no need to adjourn the substantive hearing despite the admission of the further evidence.

Evidence

Opponent's evidence

12. The opponent's evidence is by way of a statutory declaration of Claire Fedder dated 29 October 2003, and another statutory declaration of her dated 27 September

2005 (referred to hereinafter as “Ms. Fedder’s first statutory declaration” and “Ms. Fedder’s second statutory declaration” respectively). Ms. Fedder is a Vice President employed by PCCW Limited which together with other subsidiary companies, including the opponent, form the group of companies referred to hereinafter as the “PCCW Group” and the opponent holds all intellectual property rights for the group. Ms Fedder joined the PCCW Group in January 2002 and has been engaged in brand management for the group since then. Ms. Fedder is authorised by the opponent as well as the PCCW Group to make the statutory declarations.

13. Ms Fedder avers that the opponent is the proprietor of the marks “盈科電訊”, “電訊盈科” and “電盈” which have been registered as trade marks in a number of classes of goods and services with the Hong Kong Trade Marks Registry, and of the marks “盈訊”, “盈訊世紀” and “盈訊動力” in respect of which a number of trade mark applications had been made with the Hong Kong Trade Marks Registry but eventually withdrawn due to a change of the internal policy of the PCCW Group.

14. Ms. Fedder gives a broad account of the history of the PCCW Group and the provision of services by the group in the following sectors, namely, telecommunication services, net enterprises, global communication services, infrastructure services, valued added services and partnerships, details of which I do not propose to summarize here. She claims that as a result of the extensive use, sale, promotion and advertisement of the mark “電訊盈科” as the group’s “house mark” on the wide range of goods and services provided, goodwill and reputation is embodied in the mark and extended to marks such as “電盈” and “盈訊” which are adopted as apt and appropriate shorter forms of the house mark; and to the mark “盈科電訊” which is intended by PCCW Limited (電訊盈科有限公司) as a variation of the house mark.

15. Ms. Fedder alleges that as the suit mark “盈信” is substantially similar to the opponent’s “盈訊”, “盈科電訊”, “電訊盈科”, “盈訊世紀” and “盈訊動力” marks both phonetically and visually, and the services to which these marks are applied are either the same or of a similar description to the applicant’s services applied for under the suit mark,

members of the public are likely to be confused, believing that the applicant's services emanate from or are connected or endorsed by the opponent and/or the PCCW Limited and/or the PCCW Group, resulting in serious prejudice to their businesses, goodwill and reputation.

16. The following exhibits are attached to Ms. Fedder's first statutory declaration : -

- Exhibit 1 – copies of certificates of registration and printouts of official entries in respect of marks “盈科電訊” and “電訊盈科” registered with the Hong Kong Trade Marks Registry.
- Exhibit 2 – copies of certificates of registration and printouts of official entries in respect of registered mark “電盈”, and printouts of official entries in respect of withdrawn mark “盈訊”, all of the Hong Kong Trade Marks Registry.
- Exhibit 3 – printouts of official entries of the Hong Kong Trade Marks Registry in respect of withdrawn marks “盈訊世紀” and “盈訊動力”.
- Exhibit 4 – annual reports of companies of the PCCW Group for the years 1994 to 2002, and an interim report for the year 2003.
- Exhibit 5 – a corporate brochure of the PCCW Group.
- Exhibit 6 – video tapes of television commercials promoting the goods and services of the PCCW Group.
- Exhibit 7 – copies of newspaper clippings and press release in relation to the development of the Cyberport Project in Hong Kong.
- Exhibit 8 – brochures, printed advertisements, letterheads, envelopes and name cards in relation to the launch of the Cyberport office premises and Residence Bel-Air.
- Exhibit 9 – record of expenditure by the PCCW Group on brand name

building, management, advertising and promotion.

- Exhibit 10 – extracts from the press and the Internet.
- Exhibit 11 – copies of advertisements of PCCW Limited.
- Exhibit 12 – a list of major events of PCCW Limited which is published on the Internet.
- Exhibit 13 – extracts printed out from the Internet showing the chronology of events of the PCCW Group and details of the Group’s investments, mergers, takeovers and joint venture activities.
- Exhibit 14 – copies of press releases showing the use of “電訊盈科” and “電盈”.
- Exhibit 15 – newsletters and magazines published by the Global Business Section of PCCW Limited from year 2000 to 2003.

17. The second statutory declaration of Ms. Fedder consists in the main of comments and submissions, not evidence. I do not propose to summarize them.

Applicant’s evidence

18. The applicant’s evidence is by way of a statutory declaration of Mr. Yau Kwok Fai dated 15 December 2004, and a second statutory declaration of him dated 8 May 2007 (referred to hereinafter as “Mr. Yau’s first statutory declaration” and “Mr. Yau’s second statutory declaration” respectively). Mr. Yau was the Deputy Chairman of the applicant which together with its subsidiaries and its jointly-controlled entities (in which the applicant directly or indirectly controls more than half of the voting power or issued share capital) form the “Vantage Group”, and had been with the applicant for more than three years at the time when he made the first statutory declaration.

19. In Mr. Yau's first statutory declaration, he gives an account of the history of the Vantage Group. Up to the application date, the Vantage Group had been principally engaged in a broad range of public and private sectors civil engineering and construction works in Hong Kong for over 23 years. The Vantage Group was first established in 1976 under the name of Able Engineering Company Limited ("Able Engineering") which has been heavily involved in various building construction, repairs, maintenance and decoration projects for institutional bodies and private sector in Hong Kong. In May 2000, Able Engineering acquired a 51.45 % interest in Excel Engineering Company Limited ("Excel") which had together with its subsidiary Gadelly Construction Company Limited ("Gadelly") formed the "Excel Group". Through the acquisition of the Excel Group, the Vantage Group further strengthened its construction works for public and utilities projects in five major areas, namely, water works, roads and drainage, building maintenance, landslip preventive works and utilities civil engineering works. From 1984 onwards, Able Engineering has been in the approved contractor lists for public works of several government departments and public bodies, and both Able Engineering and Excel have won several awards for contractors in the construction industry over the period from 2001 to 2002. In 2000, the Vantage Group completed the following corporate reorganisation to prepare for the listing on the main board of the Stock Exchange of Hong Kong: incorporated the applicant in Bermuda on 21 June 2000, which became the group's investment holding company, with both Able Engineering and Excel becoming its subsidiaries. The applicant was listed on the Stock Exchange in September 2000.

20. Mr. Yau claims that the suit mark has been used as the corporate name of the Vantage Group ever since the incorporation of the applicant in June 2000 and as a result of the wide level of publicity generated from the listing of the applicant on the main board of the Stock Exchange in September 2000, the public has come to recognise that the suit mark is associated with construction-related services of the Vantage Group and none other.

21. The following exhibits are attached to Mr Yau's first statutory declaration : -

YKF-1 – copy of the prospectus of the applicant issued to the public in connection with the listing on the Stock Exchange.

- YKF-2 – copy of the applicant’s Annual Report 2000-2001.
- YKF-3 – copy of the applicant’s Annual Report 2001-2002.
- YKF-4 – copy of the applicant’s Annual Report 2002-2003.
- YKF-5 – copy of the applicant’s Annual Report 2003-2004.
- YKF-6 – copy of advertisement of the subject application in the Government of the Hong Kong Special Administrative Region Gazette on 7 June 2002.
- YKF-7 – copies of newspaper clippings from local newspapers covering the news of the applicant’s listing on the main board of the Stock Exchange.
- YKF-8 – list of some of the construction projects undertaken by the Vantage Group.
- YKF-9 – photocopies of selected samples of stationery items showing use of the suit mark.
- YKF-10 – copy web-pages extracted from the website www.vantageholdings.com showing use of the suit mark in relation to “Class 37 services”.

22. The remainder of Mr. Yau’s first statutory declaration consists of comments and submissions, not evidence, on the opponent’s evidence. I do not propose to summarize them.

23. The second statutory declaration of Mr. Yau was filed pursuant to the leave given by me at the hearing on 9 May 2007 (see paragraphs 10 and 11 above). It concerns the applicant’s intention to use the suit mark. The applicant confirms that it does have the intention to use the suit mark in relation to Class 37 services as specified in the subject application, and the mark is intended to be used as a house mark of the whole Vantage Group. Further, Mr. Yau exhibits as “YKF-11” five photographs allegedly showing the

use of the suit mark at a construction site.

Decision

24. Although the hearing on 9 May 2007 took place after the commencement of the Trade Marks Ordinance, Cap 559, by virtue of section 10(2) of Schedule 5 of Cap 559, oppositions that are pending at the commencement date, 4 April 2003, remain to be dealt with under the provisions of the repealed Trade Marks Ordinance, Cap 43.

25. The opponent has pleaded a number of grounds of opposition based on various sections of the Ordinance, namely, sections 2 and 13(1), 9, 12, 13(2), 20 and 23 of the Ordinance. At the hearing, counsel on both sides agreed that I need only to consider issues under section 2 together with section 13(1), section 12 and section 13(2). I will first deal with the issues under sections 2 and 13(1)

Objection in connection with sections 2 and 13(1)

26. As discussed, the definition of a “trade mark relating to services” under section 2 of the Ordinance consists of two limbs, namely, that the mark must be “used or intended to be used” in relation to certain services, and that the mark must be used for the purpose of indicating trade origin.

27. Section 13(1) of the Ordinance provides :

“Any person claiming to be entitled to be registered as the proprietor of a trade mark used or proposed to be used by him who is desirous of registering

it must apply in writing to the Registrar in the prescribed manner for registration either in Part A or Part B of the register”.

28. Reading section 2 together with section 13(1), Mr. Stewart Wong submits, there must be a sufficient nexus or connection between the use by the relevant person of the trade mark and the provision of the service by that person; or in other words, there is no use in relation to the services if the person does not actually provide, and is not connected with the actual provision, of the services under or by reference to the trade mark.

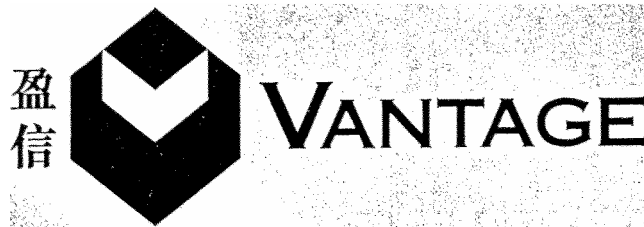
29. Mr. Stewart Wong further submits that all that the applicant’s evidence show is that the applicant is simply an investment holding company and was not involved in any way with the actual provision of the services by any other companies within the Vantage Group, or alternatively, even if it was involved in the provision of the services, the services were provided not under or by reference to the suit mark at all. In either circumstance, Mr. Stewart Wong submits, that means the applicant has not used the suit mark in relation to the provision of construction services by the applicant, nor has it the intention to use the mark to provide the services. Hence, the suit mark does not qualify as a “trade mark relating to services” under section 2 of the Ordinance, and the applicant cannot be registered as the proprietor of the mark pursuant to section 13(1) of the Ordinance.

30. Mr Stewart Wong’s allegations, as I see them, can be divided into two parts. The first part is that the services applied for are not provided by the applicant but by somebody else. Hence, the applicant has no connection with the services. The second part is that the suit mark had not been used on the services applied for and the applicant has no intention to so use.

31. On the first part, as I have summarized at paragraph 19 above and detailed in the prospectus of the applicant and the annual reports of the Vantage Group, the applicant has all along since its incorporation in 2000 been the investment holding company of the Vantage Group and does not seem to have been involved in the actual provision of

construction services as its subsidiaries or jointly-controlled entities within the Vantage Group, such as Able Engineering, Excel and Gadelly, have. But it does not follow that it has no nexus whatsoever with the provision of construction services by the other companies in the Vantage Group. As I shall show below, the nexus exists at least by way of use of the suit mark as a group mark for the Vantage Group.

32. The suit mark which allegedly appears on the applicant's prospectus and annual reports for the years 2000 to 2004 (exhibits "YKF-1" to "YKF-5" to Mr. Yau's first statutory declarations) is indeed part of a larger design. The design which shows the two characters "盈" and "信" (constituting the suit mark) aligned vertically in juxtaposition with a hexagon-shaped logo and the English word "VANTAGE" is reproduced below :-



33. YKF-9 contains a sample of the applicant's stationery with a letterhead which appears the same as above. YKF-10 contains copy web-pages extracted from the website www.vantageholdings.com. The suit mark is similarly part of the design above which appears at the top of the web-pages. YKF-9 also contains a photograph of a band holding a key ring; along the band is a series of repetitive signs that are made up of the three components composing the design above, except that the two characters "盈" and "信" are aligned horizontally instead of vertically.

34. I do not think it matters whether the suit mark is considered to be on its own a trade mark, alongside the hexagon-shaped logo and the English word "VANTAGE" each of which on its own can also be a trade mark, or being part of a composite mark that comprises all the three components, for in either way it seems to me that the suit mark is used to designate the business carried on and services provided by the Vantage Group, although it does not indicate which particular company within the group is actually to

provide the service, and in this sense can be considered a group mark for the Vantage Group.

35. In *Revlon Inc. & Ors v. Cripps & Lee Ltd & Ors*. [1980] F.S.R. 85, the plaintiffs were all members of an international group of companies known as the Revlon Group which was engaged in the business of making and selling cosmetics and toiletries in many parts of the world. The first plaintiff, Revlon Inc., a US company, was the parent company of the group and engaged in the manufacture and sale of Revlon products in the US. The fourth plaintiff, Revlon International, was also a US company wholly owned by Revlon Inc.; its function in the group was to market Revlon products in very many countries outside the United States, including England and Wales. The second plaintiff, Revlon Suisse, a Swiss company, was wholly owned by Revlon International and hence a “grandchild” of Revlon Inc.; its particular function was to hold Revlon trade marks specifically UK trade marks. The third plaintiff, Revlon Overseas, a Venezuelan company and also a wholly-owned subsidiary of Revlon Inc., manufactured certain Revlon products in Wales. Revlon Suisse and Revlon Overseas were respectively registered proprietor and registered user of the UK registered trade mark REVLON FLEX. In 1978, Revlon Inc. started manufacturing and marketing in the US under the mark REVLON FLEX an antidandruff shampoo and a corresponding conditioner to be sold in the US only; it was not a success, and was discontinued; existing stocks were partly sold, and partly given to US charities; some of the defendants imported those anti-dandruff products into the UK, and were proposing to sell it there. The plaintiffs sought an injunction to restrain such sales, contending, inter alia, that the sale of the American anti-dandruff products in the United Kingdom marked REVLON FLEX infringed their trade mark monopoly under [s.4\(1\) of the Trade Marks Act 1938](#) (equivalent to section 27 of the Trade Marks Ordinance, Cap 43), and was not saved from being an infringement by the provisions of [section 4\(3\)\(a\)](#) (equivalent to section 27(3)(a) of the Trade Marks Ordinance, Cap 43) because the American anti-dandruff products were not connected in the course of trade with the registered proprietor Revlon Suisse or the registered user Revlon Overseas, nor had either the registered proprietor or the registered user consented to the application of the mark to the goods by Revlon Inc. (their parent company) or the importation of goods bearing the mark into the UK.

36. The plaintiffs did not succeed. It was held that the trade mark REVLON FLEX was an asset of the Revlon Group of companies regarded as a whole, and there was consent to the use of the mark by Revlon Suisse and Revlon Overseas, hence the sales by the defendants were saved from being an infringement of the mark by the provisions of section 4(3)(a) of the Trade Marks Act 1938. Buckley L.J. of the Court of Appeal said,

“...the company structure of the Revlon Group is such that Revlon could at any moment, and at its own volition, alter that policy in any way it chose and impose its will upon any company in the Group. In these circumstances it seems to me that every company in the Group must be taken to have concurred in, and consented to, the REVLON FLEX mark being used as a group mark to designate the products upon which it is put as products of the Revlon Group.

To use an expression employed in *RADIATION Trade Mark* (1930) 47 R.P.C. 37, 43, line 36, the mark has become in effect a “house mark of the whole group.” It has at all material times been intended for use, and has been used, to indicate that the goods to which it is applied are goods which originate from the Revlon Group, but not from any particular part of that Group. The exploitation of the mark and of the goods to which it relates is a world-wide exercise in which all the component companies of the Group who deal in these particular products are engaged in the course of trade. ... It might be said that, as Suisse carries on no trade, the products cannot be goods connected in the course of trade with Suisse, but I do not think that this would be right. Suisse holds trade marks for the purposes of the trade carried on by companies in the Group. In particular it holds the REVLON FLEX United Kingdom trade mark for the purposes of the trade of Overseas and International in the United Kingdom. This provides, in my view, a sufficient nexus with trade to lead to the conclusion that the United States products in question are goods connected with Suisse in the course of trade”.

37. The facts of the present case are of course different from those of *Revlon*, but the company structures of the groups involved are similar: the present applicant could, like Revlon Inc. could, at any moment, and at its own volition, alter any policy of its group

of companies in any way it chose and impose its will upon any companies in the group, as all are its subsidiaries or jointly-controlled entities. As at the application date, the present applicant is the investment holding company of the Vantage Group, and Able Engineering and Excel and Gadelly are subsidiaries or jointly-controlled entities of the applicant undertaking the provision of the building and civil engineering construction services. This could, at any day, be changed at the volition of the applicant. In the same vein, the applicant could impose its will on the choice and use of any trade mark for the group as well as for any individual companies within the group.

38. By placing the suit mark in prominent positions of the applicant's prospectus and annual reports for the years 2000 to 2004 which report the business activities of the Vantage Group as a whole (exhibits "YKF-1" to "YKF-5" to Mr. Yau's first statutory declaration), it seems to me that the suit mark is intended for use as a group mark; or to put it in another way of saying, every company in the Vantage Group must be taken to have concurred in, and consented to, the suit mark to have been used as a group mark to designate the business activities of the Vantage Group. The exploitation of the suit mark and of the services to which it relates is therefore a world-wide exercise in which all the component companies of the Vantage Group are involved.

39. Mr. Stewart Wong disagrees that the suit mark has been intended or has been a group mark, alleging that even after the listing of the applicant on the Stock Exchange in September 2000, Able Engineering and Excel continued to trade as independent entities and continued to use their own trade marks. I do not find the allegation being borne out by the evidence. First, regarding the allegation that Able Engineering and Excel use their own trade marks, whilst I could see logos appearing beside the names of Able Engineering and Excel on two pages inside the applicant's Annual Reports 2001-2002 and 2003-2003 (YKF-3 and YKF-4), in the context of the evidence, they are not there being used as trade marks; moreover, they are overshadowed by the suit mark which also appears on the same pages but in more prominent size and position. In my view, the question to ask is not so much about whether Able Engineering and Excel use their own marks, but whether the suit mark has been used as a group mark to designate the services of the Vantage Group.

40. As to the allegation that Able Engineering and Excel continued to trade as independent entities, Mr. Stewart Wong has been able to identify a number of statements in the annual reports of the applicant showing that Able Engineering and Excel and Gadelly have all along been undertaking the provision of building and civil engineering construction services, and certificates naming Able Engineering and Excel the winner of the Green Contractor Bronze Award 2001 of the Architectural Services Department can be seen in the annual report 2001 to 2002 (YKF-3). Whilst I do not doubt that Able Engineering and Excel have all along been providing building and civil engineering construction services, the evidence do not spell out whether they did them independently without reference to the group and the suit mark. But the very fact that the aforesaid information about Able Engineering and Excel and Gadelly all come from the annual reports of the applicant means that the provision of all the construction services by them are under the auspices of the applicant.

41. I am satisfied that the suit mark has at all material times been intended for use, or has been used, to indicate that the services to which it is applied are services which originate from the Vantage Group, and with reference to the present issue, the suit mark has been held for the purposes of the building and civil engineering construction services undertaken by Able Engineering and Excel and Gadelly. This provides, in my view, a sufficient nexus in the course of business between the use of the suit mark by the applicant and the provision of the applicant's applied for services.

42. That said, it is another matter whether the suit mark had in fact been used or proposed to be used in relation to the provision of construction services by the application date, and this takes me to the second part of Mr. Stewart Wong's argument. Mr. Philips Wong refers me to what Mr. Yau said in his first statutory declaration at paragraphs 15 to 27, in particular paragraph 23, as evidence of actual use of the suit mark. What had been said in paragraphs 15 to 27 are mainly what I have just discussed above. Paragraph 23 of Mr. Yau's first statutory declaration states that the applicant has been promoting, advertising and marketing its services under and by reference to the suit mark by way of placing large banners on construction sites which it has undertaken to conduct constructions. Photographs of such banners have not been shown until the filing of Mr. Yau's second

statutory declaration where “YKF-11” contains five photographs said to be “showing the use of the [suit mark] at a construction site at the junction of Tin Shing Road and Tin Pak Road, Tin Shui Wai, New Territories in around January to February 2006, i.e., after the subject application date, showing that the applicant clearly has the intention to use the [suit mark]”. From the photographs I can see banners being placed on the construction sites, but what each banner depicts is only the hexagon-shaped logo as I have shown in the representation above with the four Chinese characters “盈信控股” beside it. “盈信控股” obviously refers to the applicant as its Chinese name is “盈信控股有限公司”. I do not find the four Chinese characters constitute use of the suit mark.

43. The earliest evidence of use, as I can see, is on the prospectus of the applicant dated 29 August 2000, which is roughly two weeks after the application date. To sum up, I do not find that the suit mark has been used before the application date.

44. But the fact that a mark has not been used on the services applied for prior to application for registration cannot be taken to imply the lack of intention to use the mark on the services after registration has been obtained. As Mr. Philips Wong so submits, in an application for registration, the subject mark needs only to be used *or proposed to be used* in relation to the services applied for, and on an allegation of no intention to use the mark the burden of proof is on the opponent of the mark (see *Titan Manufacturing Company Pty Ltd v John Terence Coyne* 22 I.P.R. 613 at 617; “華倫天奴” Trade Mark, Decision of Trade Marks Registry on 22 July 2003; “CAREREE” Trade Mark, Decision of Trade Marks Registry on 1 June 2004; “SHK & Device” Trade Mark, Decision of Trade Marks Registry on 22 April 2005).

45. Mr. Yau has said, at paragraph 5 of his second statutory declaration, that “[the suit mark] and the corporate/trade name ‘盈信’ will continue to be mentioned to the relevant contractors, as well as to the general public (through advertisements, annual reports, etc.) in relation to the construction works, projects and other Class 37 services undertaken by the applicant or its subsidiaries”. Further, at paragraph 8 of his second statutory declaration, Mr. Yau said, “In the event that the registration [of the suit mark] be

granted whereby the applicant can [be] rest assured that the opponent will not have any claim for infringement in relation to the use of [the suit mark], the applicant will further make use of and promote the mark in relation to the Class 37 services in a fuller scale and in a more extensive manner”.

46. These statements, at the very least, should be taken as an expressed intention to use the suit mark in the provision of construction services.

47. Apart from expressing the intention, what the applicant did, namely, using the suit mark very shortly after the application date on the applicant’s prospectus and annual reports for the years 2000 to 2004, means that there can be no doubt that the applicant had the intention to use the suit mark in relation to the construction services carried out by Able Engineering, Excel or Gadelly.

48. I conclude that I do not find the objection under sections 2 and 13(1) of the Ordinance established.

Objection under section 12(1)

49. I now examine the case under section 12(1) of the Ordinance.

50. Section 12(1) provides that it shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would be likely to deceive or would be disentitled to protection in a court of justice.

51. The two limbs of objection under section 12(1), namely likelihood of deception and disentitlement to protection by the court, are disjunctive so that the likelihood of deception is an independent ground of objection (*Hong Kong Caterers Limited v Maxim's Ltd* [1983] HKLR 287 at 296). As the opponent's opposition is mainly based on the claim that the suit mark is confusingly similar to its trade marks and the applicant's services are of the same or similar description as its services, I shall focus on the first limb of section 12(1).

52. It is well-established that before an opponent can mount a section 12(1) opposition, it must first establish, as a threshold question, that its mark is known to a substantial number of persons in Hong Kong – see *Re Arthur Fairest Ltd.'s Application* (1951) 68 RPC 197 at 200. The date at which this cognizance or reputation is to be established is the date of the application to register the suit mark (*NOVA Trade Mark* (1968) RPC 357 at 360), that is, 14 August 2000. The reputation in the opponent's mark must be more than de minimis to bring section 12(1) into operation the reason being, if the opponent's mark is unknown in Hong Kong, deception or confusion is unlikely to arise (*Da Vinci Trade Mark* (1980) RPC 237). Only if the opponent discharges this burden does the onus shift to the applicant to satisfy the tribunal that there is no reasonable likelihood of deception among a substantial number of persons if the suit mark proceeds to registration (*Eno v Dunn* (1890) 15 App Cas 252 at 261).

53. On the opponent's evidence, I do not think it could be seriously disputed that as a result of the extensive use, sale, promotion and advertisement of the PCCW Group's "house mark" which, as I shall discuss below (at paragraph 56), contains the term "電訊盈科" on a wide range of goods and services provided, goodwill and reputation is now embodied in that mark and perhaps, in the term "電訊盈科". The question, however, is whether the mark or the term did have a reputation at the application date, given the opponent's acceptance that the holding company of the PCCW Group only changed name to "電訊盈科有限公司" (from which obviously the mark derived) on 13 December 2000, which is after the application date that falls on 14 August 2000.

54. The opponent has supplied voluminous evidence giving incontrovertible details about the activities of the group of companies now known as the PCCW Group, in the following documents, namely, Ms. Fedder's first statutory declaration (at paragraphs 8 to 19), the annual reports of the PCCW Group for the years 1994 to 2002 and the interim report for the year 2003 (Exhibit 4), newspaper clippings of reports of events happened as far back as in 1994 (Exhibit 7) and extracts from the press and the website of the PCCW Group (Exhibit 10). However, it is not immediately apparent from those evidence as to when the opponent started to use the opponent's marks “電訊盈科”, “盈訊”, “盈科電訊”, “盈訊世紀” and “盈訊動力”. I therefore have to look at the evidence in details and restructure from them a corporate history of the group that is relevant to the present issue and from which I may be able to find some hints to the alleged use of the opponent's marks.

55. The relevant history of the group can be summarized as follows:- the group of companies established by Mr. Richard Li Tsaz Kai in 1993 was originally known as the “Pacific Century Group” and in Chinese the “盈科拓展集團”; the group's primary business and investments had been focused on digital technology and media, financial services and infrastructure and property development; in September 1994 the group acquired control of Pacific Century Regional Development Limited (“PCRD”) (in Chinese “盈科亞洲拓展有限公司”) which was an investment holding and property development and management company listed on the Stock Exchange of Singapore; it seems that up to 1999, PCRD had been engaged for the group in infrastructure and property development and investment in China, India, Singapore and Vietnam, but not in Hong Kong where its business concerns seems to be in life insurance conducted through its subsidiary Top Glory Insurance; in 1999 PCRD undertook a corporate restructuring to acquire a company listed in the Stock Exchange of Hong Kong called Tricom Holdings Limited in English and “得信佳集團有限公司” in Chinese; PCRD and its ultimate controlling shareholder Pacific Century Group Holdings Limited then injected into the acquired company certain real property interests then held by them in Hong Kong and in mainland China; the acquired company was renamed Pacific Century CyberWorks Limited in English and “盈科數碼動力有限公司” in Chinese, pursuant to a special resolution dated 13 August 1999; in June 2000, Pacific Century CyberWorks Limited became a constituent of the MSCI Hong Kong Index; on 17 August 2000, Pacific Century CyberWorks Limited declared that it has succeeded in an acquisition (or merger as it is called), which had been well publicized since early 2000, of

Cable & Wireless HKT Limited (“香港電訊有限公司” in Chinese), then one of the largest communications companies in Asia and was Hong Kong’s leading provider of integrated communications services; during the ensuing months of 2000, the company had also been engaged in several other high profile acquisitions or mergers with overseas communication services providers, and Pacific Century CyberWorks Limited has become known to be the flagship company of the group; the Chinese name of Pacific Century CyberWorks Limited, namely, “盈科數碼動力有限公司”, was changed to “電訊盈科有限公司” on 13 December 2000 whereas the English name “Pacific Century CyberWorks Limited” remained unchanged until 9 August 2002 when it was changed to “PCCW Limited”.

56. The opponent relies on its mark “電訊盈科”, as well as its other marks “盈科電訊”, “電盈”, “盈訊”, “盈訊世紀” and “盈訊動力” which seem to be the varied or abbreviated forms of “電訊盈科”, to mount an opposition under section 12(1). “電訊盈科” apparently derived its origin from the Chinese name of Pacific Century CyberWorks Limited after it was changed from “盈科數碼動力有限公司” to “電訊盈科有限公司”, and this as mentioned above did not formally happen until December 2000. So it is very doubtful that “電訊盈科”, or any of its varied forms “盈科電訊”, “電盈”, “盈訊”, “盈訊世紀” and “盈訊動力”, had been in use at the time when the applicant made the subject application in August 2000, even allowing for the possibility that use had begun shortly before the formal name change took place. Indeed, from a short entry in the annual report 2000 of Pacific Century CyberWorks Limited, it is said that the company after the acquisition of Cable & Wireless HKT Limited has adopted a new mark from November 2000 onward to “reflect the characteristics of the two companies after their merger”. I trust this refers to the mark reproduced below, which appears on the cover page of the annual report 2000 and in the subsequent annual reports : -



This new mark is in fact a composite mark which consists of the word “PCCW”, the Chinese characters “電訊盈科” and a logo that comprises squares of different colours. I would refer to this composite mark hereinafter as the “PCCW 電訊盈科 & device” mark.

57. In so far as use of the term “電訊盈科” is concerned, it matters not for the present purposes whether it was used on its own as a word mark or as part of the “PCCW 電訊盈科 & device” mark, in either way the term apparently derived its origin from the new company name “電訊盈科有限公司” which only formally came into being in December 2000. Indeed, on the evidence before me, the earliest sight of the term, embedded in the “PCCW 電訊盈科 & device” mark, was in the annual report 2000 of Pacific Century CyberWorks Limited (which obviously came after 2000); “電訊盈科” has since been widely used to refer to the group by the group itself and the press alike. Before the corporate merger with Cable & Wireless HKT Limited that took place on 17 August 2000, what was being used to designate the Pacific Century Group was the mark “盈科數碼動力” which appears on the cover page of the annual report 1999 of Pacific Century CyberWorks Limited.

58. Mr. Stewart Wong submits that the development of the PCCW Group is characterized by its many facets of businesses, which include infrastructure and property development and holding, since its acquisition in 1993 by Mr. Richard Li Tsaz Kai, who used to be the chairman of the group of companies throughout, and the retention of the Chinese characters “盈科” in the new name of the PCCW Group is highly relevant as it tells the public that the new name “電訊盈科” just carries forward the goodwill and reputation built up in or around its previous name “盈科數碼動力”.

59. I think this is somewhat beside the point. Even if I were to accept that the reputation built up by the mark “盈科數碼動力” as used by “盈科數碼動力有限公司” (the previous Chinese name of Pacific Century CyberWorks Limited) could have been “carried forward” to the new term “電訊盈科”, this could not have happened on 14 August 2000 when the subject application for registration of the suit mark was filed because, as the evidence shows, there had yet no such mark as “電訊盈科” or for that matter the “PCCW 電訊盈科 & device” mark being in existence, not to mention “盈科電訊”, “電盈”, “盈訊”, “盈訊世紀” or “盈訊動力”. As stated above, it has been well established that to mount an opposition under section 12(1), an opponent must first establish, as a threshold question, that its mark is known to a substantial number of persons in Hong Kong at the date of the application to register the suit mark (*NOVA Trade Mark* (1968) RPC 357 at 360). For the

reasons aforesaid, I do not find that the opponent has established a reputation in its mark “電訊盈科” at the application date. Similarly, I make the same finding in respect of the opponent’s other marks “盈科電訊”, “電盈”, “盈訊”, “盈訊世紀” and “盈訊動力” as I do not find from the evidence any use of these marks at all other than the facts that they had been the subject marks in applications for registration made with the Trade Marks Registry.

60. To conclude from the above, I hold that the opponent had failed to discharge the threshold onus necessary to mount an opposition under section 12(1).

Exercise of discretion under section 13(2)

61. A discretion arises under section 13(2) of the Ordinance when the opponent has failed in its objection under sections 12(1) and 13(1) of the Ordinance and the suit mark is registrable under either section 9 or 10 of the Ordinance.

62. Indeed, the opponent has approached this ground more or less as a covering argument for its section 12(1) objection. Essentially, Mr. Stewart Wong contended that even though the opponent is not able to overcome the initial threshold by establishing sufficient cognizance or reputation in its marks at the application date and fails under the section 12(1) objection, the suit mark should be refused registration under section 13(2) if its use is deceptive at the date of the decision of the opposition proceedings and beyond. As Mr. Stewart Wong put it, at paragraph 36 of his written submission, “in the light of the evidence that a very strong reputation and goodwill had since been developed in those names, for reasons stated above (referring to the various objection arguments advanced under section 12(1)), it is clear that this application must be refused under section 13(2) of the Ordinance”.

63. The authorities of Kerly's Law of Trade Marks & Trade Names (12th Edition) (“Kerly”) at para 10-27 and *Re Daiwa Associate (HK) Ltd.* [2003] 3 HKC 283 at paras. 52-55, as well as the obiter in *Tiffany v. Fabriques de Tabac Reunies SA* [1999] 3 SLR 147, were then cited to illustrate the proposition that in relation to an application for registration, registration ought to be refused if the mark in question is deceptive at the date of decision and beyond, regardless of the position at the date of application. I should say that the proposition as discussed in the cited authorities is in the context of section 12(1), rather than section 13(2), but that did not seem to bother Mr. Stewart Wong who submitted that the argument should succeed in either of the sections.

64. Nonetheless, I have to add a word of caution here. As expounded above, section 12(1) requires that the threshold test of reputation of the opponent’s mark at the date of application must be passed before the question of likelihood of deception or confusion is to be considered, and those cited authorities, whilst proposing that registration ought to be refused if the mark in question is deceptive at the date of decision and beyond regardless of the position at the date of application, have not proposed that the threshold requirement can be dispensed with under the circumstances. As I have held that the opponent in this case has not passed the threshold requirement, what Mr. Stewart Wong asked this tribunal to do, whether under section 12(1) or under section 13(2), is in fact to venture into uncharted territory. But due to the reasons stated below, I do not find confusion or deception being likely even at the date of decision and beyond; hence I do not need to say any further on the viability of Mr. Stewart Wong’s proposition.

65. To begin with, I do not find from the evidence any use of the opponent’s marks “盈科電訊”, “電盈”, “盈訊”, “盈訊世紀” and “盈訊動力” at all, at any time, other than the facts that they had been the subject marks in applications for registration made with the Trade Marks Registry. So the only mark I actually have to deal with is “電訊盈科”.

66. Putting the opponent’s case to the highest by accepting the alleged fact that a strong reputation and goodwill has since the application date been acquired by the

opponent's "電訊盈科" mark, I do not find the use of the suit mark in respect of the applied for services after the application date will likely cause deception or confusion as the respective marks are very different.

67. In my view it is quite futile to argue that the suit mark "盈信" would be confused with "電訊盈科". I find the two visually, aurally and conceptually very different. Even assuming that people would remember "電訊盈科" in two characters only instead of in its entirety, following the natural sequence of the characters, I think it would be "電盈" or "盈科", rather than "盈訊" (which appears to me to be an unnatural constriction of "電訊盈科"), that people would register in their minds. In fact, the most I could find from the evidence is in Exhibit 14 to Ms. Fedder's first statutory declaration, where in a press release, after identifying the subject company as "電訊盈科", the short abbreviated term "電盈" is used in the latter parts of the text. Regarding "盈科", it is really a thing of the past as it was an abbreviation for "盈科數碼動力" (as seen from some pre-2000 news cuttings in Exhibit 10 to Ms. Fedder's first statutory declaration) which has been completely replaced by "電訊盈科". I emphasize that there is no evidence at all that the opponent has ever used "盈訊" as a trade mark or a trade name, other than having attempted to register it as a trade mark in an application that has now been withdrawn "due to a change in the [PCCW] Group's internal policy" (paragraph 5 of Ms. Fedder's first statutory declaration).

68. For the sake of completeness, I should say I do not find "電盈" share any visual, aural and conceptual similarity with "盈信" either. Whilst it is true that they share a common element, which is the character "盈", marks have to be compared each as a whole. Considering the marks each as a whole, my impression is that visually and aurally "電盈" is not similar to "盈信". As to the conceptual similarity, both are invented terms and no perceivable meanings could be ascribed to either of them. I do not see conceptually they have any connection.

69. Last but not the least, the services in question are provision of construction and civil engineering works in respect of which, Mr. Philips Wong submitted, people will generally exercise more care and attention before entering into any agreement, thus

diminishing further any likelihood of confusion.

70. As no proper reasons can be advanced why registration should be refused for the suit mark which is, after all, a qualifying mark, the exercise of discretion should not be adverse to the applicant. I decline to exercise the discretion to refuse the application for registration.

Costs

71. The opponent has failed in all grounds of opposition. The applicant has sought costs. As nothing in the circumstances or conduct of this case warrants a departure from the general rule that the successful party is entitled to his costs, I order that the opponent pays the costs of these proceedings.

72. 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 1 of the First Schedule to Order 62 of the Rules of the High Court (Cap 4) as applied to trade mark matters, with one counsel certified, unless otherwise agreed between the parties.

(Frederick Wong)
p. Registrar of Trade Marks
25 September 2007