

Application No. 26512/2000

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

AND

IN THE MATTER of an application by
Grotto S.P.A. to register the mark



in Part A of the Register in Class 25

AND

IN THE MATTER of an opposition
thereto by Jeanjer Limited

**DECISION
OF**

Ms. Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after a hearing on
30 May 2008.

Appearing : Ms Sandra Gibbons of Messrs. Marks & Clerk for the applicant.

Application for registration

1. On 6 December 2000 (“the application date”), Grotto S.P.A. (“the applicant”) applied to register, pursuant to the provisions of the Trade Marks Ordinance Cap. 43 (“the Ordinance”), in Part A of the register in Class 25, the trade mark, a representation of which appears below :



(“the suit mark”).

2. The goods intended to be covered by the registration were “trousers, jackets, jerkins, jeans, shirts, blouses, skirts, blousons, anoraks, cardigans, vests, pullovers, jumpers, T-shirts, sweat-shirts, jerseys, sweaters, suits and dresses, coats, wind-resistant jackets, stockings, tights, socks, shoes, boots, slippers” (“the specified goods”). The Registrar of Trade Marks (“the Registrar”) accepted the suit mark for registration in Part A of the register under section 22 of the Ordinance and use was claimed from the year 1995. The application was advertised in the Government of the Hong Kong Special Administrative Region Gazette on 24 October 2003.

Pleadings and evidence

3. On 26 March 2004, Jeanjer Limited (“the opponent”) filed notice of opposition to the application. The grounds of opposition state, *inter alia*, that the opponent is a corporation organised and existing under the laws of Delaware, the United States of America. The opponent claims that it is the proprietor of the trade mark “GASOLINE” (“the opponent’s mark”) which is registered in Hong Kong as trade mark no. 1555 of 1984 in class 25. The opponent asserts that the opponent’s mark is also registered in the United States for “men’s and women’s apparel; namely, jeans, shirts, jackets and sweat shirts in class 25”.

4. In addition, it is the opponent’s case that it has been using in Hong Kong, since at least about 1993, the trade mark “GASOLINE” for garment products. The opponent’s mark is well known to members of the trade and the public in Hong Kong.

By virtue of the extensive use, voluminous sales and hard efforts made in the promotion and manufacture of the opponent's garment products which bear the opponent's mark, the opponent has acquired very substantial reputation in the mark.

5. The opponent alleges that the suit mark is confusingly similar to the opponent's mark and the specified goods overlap with or are goods of the same description as the opponent's garment products. Use of the suit mark on the specified goods is likely to deceive or cause confusion that the applicant's goods are goods of or associated with the opponent. Hence, use of the suit mark is likely to deceive or cause confusion and/or would be disentitled to protection in a court of justice. Any use or registration by the applicant of the suit mark would jeopardize the opponent's reputation and goodwill generally and encroach upon its registered and unregistered trade mark rights in the opponent's mark. The opponent claims that any alleged concurrent use of the suit mark with the opponent's mark has not been honest. Therefore, the applicant is not entitled to claim honest concurrent use under section 22 of the Ordinance. The grounds of opposition comprise sections 2, 9, 10, 12, 13, 20 and 23 of the Ordinance.

6. 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 opponent is put to strict proof of, *inter alia*, its claims of the use of the opponent's mark in Hong Kong since at least about 1993 for garment products and the registration of the opponent's mark in Hong Kong and the United States. The applicant avers that the suit mark "GAS" and the opponent's mark "GASOLINE" are not confusingly similar when used in relation to class 25 goods. The marks look and sound different. In Hong Kong, the opponent's mark "GASOLINE" has existed on the register for the same goods with registration no. 6938 of 1997 for the mark "GAS STATION". The suit mark also co-exists with the opponent's mark in respect of the same goods in other jurisdictions such as the United Kingdom and Australia.

7. It is the applicant's case that it adopted the trade mark "GAS" in 1983. It has since used the "GAS" trade mark in various forms. It first used the mark in the form of the suit mark in Italy in 1992. It commenced use of the suit mark in Hong Kong in 1995 and has continuously used the suit mark since then in relation to clothing, footwear, headgear and other goods. The applicant's goods bearing the suit mark have been extensively advertised and promoted throughout the world including

Hong Kong. As a result, the suit mark has a substantial reputation in Hong Kong. The applicant asserts that it adopted the suit mark independently of the opponent. The applicant is not aware of any confusion between the suit mark and the opponent's mark. In any event, there has been honest concurrent use of the suit mark with the opponent's mark under section 22 of the Ordinance.

8. Trade Marks Rule/s Cap. 43, Sub. Leg. ("Rule/s") 25 evidence consists of a statutory declaration from Chan Chun Sing, a director of Jordache International (HK) Limited, together with exhibits, which was declared on 1 February 2005 ("Chan's statutory declaration"). Under rule 26, the applicant filed a statutory declaration of Giuseppe Grotto, the managing director of the applicant, together with exhibits, which was declared on 22 November 2005.

Decision

9. Though, by 30 May 2008, the date the matter was heard, the Trade Marks Ordinance Cap. 559 had come into operation, by virtue of section 10(1) and 10(2) of Schedule 5, an application for registration still pending as of 4 April 2003 and an opposition to the application are to be determined under the provisions of the repealed Ordinance, Cap. 43.

10. A date for hearing the opposition was fixed for 30 May 2008. By letter dated 26 May 2008, the solicitors acting for the opponent, Messrs. Chan, Tang & Kwok, indicated that they were instructed by the opponent not to appear at the hearing and requested the Registrar to decide the opposition on the pleadings and evidence filed by the opponent. Ms Sandra Gibbons of Messrs. Marks & Clerk appeared for the applicant at the hearing.

Under section 2

11. The opponent alleges in its grounds of opposition that the suit mark is not a trade mark within the meaning of section 2 of the Ordinance in that it is not capable of indicating a connection in the course of trade between the specified goods and the applicant.

12. 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 grounds of

opposition or the evidence filed. There is nothing before me from which I could 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 goods of the applicant. The opposition under section 2 is therefore defeated.

Under sections 9 and 10

13. The opponent pleads in its grounds of opposition that the suit mark is not inherently adapted to distinguish and is not capable of distinguishing the applicant's goods. Therefore, registration of the suit mark will be contrary to sections 9 and 10 of the Ordinance. There is no reason advanced by the opponent which could support these grounds of opposition. If the thrust of the objection under sections 9 and 10 is that the suit mark is not inherently adapted to distinguish or not capable of distinguishing the applicant's goods from others by reason of the opponent's prior registration and reputation of its mark "GASOLINE" in Hong Kong. Then the issue is the same issue as the objection under sections 12(1) and 20(1) of the Ordinance and is better left for determination in the wider context of those sections (see *Kerly's Laws of Trade Marks and Trade Names*, 12th Edition, note to paragraph 10-01).

Under section 23

14. Section 23 applies when the opponent has a prior similar registered mark in the country from where the goods originate for the same or similar goods. It has no application where the opponent has already registered its mark in Hong Kong. In such circumstances, section 20 is the applicable section for opposition purposes.

Under section 20(1)

15. At the application date, section 20(1) of the Ordinance insofar as it relates to goods provided :

"20. Prohibition of registration of identical and resembling trade marks

- (1) Except as provided by section 22, no trade mark relating to goods shall be registered in respect of any goods or description of goods that is

identical with or nearly resembles a trade mark belonging to a different proprietor and already on the register in respect of –

- (a) the same goods;
- (b) the same description of goods; or
- (c) ”

16. Section 2(4) of the Ordinance, which is relevant to the definition of “nearly resembles”, provides a near resemblance of marks is a resemblance “so near as to be likely to deceive or cause confusion”.


17. The following registered mark is relied on by the opponent in mounting the opposition under section 20(1) :

Trade Mark	Registration No.	Class	Part	Goods
GASOLINE	1984/1555	25	A	articles of outerclothing but not including footwear

18. Under section 20(1), the first question for me is whether the goods for which the suit mark is sought to be registered, the same goods or description of goods as those of the opponent’s registered mark. At the hearing, Ms Gibbons on behalf of the applicant conceded that the specified goods are the same or of the same description as those of the opponent’s registered mark. I therefore find that the opponent is able to overcome the first limb of section 20(1).

19. It follows that the second issue for my determination is whether the suit mark so nearly resembles the opponent’s registered mark as to be likely to deceive or cause confusion.

20. The accepted test to be applied under section 20(1) of the Ordinance is that stated by Evershed J. in *Smith Hayden & Co.’s Application* [1946] 63 RPC 97. Adapted to the matter in hand, the test may be expressed as follows :

“Assuming user by the opponent of its mark “ **GASOLINE** ” in a normal and fair manner for any of the goods covered by the registration, is the tribunal satisfied that there will be no reasonable likelihood of deception or confusion amongst a substantial number of persons if the applicant also uses its mark “  ” normally and fairly in respect of any goods covered by its proposed registration?”

21. The onus is on the applicant to satisfy the Registrar that the trade mark applied for is not reasonably likely to deceive or cause confusion. In cases in which the tribunal considers that there is doubt as to whether deception is likely the application should be refused (*Kerly's*, supra, paragraph 17-03).

22. The established test for the comparison of word marks is that promulgated by Parker J. in *Pianotist Co. Ltd.'s Application* (1906) 23 R.P.C. 774 at 777.

“You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. ”

23. The opponent pleads in paragraph 7 of the grounds of opposition that the suit mark is confusingly similar to the opponent's mark. In paragraph 8 of Chan's statutory declaration filed on behalf of the opponent, Mr Chan says that the trade marks “GASOLINE” and “GAS” are confusingly similar. Both words mean petrol. Copy extracts from various dictionaries showing the same meanings of the words are said to be produced in the exhibit marked “CCS-10” to Chan's statutory declaration. I note that the extracts are from various online dictionaries and encyclopedia downloaded from the websites. However, the extracts were either downloaded from the websites in 2004 or the websites have a copyright notice of 2004 which are all post-application date. Even if one is to look at the extracts, I find they state that “gasoline” is the “US formal for gas” and “gas” is “US for petrol”.

24. To counter the contention of the opponent, Ms Gibbons submitted that

although one meaning of both marks refers to petrol, this meaning with respect to the word “GAS” is more commonly known in the United States. It is not a term used or known in principally British English language jurisdictions and would not be understood as having a similar meaning to the longer word “GASOLINE”.

25. According to the Collins English Dictionary, Millennium Edition, I find that the words “gas” and “gasoline” have, amongst other meanings, the following meanings :

“Gas : 1. a substance in a physical state in which it does not resist change of shape and will expand indefinitely to fill any container. If very high pressure is applied a gas may become liquid or solid, otherwise its density tends towards that of the condensed phase. Compare **liquid** (sense 1), **solid** (sense 1). 2. any substance that is gaseous at room temperature and atmospheric pressure. 3. any gaseous substance that is above its critical temperature and therefore not liquefiable by pressure alone. Compare **vapour** (sense 2). 4a. a fossil fuel in the form of a gas, used as a source of domestic and industrial heat. See also **coal gas**, **natural gas**. 4b. (*as modifier*) : a *gas cooker*; *gas fire*. 5. a gaseous anaesthetic, such as nitrous oxide. 6. Mining. firedamp or the explosive mixture of firedamp and air. 7. the usual U.S., Canadian, and New Zealand word for **petrol**, a shortened form of **gasoline** ...”

“Gasoline : a U.S. and Canadian name for **petrol**.”

26. To find out the apparent meanings of the words “gas” and “gasoline” to an ordinary purchaser in Hong Kong, I would also like to refer to the Oxford Advanced Learner’s English-Chinese Dictionary, the 4th Edition, which was published in Hong Kong. The words “gas” and “gasoline” have, amongst other meanings, the following meanings :

“Gas : 1. air-like substance (ie not a solid or liquid) 氣體.... 2(a). inflammable gas or mixture of gases used as fuel for heating, lighting or cooking 易燃氣體, 混合氣體 (作取暖、照明或烹調用的燃料).... 2(b). gas (eg nitrous oxide) or mixture of gases used as an anaesthetic in surgery and dentistry 外科和牙科用作麻醉劑的氣體 (如一氧化二氮) 或氣體混合物.... 2(c). poisonous gas (eg mustard gas) used in warfare (戰爭用的) 毒氣 (如芥子氣).... 3. (US infml □) = PETROL....”

“Gasoline : (US) = PETROL.”

27. In my judgment, it is clear from the above quoted dictionaries that while it is true that in the United States, “gas” is sort of an informal or shortened word for “gasoline”, there is no evidence before me that such a usage is common in Hong Kong. To an ordinary customer in Hong Kong who would be likely to buy the specified goods which are daily clothing and footwear items, I take the view that the word “GAS” is likely to be understood and remembered as a kind of air-like substance as opposed to liquid and solid such as oxygen, natural gas, gas fire or a gas cooker. On the other hand, if the meaning of the opponent’s mark “GASOLINE” is known at all, it would be known by the consumers in Hong Kong as referring to “petrol” which is the sole meaning for the word “gasoline”. I do not consider that the respective marks are conceptually similar.

28. Visually, the suit mark consists of the word “GAS” in block capitals superimposed on a border-like device. The opponent’s mark is a pure word mark comprising the word “GASOLINE” in plain block letters. To my mind, they do not look similar visually. “GAS” is a very short word of three letters. It is a compact mark with a short length which can easily be taken in at a first glance. Moreover, although the border-like background device in the suit mark does not add anything of significance, it does have some impact on the appearance of the suit mark. As to the opponent’s mark, on first impression, the word “GASOLINE” is a much more complex word with some length.

29. Turning to the aural comparison, it is apparent that the pronunciation of “GAS” is different from that of “GASOLINE”. The suit mark is a one syllable word whereas the word “gasoline” is a word of three syllables.

30. As the goods of the proposed registration and the opponent’s registration overlap with one another, the goods can be sold and purchased through the same trade channels to the same class of purchasers paying the same price. Goods in the nature of the parties’ goods which are clothing and footwear items are generally purchased with normal care and attention, and purchasers will make no more than averagely intelligent examination of the marks. However, in the light of the conceptual, visual and aural differences between the marks, I do not consider that there is a real tangible risk that the purchasing public would be confused into believing the goods of the parties come from the same source or wondering whether or not that might be so if the marks are applied to the same goods.

31. It follows that the section 20(1) opposition fails.

Under section 12(1)

32. 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] 9 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 : 6 December 2000 – *NOVA Trade Mark* [1918] RPC 357 at 360.

33. Ms Gibbons submitted that the opponent has not established any reputation in its mark in Hong Kong. The evidence filed by the opponent refers only to the manufacture of goods in Hong Kong for sale in the United States market. The opponent has never sold any goods in Hong Kong. The advertisements exhibited are all aimed at the United States market and the list of retail stores refers to the United States stores (paragraphs 4, 5, 6 and 7 of Chan’s statutory declaration and exhibits “CCS-5” to “CCS-8”).

34. I now turn to consider the opponent’s evidence filed in support of its alleged reputation of its mark in Hong Kong at the application date. In paragraph 7 of Chan’s statutory declaration, Mr Chan says that Jordache International (HK) Limited has been manufacturing in Hong Kong jeans for men and ladies bearing the opponent’s mark “GASOLINE” for the opponent. Such products have been shipped from Hong Kong to Jordache Limited of the United States who is responsible for marketing the opponent’s products bearing the mark “GASOLINE” in the United States. Copies of pre-application date invoices and shipping documents showing the shipments of the products made are produced in the exhibit marked “CCS-8” to Chan’s statutory declaration. Sales figures for the sale of the opponent’s products in the United States market only were given in paragraph 5 of Chan’s statutory declaration. Therefore, on the evidence, it seems to me there is no dispute that the opponent’s goods bearing the opponent’s mark “GASOLINE” have never been sold in Hong Kong before the application date.

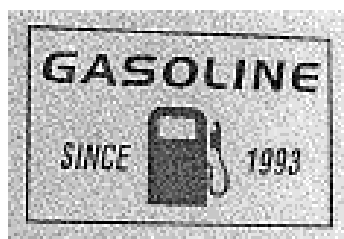
35. Mr Chan further states in paragraph 6 of his statutory declaration that the “GASOLINE” products have been extensively advertised. Copies of some of the advertisements were produced in the exhibit marked “CCS-5” to Chan’s statutory declaration. Mr Chan avers that the magazines in which such advertisements appeared are circulated internationally including Hong Kong as the magazines can be subscribed by anyone anywhere.

36. In my judgment, reputation could be acquired through advertising alone (*Pioneer Hi-Bred Com Co. v Hy-Line Chicks Pty. Ltd.* [1979] RPC 410). It was held in that case that reputation was established as there was actual evidence that the mark of an American company was known in New Zealand as a result of advertising in overseas publications circulated in New Zealand although the American company had made no sales in New Zealand. In this case, there is, however, no evidence of any circulation of the opponent’s advertisements advertising the opponent’s goods bearing the mark “GASOLINE” in Hong Kong before the application date. Only about 8 pages of pre-application date advertisements in various magazines such as “MADEMOISELLE”, “New York Time Magazine”, “Cosmopolitan”, “Seventeen” and “Elle” were produced by the opponent. To my mind, they are clearly foreign advertisements as opposed to local advertisements in Hong Kong. Although the magazines can be circulated internationally including Hong Kong as they can be subscribed by the public in Hong Kong, there is no evidence whatsoever before me that there was any actual circulation of those magazines in Hong Kong before the application date; and if so, the extent of the circulation from which I could draw the conclusion that the opponent has established reputation in its mark in Hong Kong at the application date by way of advertising and promotion. I am simply left in a complete doubt as to the extent, if any, to which the opponent’s mark has impinged on the minds of readers of the advertisements in Hong Kong.

37. I therefore find that the opponent has failed to establish sufficient cognizance or awareness of its mark “GASOLINE” in the minds of a substantial portion of the purchasing public for clothing items in Hong Kong at the date of the application that enables it to have crossed the threshold to oppose the registration of the suit mark pursuant to section 12(1) of the Ordinance.

38. For the sake of completeness, I would like to point out that even if the opponent is able to overcome the threshold to oppose under section 12(1) of the Ordinance, I find that in actual use, apart from the word “GASOLINE” alone, from

the numerous examples depicted in the advertisements, labels or paper tags on the actual goods, the opponent's "GASOLINE" mark is always used in conjunction with devices in the following formats :-



39. I have found for the purpose of section 20(1) of the Ordinance above that the suit mark and the opponent's mark "GASOLINE" are not confusingly similar. Under section 12(1) opposition, when the suit mark in notional and fair use is to be compared with the opponent's mark in actual use, the degree of similarity between the respective marks is even less than a comparison under section 20(1) of the Ordinance.

Under section 13(1)

40. The opponent alleges in the grounds of opposition that as the use of the opponent's mark "GASOLINE" and the registration of the same in Hong Kong predated the application for registration of the suit mark, the applicant is not entitled to claim any rights over and to the suit mark. The applicant is hence not entitled to claim to be the proprietor of the suit mark and apply for registration under section 13 of the Ordinance. In my judgment, a challenge to an application for registration based on the opponent's alleged prior use of the mark is available only where the two marks are virtually identical and in respect of virtually identical goods (*Re Wowi & Device Trade Mark* [1998] 3 HKC at 221). Although the two marks are in respect of identical goods in the present case, they are not virtually identical. There cannot be any serious argument that the respective marks are virtually identical 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) (*Re Wowi & Device Trade Mark*, supra, at 229). Therefore, I find that the section 13(1) opposition is defeated.

Under section 13(2)

41. The discretion under section 13(2) arises when the opponent has failed in its opposition under sections 2, 9, 10, 12(1), 13(1), 20(1) and 23 of the Ordinance and the suit mark is registrable under either section 9 or 10 of the Ordinance.

42. I remind myself that the register has been created by the Ordinance for the purpose of enabling marks to be entered therein. If no proper evidence can be adduced as to why the registration should be refused for a qualifying mark, the exercise of discretion should not be adverse to the applicant. As no proper evidence has been adduced, I therefore decline to exercise my discretion adversely to the applicant.

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 its costs. I accordingly order that the opponent pays the costs of these proceedings.

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

Original signed

(Ms Fanny Pang)
p. Registrar of Trade Marks
24 June 2008