

Application No. 75 of 2001

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

AND

IN THE MATTER of an application by Primasia Securities (Asia) Ltd. to register the mark



in Part B of the Register in Class 36

AND

IN THE MATTER of an opposition thereto by Merrill Lynch & Co., Inc.

**DECISION  
OF**

Ms. Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after a hearing on 13 July 2005.

Appearing : Mr. Raymund C. W. Chow instructed by Messrs. S. K. Lam, Alfred Chan & Co. for the applicant.

Mr. Colin Shipp instructed by Messrs. Rebecca Lo & Co. for the opponent.

## **Application for Registration**

1. On 2 January 2001 (“the application date”), Primasia Securities (Asia) Ltd. (“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 36, the trade mark, a representation of which appears below :



(“the suit mark”).

2. The services intended to be covered by the registration were “financial services; insurance agency and brokerage services; real estate financing services; real estate investment services; real estate management services; real estate agency and brokerage services; securities and commodities brokerage and dealing services; underwriting securities; investment banking; mortgage banking; financial management services; financial advisory services; all included in class 36” (“the specified services”). The Registrar of Trade Marks (“the Registrar”) accepted the suit mark for registration in Part B of the register. The application was advertised in the Government of the Hong Kong Special Administrative Region Gazette on 1 February 2002.

## **Pleadings and Evidence**

3. On 2 July 2002, Merrill Lynch & Co., Inc. (“the opponent”) filed notice of opposition to the application. The grounds of opposition state, *inter alia*, the opponent and its associated or affiliated companies (“the Merrill Lynch Group”) have been using in Hong Kong, since at least 1974, the bull device in connection with the opponent’s services. The opponent’s mark is well known to members of the trade and the public in Hong Kong. It is pleaded that the suit mark is confusingly similar to the opponent’s mark and the services are identical. Therefore, use of the suit mark is likely to deceive or cause confusion that the applicant’s services are services of or associated with the opponent and the Merrill Lynch Group. The grounds of opposition comprise sections 2, 9, 10, 12, 13(1), 13(2) and 20 of the Ordinance.

4. In the applicant’s counter-statement, the applicant admits the state of incorporation of the opponent and that the opponent has a prior registration for its bull device mark in Hong Kong which is registered in respect of services that are identical with the specified services. The applicant’s own application for registration of the suit mark is also admitted. Paragraphs 3 and 4 of the grounds of opposition are not admitted and the opponent is put to strict proof thereof. Apart from the aforesaid, each and every other allegation in the grounds of opposition is denied. The applicant avers that the suit mark and the opponent’s mark are different. In any case, there has been honest concurrent use of the suit mark which

has been honestly, continuously and consistently used by the applicant in connection with its services in Hong Kong since May 1990. There was no proved instances of confusion or convenience.

5. The opponent’s Trade Marks Rule/s, Cap. 43, Sub. Leg. (“Rule/s”) 25 evidence comprises a statutory declaration dated 27 May 2003 from Patrick Romain, the assistant secretary of the opponent, together with exhibits (“Romain’s statutory declaration”). The applicant’s evidence under Rule 26 consists of a statutory declaration dated 13 May 2004 from Tran Tri Luong, the chairman of the applicant, together with exhibits (“Tran’s first statutory declaration”) and a second statutory declaration also dated 13 May 2004 from the same Tran Tri Luong, together with exhibits (“Tran’s second statutory declaration”). The opponent, though it was entitled to do so pursuant to the provisions of Rule 27, filed no evidence in reply.


**Decision**

6. Though, by 13 July 2005, the date the matter was heard, the Trade Marks Ordinance Cap. 559 had come into operation, by virtue of sections 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.

7. Mr. Shipp, counsel for the opponent, indicated at the outset of the hearing that he would only rely on the grounds of opposition under sections 12 and 20 of the Ordinance for the present proceedings.

Under section 20(2)

8. The opponent pleads that the registration of the suit mark is prohibited by section 20(2) of the Ordinance based on the following registered mark :



Trade Mark	Registration No.	Class	Services
	6864 of 1994	36	financial services; insurance agency and brokerage services; real estate financing services; real estate investment services; real estate management services; real estate agency and brokerage services; securities and commodities brokerage and dealing services; underwriting securities; investment banking; mortgage banking; financial management services; financial advisory services; all included in class 36.

9. Under section 20(2), the two issues for my determination are, whether the services for which the suit mark is sought to be registered, the same services or description of services as those of the opponent's registered mark; and if so does the suit mark so nearly resemble the opponent's registered mark as to be likely to deceive or cause confusion.

10. So far as the first issue is concerned, the answer must be positive as the specified services are identical to the services covered by the specification of the opponent's registered mark.

11. The remaining question is whether the suit mark so nearly resembles the opponent's registered mark as to be likely to deceive or cause confusion.

12. The accepted test to be applied under section 20 of the Ordinance is 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 “” in a normal and fair manner for any of the services 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 services covered by its proposed registration?”

13. Mr. Chow, counsel for the applicant, submitted that the two marks in question are substantially different. Numerous apparent differences between the two marks can easily be found at a first glance. The following differences were set out in paragraph 3 of the counter statement :

“3.1 The Mark (the suit mark) is a side view of a bull with the bull's head facing to the right. The Opponent's Bull Device is largely a front view of a bull with its head facing the viewer;

3.2 The bull in the Mark (the “Applicant's Bull”) is with its head and eye facing down while the bull in Opponent's Bull Device (“the Opponent's Bull”) is with its head facing up and eyes looking at the viewer;

3.3 The Applicant's Bull is constructed with thin lines while the Opponent's Bull is constructed with substantial bold lines;

3.4 The size of the tail of the Applicant's Bull is small when compared to the body while the size of the tail of the Opponent's Bull is significantly comparable to the size of its body and is particularly conspicuous and will catch viewers' attention;

- 3.5 The tail of the Applicant's Bull tapers towards the end while the tail of the Opponent's Bull enlarges itself at the end;
- 3.6 The orientation of the Applicant's Bull and the Opponent's Bull is obviously opposite to each other;
- 3.7 The ears of the Applicant's Bull are not presented while the ears of the Opponent's Bull can be seen;
- 3.8 The Applicant's Bull stands on its four legs while the Opponent's Bull stands on three only with its left front leg bent and not touching the ground; and
- 3.9 The zigzag line at the abdomen of the Opponent's Bull is absent at the abdomen of the Applicant's Bull."

14. On the whole, Mr. Chow contended that the suit mark gives an impression of the side-view of an energetic, aggressive and ragging bull running or attacking. The opponent's mark, however, appears to be an intelligent and calm bull standing still facing and looking at the viewers. It follows that the two marks convey substantially different impression.

15. In relation to the comparison of device only marks, Mr. Chow referred me to the case of *CELINE S. A.'s Trade Mark Applications* [1985] RPC 381 where applications for registration of trade marks exhibiting a device were opposed on the ground that there was likely to be confusion with the opponents' marks which also exhibited a device and were registered for similar goods. Both devices contained equine and human figures and a wheeled vehicle. In the Trade Marks Registry the Assistant Registrar found that on first impression the marks had an appreciably different visual impact : the opponents' device depicted a static tableau while the applicants' device conveyed a sense of movement. He decided to allow the applications to proceed to registration. The opponents appealed to the High Court. The appeal was dismissed. Mr. Chow submitted that this case concerns the comparison of two device marks which are very similar to the trade marks in the present case. Falconer J., when dealing with the criticisms of the Assistant Registrar's approach in visual comparison, observed at page 399 : -

"To look now at the criticised approach of the Assistant Registrar in the light of the passage cited from Lord Parker's judgment as the approach, I would simply observe in the first instance that whether two marks are confusingly similar for the purposes of the Trade Marks Act under section 11 or section 12(1) is ultimately a question of fact and it is one in the last resort for the tribunal and not for anyone else. Here one is now considering the two opposed device marks as set out at the bottom of page 8 of the decision. The first impression, since one is dealing with device marks, is of course, as is well accepted in trade mark law, of particular importance. As to the Assistant Registrar's first impression in that respect, he said on page 9 :

'Next is the visual impact, or the look of the two devices. Obviously they have in common human and equine figures and wheeled vehicles. But, in my estimation, there are important differences even as a matter of first impression.

Imagining the respective figures to be on the same scale, the opponents' mark contains more matter than the applicants' mark. It is elongated by comparison with the applicants', and it depicts a static tableau, whereas the applicants' mark conveys a sense of movement. I find the looks of the opposed marks to be appreciably different.'

There is his first impression. I must say that I find nothing wrong in that; indeed, to me, the immediate first impression is one of greater differentiation than the Assistant Registrar was there indicating; the opponents' mark to me shows a conveyance of a somewhat elegant type, redolent of the Victorian or Edwardian affluent eras, with the coachman dismounted: the applicants' mark shows a very different vehicle; it is a dynamic illustration of a trotting horse drawing a sulky, which is usually regarded as a racing vehicle or conveyance."

16. Similarly, in the present case, Mr. Chow contended that the fact that the applicant's bull is dynamic in movement and the opponent's bull is in static condition already gives different first impression to the public. He said the visual comparison in *CELINE* is of great assistance here.

17. So far as the aural comparison of the device marks is concerned, Falconer J., in holding that no confusion could be discerned in oral reference to the marks, made the following observation at 400 : -

"Then as to how the marks would be referred to from the point of view of sound – in this criterion, the Assistant Registrar was looking to the opening words of Lord Parker's passage in the *Pianotist* case – the Assistant Registrar had this to say :

'As device marks, they have no given sound. The names which people may ascribe to them are a matter for conjecture. For example, the opponent's device might be referred to as 'the horse and carriage mark' and the applicants' as 'the trotting horse mark'. There must be many other possibilities, but I do not discern any predominant name or sound being assigned to either device such as to lead to confusion or deception in oral reference to the marks.'

It seems to me that that passage was unexceptionable. As Mr. Jacob pointed out, it would have been open to the opponents to put in evidence as to how the public reacted to their own HERMES device mark, or, indeed, both marks; but they have chosen not to do so; and there is no evidence that the marks "would ever get themselves into word form", to use Mr. Jacob's expression. I agree with that submission, and it emphasizes, in my judgment, the correctness of the short passage which I have read from the Assistant Registrar's decision."

18. Relying on the above quoted passage, Mr. Chow argued, as device marks, the respective marks have no given sound. There is no evidence from the opponent that any predominant name or sound being assigned to either device such as to lead to confusion or deception in oral reference to the marks. It was the submission of Mr. Chow that there is nothing on which it can be based to make a sound comparison. It is not open to the opponent to say that both trade marks would be referred to orally as bulls.

19. Before his substantive reply, Mr. Shipp, counsel for the opponent, stated a number of fundamental principles. The reference to a substantial number of persons is a matter to be judged in relation to the market concerned. The persons include both the applicant's and opponent's existing and potential customers. The onus is on the applicant to defeat the opposition. There is no need to be actually deceived or confused. A reasonable likelihood of deception or confusion is sufficient. Purchasers must not be put in a state of doubt. If the Registrar entertains a doubt, he has no discretion but to refuse the application. The trade marks must be considered as they are precisely registered.

20. Turning back to the comparison of the respective marks, Mr. Shipp submitted that both the suit mark and the opponent's mark are device only marks. The comparison should not be made side by side in a minute way. My attention was drawn to paragraph 17-08 of *Kerly's Law of Trade Marks and Trade Names*, 12<sup>th</sup> edition, which states as follows : -

“Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with one mark, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he was acquainted. Thus, for example, a mark may represent a game of football; another mark may show players in a different dress, and in very different positions, and yet the idea conveyed by each might be simply a game of football. It would be too much to expect that persons dealing with trade-marked goods, and relying, as they frequently do, upon marks, should be able to remember the exact details of the marks upon the goods with which they are in the habit of dealing. Marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole. Moreover, variations in details might well be supposed by customers to have been made by the owners of the trade mark they are already acquainted with for reasons of their own.

When the question arises whether a mark applied for bears such resemblance to another mark as to be likely to deceive, it should be determined by considering what is the leading characteristic of each. The one might contain many, even most, of the same elements as the other, and yet the leading, or it may be the only, impression left on the mind might be very different. On the other hand, a critical comparison of two marks might disclose numerous points of difference, and yet the idea which would remain with any person seeing them apart at different times might be the same. Thus it is clear that a mark is infringed if the essential features, or essential particulars of it, are taken. In cases of device marks, especially, it is helpful before comparing the marks to consider what are the essentials of the plaintiff's device.”

21. Mr. Shipp argued that when the comparison of device marks is in question, one deals with the general idea of the trade marks rather than a minute comparison of the two. In the present case, the idea conveyed by both trade marks is the same. It is a bull no matter how you look at it. It seems that the applicant itself agrees with that. Mr. Tran states in paragraph 8 of his first statutory declaration that “the trade mark of the present application is a device which depicts a bull (“the Trade Mark”). Bull market in the context of stock market investment means a long term uptrend of price movement in the stocks. Opposite to a bull market is a bear market which means a long term downtrend of price movement in the market. While they are terms of the trade, they are so commonly used that nowadays they have become common or generic terms. Because of its meaning, bull is generally regarded as a good symbol or omen for stock market investment”.

22. Mr. Shipp submitted that a bull market conveys a certain meaning in the trade which means that the market would only go up and up. Although “bull market” is a generic term, there is no evidence to show that others use a bull device as a trade mark in the trade. The idea of both the suit mark and the opponent’s mark is the same. They would be described as the same, that is, a bull device. The onus is on the applicant to adduce evidence to show otherwise but it has not done so.

23. As to the authorities cited by Mr. Chow, Mr. Shipp contended that all cases on comparison of trade marks are decided on their own facts and therefore they are just meant for reference only. He also criticised that the *CELINE* case goes against all the decided authorities, although what the decided authorities are and how the *CELINE* case goes against them were not elaborated further by him.

24. Mr. Shipp also referred me to two cases on comparison of device marks for my reference. In *Danish Bacon Co. Limited’s Application* [1934] 51 RPC 148, the applicant applied to register two different device marks consisting of representations of pigs, one being a picture of four pigs, namely a sow and three little pigs, in respect of “pig products (for food)” and the other being a picture of three pigs in respect of “bacon and pig products for food”. The applications were opposed by the opponents on the grounds that the marks would conflict with their trade marks, one being a picture of three pigs, but quite different from the applicants’ picture of three pigs, and the other consisting of the words “Three Pigs Brand”. The Registrar refused to register the marks on the ground as to the applicants’ picture of four pigs that the three little pigs formed a group by themselves and persons might not unreasonably identify it as a three pigs mark. The applicants appealed, but only as to the picture of four pigs. It was held that there was no ground for interfering with the Registrar’s decision either in law or fact. The appeal was accordingly dismissed with costs. It was the Registrar’s view in his decision that in relation to the device of the parent pigs with the little pig, while no doubt there are other names by which the mark might adequately be described, it did answer to the description of the three pig Mark, and, this being so, he did not think he could say that he was satisfied that the confusion between the applicants’ mark and the opponents’ marks would not be likely to occur.

25. In *Boord & Son v. Huddart* [1904] 21 RPC 149, Mr. Shipp submitted that the court held the general idea of the two marks in question was the same in view of the presence of

a cat device in them. The general impression was the same. Both marks would be referred to as a cat mark, having taken into account of the principle of imperfect recollection.

26. Mr. Shipp further submitted that what is important is the general impression conveyed by the respective marks which is the same in the present case. It is trite law that the question is not whether if a person is looking at two trade marks side by side there would be a possibility of confusion; the question is whether the person who sees the proposed trade mark in the absence of the other trade mark, and in view only of his general recollection of what the nature of the other trade mark was, would be liable to be deceived and to think that the trade mark before him is the same as the other, of which he has a general recollection (*Sandow* (1914) 31 RPC 196 at 205).

27. In reply to the *Danish* case, supra, relied on by Mr. Shipp, Mr. Chow submitted there was evidence that the opponents' device mark was known as the "Three Pigs Brand" which on its own was also registered as a trade mark. It was only by virtue of that evidence that the court ruled that there was a reasonable likelihood of deception or confusion. As to the *Boord & Son's* case, (I should mention here that this is an infringement of trade mark case in the High Court), Mr. Chow submitted there was evidence that the plaintiffs' goods are well known in the market and frequently referred to and ordered as "Cat and Barrel Brand", or "Cat Brand". Apart from a cat device, the defendants' mark consisted of the words "CAT BRAND" and therefore it was not a pure device mark. That being the case, the use of the defendants' mark was held to give rise to a likelihood of deception.

28. In my judgment, it is well settled, and as held by the *Celine* case, that in dealing with device marks, the first impression of visual impact is particularly important. I would therefore firstly deal with the look of the two devices. I remind myself that the marks should not be compared side by side with minute examination. The respective devices are clearly two different representations of a bull. In comparing the suit mark with the opponent's mark, I find they are not visually confusingly similar, even allowing for imperfect recollection. To me, at the outset, the first impression given by the suit mark is of a simple line drawing of the side-view of a more true-to-life bull with its head down. The opponent's mark is a front view of a bull with some degree of stylisation and more details in drawing. It is clear that they convey different visual impact.

29. Aurally, unlike the three pigs brand and cat brand cases referred to by Mr. Shipp, there is no evidence that the opponent's device mark in the present case is referred to by the public as "bull device brand". As argued by Mr. Chow, in applying the *Celine* case, there is no given sound to the respective marks which justifies a finding of oral confusion.

30. In my view, in the *Celine* case, the respective devices contained more features in combination than those of the present case. They each contain an equine, a human figure and a wheeled vehicle forming a picture on its own. Hence, it was the Registrar's view which was upheld on appeal to the High Court that there must be many possibilities to refer to the devices and he did not discern any predominant name or sound being assigned to either device such as to lead to confusion or deception in oral reference to the marks.

31. On the contrary, the devices in the present case just contain two bulls in different representations, I find that even in the absence of specific evidence, they are both likely to be referred to by the public as bull marks.

32. Conceptually, to my mind, the idea of the respective marks is the same being a bull meaning an upward trend for financial and investment services.

33. Aurally and conceptually, although the respective marks may both be described as bulls with a common idea of an upward trend in the trade, I find that there is no reasonable likelihood of there being confusion for the reasons below. If marks are otherwise sufficiently different (in particular visual differentiation in the case of device only marks), the presence of some common idea will not necessarily lead to confusion, particularly if that idea is itself commonplace or somewhat descriptive (*Australian Law of Trade Marks and Passing Off* by D. R. Shanahan, second edition, at 174). The underlying reasoning, I suppose, is that if the idea is itself commonplace or descriptive, the average consumer will expect that the other traders in the same field may use similar marks with the same idea and thus would be more alert for the differences between the marks themselves.

34. In *Cooper Engineering Co. Pty Ltd v. Sigmund Pumps Ltd* (1952) 86 CLR 536, in holding “Rain King” and “Rainmaster” sufficiently distinguishable for water sprinklers, the High Court observed at 539 :

“Trade marks, especially words marks, could be quite unlike and yet convey the same idea of the superiority or some particular suitability of an article for the work it was intended to do. To refuse an application for registration on this ground would be to give the proprietor of a registered trademark a complete monopoly of all words conveying the same idea as his trade mark.”

35. Although the case is a decision on comparison of words marks, the principle propounded therein was said to be applicable to all trade marks albeit particularly relevant to words marks. It is clear that a bull device has a special meaning in the business of stock market investment. It means a long term uptrend of price movement in the stocks. It is generally regarded as a good symbol or omen for stock market investment. I think it also applies to the financial and investment services as a whole. In the circumstances, the respective bull devices are, to me, sufficiently different in light of the visual differentiation although they convey the same idea of a bull meaning an uptrend market. To refuse an application for registration on the ground of same idea alone despite the fact that the marks are otherwise sufficiently dissimilar would be to give the opponent a complete monopoly to use all devices of a bull conveying the same idea as its trade mark.

36. Next there are the services and the nature and kind of customers who would likely to use the services of the applicant and the opponent to be considered. In fact, I must consider all the surrounding circumstances in accordance with the test enunciated by Parker J. in *Re Pianotist Co. Ltd's Application* (1906) 23 RPC 774 at 777. Mr. Chow submitted that the financial services provided by the applicant are to professionals such as fund managers. By

reason of the nature of the services, both the institutional and individual customers would be cautious in approaching and using the services. There would also be ample opportunities for the customers to clarify who they are dealing with.

37. To illustrate the nature of services and customers involved, Mr. Chow referred me to paragraphs 19 to 21 of Tran's first statutory declaration. For clarity sake, the relevant paragraphs are reproduced below :

"19. I understand Merrill Lynch Asia Pacific Limited located in Hong Kong deals only with institutional investors. The applicant also focusses [sic] on institutional investors, it has only a very small number of individual investors, and they all approached us only through referral. As far as I can tell, the applicant should have no walk-in customers at all. Although in theory the applicant could accept business of individual walk-in customers, we are very cautious about them. Firstly we would be concerned if they had improper motives behind involving illegal activities like money laundering or market manipulation. Secondly, we would be concerned whether they had the financial resources to settle their accounts. Thirdly, we would not want these people to ruin our reputation by dealing in questionable or speculative stocks. So, it is very unlikely that the applicant would ever have walk-in customers.

20. What is more important is really the practice of stock market investment in the applicant and the Group. For institutional and corporate customers, the representatives dealing with us are all experienced and trained fund managers or analysts. It is the practice of this trade that no investment would be placed on dealers like the applicant unless they are absolutely certain that their expectation would be met. There normally would be a period of observation of 3 months to 1 year even after the representatives had contacts with us. Normally it would take no more that a few months for such observation period for the applicant for it enjoys a very good reputation in this trade. During the period, the applicant would need to submit our research and sale records to them for their consideration. Even if the representatives were satisfied with our performance, before instructing us, the dealing would have to be approved by the credit department, risk control department, legal department and corporate governance by submitting to them their observation and opinions of the applicant which followed by our audited accounts and sometimes bank references on our credit. No institutional or corporate customers would invest through any brokers without knowing or studying enough of the background and track record of them. It would also take time for them to discuss and negotiate with us before they actually invest. There could simply be no possibility that they be mistaken about the identity of the applicant or any member of the Group under the circumstances.

21. For those individual customers, again the applicant has only those who came to us through referral. They know who we are before they invest through us, they would not be mistaken. Even assuming there were walk-in customers, by reason of the nature and practice of the investment in the stock market, even the slightest possibility of confusion would still be eliminated. Before employing our services, the customer would have to be asked and discussed with our staff and it would be [the] duty of our staff to explain to the customers the nature of the investments to make sure that it is what they want. The customer to open an account with us must fill in different forms and authorizations which would only give them every opportunity to further know the

applicant. It is also the policy of the applicant for fear of money laundering that the money used for the investment must also be deposited into our bank account under our name. Account statement would be sent to the customers every month. We also have a standard set of folder containing all information the customer needs to know about their investment with us. Attached hereto marked "L" are copies of the forms which different customers have to fill in for opening the account. I refer to the forms really tell one what discussion would be involved or what would need to be explained to any customers in opening an account."

38. Mr. Chow pointed out that the opponent has not filed any evidence in reply and therefore the evidence above is unchallenged. The practice in the trade, he argued, would eliminate, if any, possibility of confusion. Those fund managers and institutional investors are professional people who know what are the procedures for them to follow before dealing with customers. Mr. Chow further submitted that while the possibility of walk-in customers cannot be excluded, it does not matter as we are talking about financial services. There would be procedures, application forms, authorization forms and so on for the customers to go through or fill in before they actually retain the services. There would be enough opportunities for the customers to find out who they are dealing with. Furthermore, the amount of money involved in this type of services would be substantial, not just a few hundred dollars.

39. As to how one should take into account all the circumstances of the case in comparing trade marks, Mr. Chow brought me through at some length a number of authorities. In *Beiersdorf Aktiengesellschaft's Application* [1984] 2 IPR 402, it was observed by the Senior Assistant Registrar of Trade Marks that the nature of the goods and certain aspects of the relevant trade may have a very significant influence on the manner in which the trade marks should be viewed. In this case, the applicant lodged an application to register the trade mark *CARPEX* in Part A of the register in respect of "face masks for surgical purposes", being goods in class 25. The application was opposed by the opponent substantially on the ground that in view of the fact that the opponent was the registered proprietor of the similar trade mark *BARDEX* in respect of "surgical, medical, dental and veterinary instruments and apparatus" being goods in class 10 the use of the proposed mark was likely to deceive and cause confusion. The applicant submitted that the relevant users of the goods of the respective parties were not the general public but were medical and hospital personnel who were used to distinguishing between similar trade marks and that it was appropriate to note that when ordering goods the above personnel would use a catalogue and from that obtain a detailed description and item number and that such a process would ensure that mistakes or confusion would not arise. It was held by the Senior Assistant Registrar of Trade Marks that the applicant's mark was unlikely to be confused with that of the opponent upon a balance of relevant considerations. The phonetic and visual similarities in the context of likely use and in the context of likely users, were not marked. The circumstances of the trade indicated that detailed descriptions were required for ordering the goods and this factor would obviate confusion caused by imperfect recollection.

40. The next case referred to by Mr. Chow is *LANCER Trade Mark* [1987] RPC 303 where an application to register *LANCER* as a trade mark for motor cars was opposed by the owner of various registrations of *LANCIA* for, inter alia, automobiles. Following the hearing of the opposition before the Registry, the Assistant Registrar allowed the application.

The opponent appealed to the High Court and Falconer J. held that, although there was some degree of phonetic similarity between the marks, there was no real tangible danger of confusion between them even if the applicants should use their mark on specialist cars as the goods were expensive and of a kind to which potential purchasers gave careful consideration before purchase. The opponent appealed to the Court of Appeal. It was affirmed by the Court of Appeal that when considering the risks of confusion, the purchase of a car is not to be equated with an everyday purchase over a shop counter. A car is unlikely to be purchased over the telephone and the matter will usually be considered with some care, assisted by an abundance of brochure literature. The practical risks of confusion were therefore slight in the extreme. The risk of confusion through mishearing caused by phonetic similarity was unlikely to survive the mechanism of purchase, having regard to the nature of the goods, and was, in any case, unlikely to extend to a substantial number of persons. Similarly, in the present case, Mr. Chow contended that the subject financial and investment services would involve substantial amount of money and the target customers of the services would be assisted by abundant materials in the process of selecting the services. Even for ordinary customers, if the market is peculiar in a certain way, they are still able to be clear about who they are dealing with.

41. Finally, my attention was drawn to the case of *Re Mitac* [1992] 2 HKC 22 by Mr. Chow in which the *Re LANCER Trade Mark*, supra, was applied by the High Court in Hong Kong. The applicant applied for the registration of the mark “Mitac”. The opponent who had applied to become registered as the proprietor of the trade mark “Mita” opposed the application. Both words were presented in a similar type of script. There was a marked similarity in the appearance of the way both words were presented which was accepted by the Registrar of Trade Marks. However, it was the Registrar’s view that as the respective goods of the applicant and the opponent being, inter alia, computers and copiers were major purchases where it was likely that purchasers would expend time and thought before parting with their money, confusion was unlikely to arise and therefore the opposition failed. On an appeal to the High Court, Mayo J. held that when considering whether or not confusion is likely to arise, it is necessary to bear in mind all of the surrounding circumstances which are likely to exist when a purchase is being made. There was no reason to differentiate between purchasing goods of the type in the present case and purchasing a motor car. The goods were expensive items and it was likely that purchasers would buy them after time and thought rather than on impulse.

42. Moreover, Mr. Chow submitted that there is no evidence that there has been any instances of confusion or deception. Having regard to all the above, Mr. Chow concluded that there is no real tangible danger of confusion or deception in the present case should the subject application be allowed to proceed to registration.

43. In reply, Mr. Shipp submitted that the burden of proof rests on the applicant to show that there is no reasonable likelihood of deception or confusion. In relation to paragraph 19 of Tran’s first statutory declaration, Mr. Shipp contended that one is not only focused on the existing customers of the applicant and opponent but also all the potential customers. Regarding the applicant’s assertion that they have only a very small number of individual investors who approach it only through referral, it was the submission of Mr. Shipp that one does not know how small is the very small number mentioned by the applicant and the exact meaning of “referral”. Mr. Shipp further submitted that the filling in of a lot of forms by the individual customers would not serve to dispel the doubt caused by the visual and phonetic

resemblances between the marks. When one is in possession of the forms, one has already made contact with the applicant. That means, one might have already been confused. Potential customers must not be put in doubt at the very first beginning. The forms would only be given to the customers at a later stage. If they have already been confused at that moment, the forms would not dispel the confusion.

44. In respect of the three cases cited by Mr. Chow, Mr. Shipp argued that all three cases deal with actual goods. In the present case, we are talking about opening an account for financial and investment services which is free of charge. There is no need for the customers to be particularly meticulous.

45. I agree with the submissions of Mr. Shipp that I need not only consider the existing customers of the applicant and opponent but also all the potential customers that may be covered by the specified services of the subject application which are identical with the services in respect of which the opponent's mark was registered. Hence, the customers would encompass both institutional and organisational customers with professional knowledge and individual customers without such knowledge. Having taken into consideration the submissions of counsel and evidence filed and looked at the matter in a business like manner, I am of the opinion that for those institutional and organisational customers, their representatives being professionals in the relevant fields are used to distinguishing between similar trade marks and the circumstances of the trade indicate that a lot of procedures will be gone through before any one of the specified services will be engaged by them. For those walk-in individual customers without the benefit of professional knowledge, I consider that when one is talking about the retaining of the specified services which cover financial services; insurance agency and brokerage services; real estate financing services; real estate investment services; real estate management services; real estate agency and brokerage services; securities and commodities brokerage and dealing services; underwriting securities; investment banking; mortgage banking; financial management services and financial advisory services, it is likely that the customers would exercise some care and thought before they choose the services. They will also be assisted by an abundance of materials in the process of selecting the services. It is unlikely that they will engage the services on impulse. The practical risks of confusion are therefore slight.

46. Given the differences between the suit mark and the opponent's mark, the nature and kind of customers who would be likely to retain those services and the circumstances of trade, I have come to the conclusion that there will be no reasonable likelihood of confusion or deception if the suit mark is to proceed to registration. I therefore find that the applicant has discharged its onus and that the opposition under section 20(1) of the Ordinance fails.

#### Under section 12(1)

47. Before an opponent can invoke section 12(1), it must establish a certain degree of reputation in Hong Kong of its marks. As its very highest, it is a question of a substantial proportion of the interested public being aware of its marks, and at its very lowest, the question

relates to the significance of the numbers in relation to the market for particular services. In any event, the reputation of the opponent must be something more than *de minimis* (*Re Da Vinci Trade Mark* [1980] RPC 237).

48. Mr. Shipp submitted that according to paragraph 4 of Romain's statutory declaration and exhibits "PR-4 and PR-5", Merrill Lynch & Co. is a leading global financial management and advisory company with more than 55,000 staff in 38 countries across six continents. Its main offices are in New York, London, Tokyo and Hong Kong. The history of the Merrill Lynch Group in Asia can be traced back to 1948, when White Weld, a company it later acquired, established an office in Hong Kong. The Hong Kong office of the Merrill Lynch Group was opened in 1960, focusing on serving private clients. Investment banking and securities activities developed steadily in the 1980's and 1990's. Identifying the increasing potential of the Asia Pacific region, Merrill Lynch established its regional headquarters in Hong Kong in 1982. At present, so far as the Asia Pacific region outside Japan is concerned, its largest operations are in Hong Kong, where it has more than 700 staff. Merrill Lynch ranks 25<sup>th</sup> on the Fortune 500 list, and 70<sup>th</sup> on the Global 500 list compiled in 2001 by Fortune magazine, which ranks companies by revenue. As an investment house, Merrill Lynch consistently ranks among the top global underwriters of debt and equity worldwide, and serves as a leading strategic advisor to corporations, governments, institutions and individuals. In 2001, it was named Best Investment Bank of the year by Euromoney magazine and Equity and Equity-Linked Houses of the year by IFR magazine.

49. Mr. Shipp went on to contend that the opponent adopted the opponent's "bull device" mark in the early 1970's as its corporate logo worldwide and has since then in the course of its business been using the mark in respect of the entire range of its financial services throughout the world (paragraph 5 of Romain's statutory declaration). In Hong Kong, the Merrill Lynch Group has since the 1970's been extensively using and advertising, and continues to use and advertise, the "bull device" in relation to its entire range of goods or services (paragraph 7 of Romain's statutory declaration). Therefore, Mr. Shipp concluded that the opponent has established sufficient reputation to mount a challenge under section 12(1) of the Ordinance.

50. Having taken into account counsel's submissions and the available evidence, I find that the opponent has established sufficient reputation in the opponent's mark in respect of financial management and advisory services in Hong Kong at the application date to trigger section 12(1) of the Ordinance. The onus then shifts to the applicant to satisfy the tribunal that there is no reasonable likelihood of deception arising among a substantial number of persons if the suit mark proceeds to registration (*Eno v. Dunn* [1890] 15 APP case 252 at 261).

51. I have already found that the suit mark and the opponent's registered mark are not confusingly and deceptively similar under section 20(1) of the Ordinance. The level of deception and confusion required by section 20(1) is the same as that required for section 12(1). In addition, in actual use as shown by the evidence, the opponent's "bull device" mark is always used in conjunction with the words "Merrill Lynch". This would further reduce the likelihood of confusion or deception. It follows that the opponent also fails in its opposition under section 12(1) of the Ordinance.

Under section 13(2)

52. A discretion arises under this section when the suit mark is accepted for registration under section 9 or 10 of the Ordinance and any opposition to the registration has been defeated. 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 reason can be advanced as to why registration should be refused for a qualifying mark, the exercise of discretion should not be adverse to the applicant. I therefore decline to exercise my discretion adversely to the applicant.

Costs

53. 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.

54. 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.

*(original signed)*

(Ms Fanny S. F. Pang)  
p. Registrar of Trade Marks  
8 August 2005