

Application No. 233 of 2001

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

AND

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

Phytowhite

in Part B in Class 3 by Kingstar  
International Trading Limited

AND

IN THE MATTER of an opposition by  
C.F.E.B. Sisley

**DECISION  
OF**

Miss Finnie Quek acting for the Registrar of Trade Marks after a hearing on 14 December 2004.

Appearing: Mr Colin Andrew Shipp, Counsel, instructed by Messrs Wilkinson & Grist on behalf of the opponent, C.F.E.B. Sisley

1. These proceedings arise out of an application made under the provisions of the repealed Trade Marks Ordinance, Cap. 43 (the “Ordinance”) on 5 January 2001 (the “application date”) by Kingstar International Trading Limited (the “Applicant”) for the registration, in Class 3, for “cosmetics and perfumes; all being made of plants or vegetal extracts and all for whitening the skin”, of the mark, a representation of which appears below:

Phytowhite

(the “suit mark”).

2. The Registrar accepted the suit mark for registration in Part B of the Register, and the suit mark was advertised for opposition purposes on 26 October 2001.

*Pleadings and evidence filed*

3. A notice of opposition was filed on 26 March 2002 by C.F.E.B. Sisley (the “Opponent”). In it the Opponent relied, in essence, on the reputation of the trade mark “PHYTO BLANC” which the Opponent first used in Hong Kong in September 2000. The Opponent pleaded that registration of the suit mark would be contrary to sections 2(2), 9, 10, 12(1), 13(1), 20 and 23 of the Ordinance.

4. The Applicant filed a counter-statement on 14 June 2002.

5. The Opponent’s evidence comprises a statutory declaration of Hubert d’ Ornano declared on 11 July 2003 (the “Declaration”). The Applicant has filed no evidence.

6. By a letter dated 18 October 2004, the parties were advised that the opposition was fixed to be heard on 14 December 2004.

7. By a Form TM-No. 8 filed on 23 October 2004, the Opponent confirmed that it would attend the hearing.

8. By a letter dated 25 October 2004, the Applicant indicated that it would not attend the hearing.

9. The matter came on for hearing on 14 December 2004, at which Mr Colin Shipp, Counsel, instructed by Messrs. Wilkinson & Grist, appeared for the Opponent.

10. Whilst the hearing took place after the commencement of the Trade Marks Ordinance (Cap. 559), by virtue of sections 1(4), 10(1) and 10(2) of Schedule 5 to Cap. 559, the subject opposition remains to be dealt with under the provisions of the repealed Ordinance, Cap. 43.

### ***Decision***

11. At the hearing, Mr Shipp abandoned the grounds of opposition under sections 2(2), 9, 10, 13(1), 20 and 23. He relied only on the grounds of opposition under section 12(1) and, although not specifically pleaded, section 13(2). I will return to this point below.

#### *Opposition under section 12(1) of the Ordinance*

12. Section 12(1) of the Ordinance provides:

“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 or would be contrary to law or morality, or any scandalous design.”

13. The onus is on the Applicant to defeat the opposition by satisfying me that there is no reasonable likelihood of deception or confusion. It is not, however, necessary in order to find that a mark offends against section 12(1) to prove that there is an actual probability of deception leading to a passing-off or an infringement action. It is sufficient if the result of the registration of the mark will be that a number of persons will be caused to wonder whether it might not be the case that the two products come from the same source. It is enough if the ordinary person entertains a reasonable doubt, but the tribunal has to be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion if the mark is put on the register (*Bali* [1969] RPC 472).

14. Where an opponent relies upon the provisions of section 12(1) and the reputation established by its alleged conflicting mark, the onus lies upon such opponent to adduce evidence from which such reputation can reasonably be inferred (*Re Arthur Fairest Ltd's*

*Application* (1951) 68 RPC 197). In other words, before an opponent can mount an opposition under section 12(1), it must first establish that its mark is known to a substantial number of persons in Hong Kong. The date at which this reputation is to be established is the date of the application to register. If the opponent discharges this burden, the onus shifts to the applicant to establish that the registration proposed would not be reasonably likely to cause confusion among a substantial number of persons (*NOVA Trade Mark* [1968] RPC 357).

15. The Opponent's evidence shows that its PHYTO BLANC range of skin care products were launched in Hong Kong in September 2000, and an advertisement was placed in the fall/winter 2000 catalogue of Lane Crawford announcing the launch of the Opponent's PHYTO BLANC products from 18 to 24 September 2000 at Lane Crawford, Pacific Place and Times Square. This was followed by a series of advertising and promotional activities detailed in paragraph 9 of the Declaration, including advertising in the October 2000 and December 2000 issues of the ELLE Magazine. According to paragraph 6 of the Notice of Opposition and paragraph 8 of the Declaration, the Opponent spent approximately HK\$185,000 in advertising and promotional activities in relation to the official launch of the PHYTO BLANC products in Hong Kong in September 2000. Exhibit HO-5 to the Declaration included invoices issued by the Opponent in the year 2000 in respect of PHYTO BLANC skin care products. Exhibit HO-4 to the Declaration shows that sales of PHYTO BLANC products in Hong Kong in the year 2000 amounted to more than EUR 80,000.

16. Having regard to the range and extent of the Opponent's advertising and promotional activities in Hong Kong of its PHYTO BLANC products and the sales achieved in the few months up until the application date since the official launch of these products in September 2000, I find that the Opponent's reputation in the mark, though not tremendous by the application date, was more than *de minimis* (*DA VINCI Trade Mark* [1980] RPC 237) at 241. By reason of such promotion and sales of PHYTO BLANC products, the mark PHYTO BLANC was known to a substantial number of persons in Hong Kong by the application date, and therefore the Opponent has met the required threshold of establishing a reputation in its mark in Hong Kong prior to the application date to mount an opposition under section 12(1).

17. The onus of proof now shifts to the applicant to satisfy the tribunal that there is no reasonable likelihood of deception amongst a substantial number of persons if the suit mark proceeds to registration.

18. The accepted test to be applied under section 12(1) of the Ordinance is that propounded by Evershed J in *Smith Hayden & Co.'s Application* (1946) 63 RPC 97 at 101. The test, adapted to this application, is as follows:

“Having regard to the reputation of the Opponent’s PHYTO BLANC mark, is the tribunal satisfied that the suit mark, if used in a normal and fair manner in connection with any goods covered by the registration proposed, will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?”

19. The reference to “substantial” is a question to be judged in relation to the market for the goods concerned. “Persons” are all those people likely to become purchasers of the goods upon which the respective marks are used. In determining the question of deceptive similarity under section 12(1) of the Ordinance, it is to the notional and fair use which the Applicant will be entitled to make of its mark in the ordinary course of trade in respect of cosmetics and perfumes in Class 3 covered by the registration proposed that is to be compared to the mark as actually used by the Opponent.

20. The Opponent’s evidence shows use by the Opponent of the PHYTO BLANC mark in the following forms before the application date:

PHYTO-BLANC  
PHYTO BLANC  
Phyto-Blanc  
Phyto blanc

21. The mark in each of these forms consists of two elements:

“**phyto**”, which is a “*combining form* indicating a plant or vegetation” (Collins English Dictionary, Millennium Edition).

“**blanc**”, which is a French word for “white” (Collins - Robert French Concise Dictionary, Second Edition).

22. The suit mark consists of the word “Phytowhite”.

23. The established test for the comparison of word marks is that promulgated by Parker J. in *Pianotist Co. Ld.’s Application* (1906) 23 RPC 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 trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion – that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods – then you may refuse the registration, or rather you must refuse the registration in that case.”

24. In comparing the marks by their look, I must consider the effect of imperfect recollection. As stated in *Sandow Ld.’s Appln* (1914) 31 RPC 196 at 205:

“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.”

25. As there is no evidence before me as to how members of the cosmetic purchasing public in Hong Kong would react upon seeing the suit mark in the circumstances described in the passage from *Sandow*, I must substitute myself as the ordinary purchaser with imperfect recollection (*GE Trade Mark* [1973] RPC 297 at 321-322).

26. The suit mark consists of the word “Phytowhite” whilst the Opponent’s mark consists of the words “PHYTO BLANC”.

27. The Applicant argues in its counter-statement that the suit mark consists of one word with one capital letter and nine small letters; whereas the Opponent’s mark consists of two words all in capital letters. The Applicant submitted that it would be easy for the public to distinguish between the two marks.

28. Although the suit mark is presented as one word, since “phyto” is a known prefix and “white” is an ordinary English word, it would be natural for the reader to perceive the mark as consisting of two elements: “phyto” and “white”. Under the test for section 12 (paragraph 18 above), the Opponent’s mark as it is used is to be compared against the suit mark in notional fair use. Given that each of the elements “phyto” and “white” has a meaning,

notional fair use of the mark “Phytowhite” would include use of the mark in other usual formats such as “Phyto White”, “PHYTO WHITE” and “PHYTO-WHITE”.

29. Each of the suit mark and the Opponent’s mark therefore consists of two elements: “PHYTO” and “BLANC”, and “Phyto” and “white”. Both marks share the same frontal part “Phyto”. “Blanc” is the French word for “white”. Both the suit mark and the Opponent’s mark conjure up the idea that they have to do with “plants” and the colour “white”.

30. The Applicant argued in its counter-statement that not many people in Hong Kong understands the French word “blanc” to mean “white”.

31. “Blanc” is quite a simple French word. Given the reputation of France in the cosmetics field, consumers for these products are often exposed to French words used in relation to those products. Moreover, the Opponent’s advertisements as shown in Exhibit HO-2 and Exhibit HO-3 to the Declaration also emphasized the whitening effect of its PHYTO BLANC products. Not an insignificant number of people in Hong Kong, including some who may not be fully conversant with the French language, would appreciate that the word “blanc” means “white”.

32. Comparing the marks aurally, each of the suit mark and the Opponent’s mark consists of three syllables, with the first two syllables in the suit mark being identical to the first two in the Opponent’s mark.

33. I find there are strong similarities between the suit mark and the Opponent’s mark that I must take into account in assessing the likelihood of deception.

34. Finally I must have regard to the types of goods to which the respective marks are to be applied and the nature and kind of customers who are likely to buy those goods. The Opponent has used its mark in relation to skin care products. Those goods overlap with the goods covered by the suit mark. In the absence of evidence addressing the particular price range at which the respective goods are aimed, there is nothing to suggest that they would not be in direct competition with one another. The kind of customers for both marks are also likely to be the same.

35. Having regard to the Opponent’s reputation in the PHYTO BLANC mark and taking into account all the above circumstances, I find that there is a real tangible danger of confusion if the suit mark were applied to cosmetics and perfumes in Class 3. That being so, registration of the suit mark in Class 3 is not lawful and must be refused.

*Opposition under section 13(2) of the Ordinance*

36. At the hearing, Mr Shipp sought to rely on section 13(2). I note that section 13(2) is not specifically pleaded in the Notice of Opposition.

37. Section 13(2) of the Ordinance reads:

“Subject to the provisions of this Ordinance, the Registrar *may* [my emphasis] refuse the application, or accept it absolutely or subject to such conditions, amendments, modifications, or limitations, if any, as he may think right.”

38. Mr Shipp referred me to paragraph 15 of the Notice of Opposition, which reads:

“In addition to the close visual similarity, the shared conceptual identity, the overlap in the goods of interest, the Applicant has sought to register PHYTOWHITE very shortly after PHYTO BLANC was successfully launched by the Opponent in Hong Kong. This suggests that the application was made in bad faith and the Applicant was merely attempting to ride on the success of the Opponent. The application is therefore calculated to cause confusion and/or likely to deceive and would thereby be disentitled to protection in a court of justice and/or is contrary to law. Accordingly, it should be refused registration pursuant to section 12(1) of the TMO.”

39. Mr Shipp submitted that this ground of opposition on the basis that the application was made in bad faith should be made under section 13(2), instead of section 12(1). Nonetheless, the fact that the application was made in bad faith was pleaded in the above-mentioned paragraph 15 of the Notice of Opposition. Moreover, the Registrar is duty bound to consider an exercise of discretion under section 13(2) in each and every case where an opposition fails under other grounds.

40. I have great difficulty accepting this submission of Mr Shipp. In the Notice of the Opposition, not only was there no mention of the section number “13(2)”, but the Opponent also never sought refusal of the suit mark in exercise of the Registrar’s discretion. I cannot see why the Registrar is duty bound in each and every case to consider whether or not he should exercise his discretion in favour of an opponent where the opposition fails on other grounds even where the opponent has not sought to invoke the Registrar’s discretion by making a plea in the notice of opposition.

41. Moreover, given the rather short period of time between the official launch of the Opponent's PHYTO BLANC products in Hong Kong and the application date, and the extent of the Opponent's reputation in the mark (which I find to be not overwhelming, although more than *de minimis* and sufficient to mount an opposition under section 12(1)), I am not satisfied that on the balance of probabilities, the Applicant must be taken to have based its mark on the Opponent's and set out to ride on the reputation of the Opponent's mark.

42. I agree, however, with Mr Shipp's submission that the question of discretion under section 13(2) only arises if the Opponent fails under section 12(1). As the Opponent succeeds under section 12(1), my discretion under section 13(2) does not arise.

#### *Costs*

43. The Opponent 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 Applicant 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 First Schedule to Order 62 of the Rules of the High Court (Cap. 4, sub. leg.) as applied to trade mark matters, unless otherwise agreed between the parties.

*( original signed )*

( Finnie Quek )

p. Registrar of Trade Marks

22 February 2005