

Application No. 11206 of 2002

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

AND

IN THE MATTER of an application by  
Cathay Financial Holding Co., Ltd. to  
register the mark

A 國 泰  
B 国 泰

in Part A of the Register in Class 36

AND

IN THE MATTER of an opposition  
thereto by The Cathay Investment Fund,  
Limited

**DECISION  
OF**

Ms Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after a hearing on  
19 October 2009.

Appearing : Mr John Slater of Messrs. Simmons & Simmons for the applicant.

Mr Philips Wong instructed by Messrs. Stevenson, Wong & Co. for the  
opponent.

## **Application for Registration**

1. On 20 July 2002 (“the application date”), Cathay Financial Holding Co., 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 marks, representations of which appear below :



(“the suit marks”).

2. The services intended to be covered by the registration were “financial services, including banking, bills financing, credit card services, trust, insurance, agency services for securities, brokerage of securities, brokerage services for securities, financial securities, information services relating to securities, investment in securities, management of securities, preparation of financial analysis relating to securities, advisory services relating to futures, brokerage of futures, trading in futures, futures trading and venture capital financing services; all included in Class 36” (“the specified services”). The Registrar of Trade Marks (“the Registrar”) accepted the suit marks for registration in Part A of the register. They are registered under section 26 of the Ordinance as a series of marks. The application was advertised in the Government of the Hong Kong Special Administrative Region Gazette on 13 February 2004.

## **Pleadings and evidence**

3. On 12 July 2004, The Cathay Investment Fund, Limited (“the opponent”) filed notice of opposition to the application. The grounds of opposition state that the opponent is a company registered under the Cayman Islands Mutual Funds Law which was incorporated on 11 September 1992 in the Cayman Islands as an exempted company. The opponent is a closed-end investment fund that was previously listed on the Stock Exchange of Hong Kong Limited (“HKSE”) from 1992 to 1998. In 1998, the opponent delisted itself from trading on the HKSE and in the same year was

listed on the Irish Stock Exchange.

4. It is the opponent's case that it has since as early as 1992 been using its trade names "The Cathay Investment Fund, Limited" in English and "國泰財富有限公司" in Chinese in Hong Kong for or in relation to, *inter alia*, its financial and investment related services, including investments in a diversified portfolio of enterprises operating in the People's Republic of China. Due to the extensive marketing, promotion and provision of the opponent's services using, under and/or by reference to its trade names in Hong Kong and in other countries for more than 9 years prior to the application date, the opponent has established substantial goodwill and reputation in the name "CATHAY" and in the Chinese characters "國泰" which are the distinctive elements in the opponent's trade names in English and Chinese respectively.

5. The opponent avers that the public, by reason of the aforesaid, has come to recognize and associate the investment funds, financial and investment related services provided under and/or by reference to the Chinese characters "國泰" with the opponent alone. The opponent claims that the suit marks in series are identical to the Chinese characters "國泰" in the opponent's Chinese trade name and therefore the use and registration of the suit marks in respect of the specified services will very likely cause confusion among members in the trade and of the general public.

6. The grounds of opposition comprise sections 2, 9, 10, 12 and 13 of the Ordinance.

7. In the counter-statement, save and except that the application for registration of the suit marks is admitted, the applicant either denies or avers that it has no knowledge of the remaining allegations in the grounds of opposition and the opponent is put to strict proof thereof. The applicant further asserts that it has used the trade mark "國泰" in series in Hong Kong in respect of, *inter alia*, the specified services since at least January 1998 and that throughout such period of use the applicant has not encountered any objection from the opponent in respect of its use of the trade mark or any actual incidents of alleged confusion.

8. Rule 25 of Trade Marks Rules, Cap. 43, Sub. Leg. ("Rule/s") evidence consists of a statutory declaration from Leung Ping Chung, Hermann, the executive director of the investment manager of the opponent, together with exhibits, which was

declared on 27 October 2005 (“Leung’s first statutory declaration”). Under Rule 26, the applicant filed altogether 3 statutory declarations, the first one being from Man Chi Hung Edward, an investigator of Aegis Intellectual Property Consultants Limited, together with exhibits, which was declared on 31 October 2006 (“Man’s statutory declaration”). The other two statutory declarations consist of one from Chang Ken Lee, the chief strategy officer of the applicant, together with exhibits, which was declared on 14 December 2006 (“Lee’s statutory declaration”) and another one from Yuen Moon Chung, the senior vice president of one Noble Apex Advisors Limited, together with exhibits, which was declared on 22 December 2006 (“Yuen’s statutory declaration”). Pursuant to Rule 27, the opponent filed a statutory declaration in reply with exhibits declared by the same Leung Ping Chun, Hermann on 15 June 2007 (“Leung’s second statutory declaration”).

## **Decision**

9. Though, by 19 October 2009, 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. Although a number of grounds were pleaded in the grounds of opposition, Mr Wong for the opponent indicated at the hearing that the opponent only relies on the ground under section 12(1) of the Ordinance for the present opposition proceedings.

### Under section 12(1)

11. Section 12(1) of the Ordinance provides that it shall not be lawful to register the 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.

### *Initial threshold in establishing reputation*

12. 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 the particular services. 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, namely 20 July 2002 – *NOVA Trade Mark* [1918] RPC 357 at 360.

13. By way of background, Mr Wong on behalf of the opponent submitted that the applicant is a Taiwanese company engaged in financial holding business activities in Taiwan. The applicant had little or no business presence in Hong Kong prior to the application date. On the other hand, the opponent was incorporated on 11 September 1992. It operates as a closed-end investment fund that was previously listed on the HKSE from 1992 to 1998. In 1998, the opponent delisted itself from trading on the HKSE and was subsequently listed on the Irish Stock Exchange in the same year with the listing code “CATHAYI ID”. The opponent commenced operation in January 1993 under the respective English and Chinese names of “The Cathay Investment Fund, Ltd” and “國泰財富有限公司”, providing financial and investment related services (paragraphs 4 to 6 of Leung’s first statutory declaration).

14. It is common ground between the parties that the opponent needs to overcome a threshold requirement of showing more than *de minimis* reputation in Hong Kong in respect of its mark prior to the application date before section 12(1) can be invoked.

15. Mr Wong submitted that as of the application date, the opponent enjoyed substantial reputation and goodwill in the name and/or mark “國泰” in respect of the provision of investment funds services. According to paragraph 6 of Leung’s first statutory declaration, the opponent was listed on the HKSE in 1992. Prospectus was issued and the shares of the opponent had been available for trading for the period between 1992 and 1998 on the HKSE. Copies of the listing prospectus are produced in “Exhibit 2” to Leung’s first statutory declaration. At page 29 of “Exhibit 2”, it states that “it is expected that dealings in the Shares and Warrants, for settlement in HK\$, on the Hong Kong Stock Exchange will commence on 28 October 1992. Dealings on the Hong Kong Stock Exchange will be in board lots of 10,000 Shares and 10,000 Warrants respectively”. The opponent first used the mark “國泰” in Hong Kong in 1992. Annual reports bearing the opponent’s name or mark “國泰” were distributed as part of the opponent’s investment funds services provided to the

investors and the shareholders of the public annually between 1994 and 2003.

16. In reply, Mr Slater contended that there is no information on how many of the opponent's listing prospectus were printed and to whom and to how many investors in Hong Kong they were distributed. This evidence represents nothing more than an academic confirmation that the fund was launched in 1992. As to the opponent's annual reports, Mr Slater submitted that while the opponent's annual reports may well have indeed been distributed to its limited number of investors since 1992, in the absence of any information on the scale of distribution of the annual reports, the mere private mailing of annual reports to an undetermined category and number of investors would not be sufficient to establish the requisite reputation at the date of application. There is no evidence to indicate who these investors are and how many of them are Hong Kong investors. The distribution of annual reports is not evidence of use of the suit mark in relation to the provision of services in Hong Kong. Mr Slater further pointed out that as the minimum purchase or investment in the opponent's fund in 1992 was an extraordinary HK\$820,000 (see page 26 of "Exhibit 2" to Leung's first statutory declaration), the number of investors to which the opponent's fund was relevant must have been very small. There is also no evidence on the trading volume of the shares of the fund when it was listed on the HKSE. The applicant therefore disputes that a substantial number of persons were aware of the opponent or its marks between 1992 and 1998 when the opponent was delisted from HKSE.

17. In reply to all these points raised by Mr Slater, Mr Wong submitted there is unchallenged evidence that the opponent has been operating since 1992. In other words, it has been in operation for ten years by the time of the date of application of the suit marks. In fact, the applicant's own evidence shows that the opponent was still in operation as of 4 October 2005 when the investigator engaged by the applicant visited the opponent's office (paragraph 16 of Man's statutory declaration). The basis of Mr Wong's submission is that an investment fund which has been in operation for ten years must have generated more than *de minimis* reputation and goodwill. In the present case, the awareness and reputation of the opponent was further substantially enhanced by the listing on the HKSE between 1992 and 1998. During such period, the fund could be freely traded upon by members of the public. Members of the public in the financial and securities related fields would have ample opportunities to come across and/or learn of the opponent. The fact that some members of the public could not afford to trade on the shares of the opponent is

neither here nor there. One does not need to have actually traded on the fund in order to be aware of the opponent's mark.

18. Mr Wong argued that the opponent's mark “國泰” had also been used by way of labels and signs used in the annual reports, announcements and notices placed in the newspapers. Stationery and souvenirs including envelopes, circulars, newsletters, interim reports, greeting cards, mouse pads, watches and so on bearing the opponent's mark “國泰” were used and distributed in the course of the opponent's provision of investment funds services in Hong Kong (paragraph 14 of Leung's first statutory declaration and “Exhibits 6 to 8”). To counter, Mr Slater contended that “Exhibit 8” to Leung's first statutory declaration shows a mouse pad and a watch bearing the opponent's mark and a compliment slip. However, there is no evidence as to the distribution of these items in Hong Kong.

19. Mr Wong further submitted that during the time when the opponent was listed in Hong Kong, notices were placed in various newspapers so that members of the public would have been aware of the opponent and its business (“Exhibit 7” to Leung's first statutory declaration). On the other hand, Mr Slater contended that all the formal announcements and notices of the opponent placed in various Hong Kong media are from 1994 to 1998. “Exhibit 7” provides copies of announcements of meetings. However, these documents do not show use of the opponent's marks in the course of trade in relation to the provision of class 36 services in a manner capable of generating goodwill or reputation in the market. Apparently at these meetings the opponent discussed its business, but we have no idea if anyone turned up to those meetings and if so who. In reply, Mr Wong submitted that all the notices placed in various newspapers in Hong Kong contain information relating to the business activities and performance of the opponent. The public was exposed to the opponent's business.

20. In addition, Mr Wong submitted that the opponent did very well in managing the investment funds which had attracted wide media coverage. There had been news reports on the business and performance of the opponent over the years in Hong Kong (“Exhibit 9” to Leung's first statutory declaration) with headlines such as “內地多個項目表現強勁 國泰投資基金業績佳 每股資產淨值增至十一點一元”, “國泰基金滿意北置表現”, “香港國泰基金加強國內投資”, “國泰財富業績升 55% 撥資產淨值百份一作股息” and “國泰財富資產升五成”. The news clippings in “Exhibit 9” include those published in Wen Wei Po (文匯報), Ta Kung

Pao (大公報), Hong Kong Economic Journal (信報), The Economic Digest, The Asian Wall Street Journal, Sing Tao Daily (星島日報), Sing Pao Daily News (成報), South China Morning Post and Hong Kong Commercial Daily (香港商報) in the years of 1995 to 1997. For example, Mr Wong drew my attention to a news coverage in South China Morning Post of 20 October 1996 which is entitled “Closed-end vehicle offers investors alternative route to mainland exposure China fund seeks Asian niche”. The writer stated that “Investors in mainland stocks seeking diversification but wary of the restraints of mutual funds could consider the Cathay Investment Fund, a closed-end fund listed on the Hong Kong stock exchange”. Mr Wong pointed out that owing to the outstanding performance of the investment fund, the writer even invited the public to invest in the fund.

21. It was the contention of Mr Wong that the opponent has also introduced itself to others through seminars and talks. “Exhibit 13” to Leung’s first statutory declaration shows that a talk was given by one Paul Wolansky, managing director of New China Management Corporation, which is the investment manager of the opponent at the American Chamber of Commerce in Hong Kong on 16 October 1996. There was an introduction of the investment fund that “with net assets over US\$115 million, this closed-end investment fund is organized to undertake direct investment in China. It trades publicly on the Hong Kong Stock Exchange and its portfolio includes interest in China Yuchai International, Shenzhen 999 Pharmaceutical Co. Ltd., ...”. In response, Mr Slater disputed that this piece of evidence constitutes evidence of use of the opponent’s mark. Although the audience at the talk would be aware of the fund, there is no information as to the number of audience which turned up at the talk. It was very limited in its impact.

22. It is convenient for me to first assess the extent of the reputation of the opponent’s mark in Hong Kong in respect of the management of investment funds services in Hong Kong from 1992 when the fund was launched and listed on the HKSE up to 1998 when the fund was delisted from trading on the HKSE.

23. In my judgment, I find the following facts established by the opponent’s evidence. The opponent was incorporated on 11 September 1992 under the laws of Cayman Islands as an exempted company. It was formerly known as Cathay Clemente (Holdings) Ltd. It changed to its present name in July 1994. The opponent was listed on the HKSE from 1992 to 1998 under code 0320.hk.

According to the prospectus in “Exhibit 2” to Leung’s first statutory declaration, the principal investment objective of the opponent is the long-term capital appreciation of its assets by investment primarily through investments of development capital in a diversified portfolio of unlisted operating Chinese companies or enterprises. As a matter of fact, the opponent has provided the management of investment funds services by investing in a wide variety of listed and unlisted companies in mainland China and in Hong Kong throughout the years for its investors. According to paragraph 12 of Leung’s first statutory declaration, the total capital used by the opponent in investing for providing its services under and by reference to the opponent’s mark “國泰” for the period from 1998 to 2002 amounted to HK\$240,949,010.

24. As indicated in the prospectus, the minimum purchase or investment in the opponent’s fund launched in 1992 was HK\$820,000 being the subscription fee for a minimum of 100,000 Placing Shares and 20,000 Warrants. Subsequently, the dealings on the HKSE were in board lots of 10,000 shares. As pointed out by Mr Slater and admitted by Mr Wong, there is no information on the number of initial investors at the launch of the fund in 1992 or the trading volume of the shares of the fund in the subsequent years from 1992 to 1998 when it was listed on the HKSE. I have attempted to extract some relevant information from the annual reports of the opponent. The number of ordinary shares in issue in 1993 and 1994 were 68,506,000 and 68,646,000 respectively (see page 19 of the 1994 Annual Report). The ordinary shares in issue amounted to 81,146,000 in 1995 (see page 48 of the 1995 Annual Report); 81,146,000 in 1996 (see page 49 of the 1996 Annual Report); 80,456,000 in 1997 (see page 51 of the 1997 Annual Report) and 80,399,425 in 1998 (see page 63 of the 1998 Annual Report). I appreciate that there is no way for me to speculate the number of investors and shareholders involved from the number of shares in issue. However, I do not consider the number of shares in issue in any sense minimal. Neither do I consider the amount of investment involved to be something minimal.

25. Furthermore, I agree with Mr Wong that an investment fund which has been in operation and listed for public trading for several years should have generated more than *de minimis* reputation and goodwill. I also see the force in Mr Wong’s submission that one does not need to have actually traded on the fund in order to be aware of the opponent’s mark. Coupled with the evidence on local advertising and promotion especially the wide media coverage as analyzed above by Mr Wong, I find

that a substantial proportion of the interested public was aware of the opponent's mark and the opponent has thus established more than *de minimis* reputation of its mark “國泰” in the management of investment funds services in Hong Kong as at 1998.

26. It was the contention of Mr Slater that following the delisting of the opponent in 1998, there appears to have been no material use of the opponent's mark in Hong Kong. Any reputation that the opponent might have acquired in 1992 and retained up to 1998 would have evaporated by the date of application of the suit marks.

27. Mr Slater submitted that all the local newspapers comments at “Exhibit 9” to Leung's first statutory declaration are in or before 1997. In this regard, the opponent confirms in paragraph 15 of Leung's first statutory declaration that being a closed-end investment company it does not need to advertise its services to the general public in a high profile manner. Further the opponent acknowledges in paragraph 31 of Leung's second statutory declaration that “there has not been any advertising or marketing as such of the services by the opponent to the general public in Hong Kong since 1998” and the opponent's mark had been used only in dealing with people in the field of finance and investment services, including fund managers, brokers, lawyers, accountants, deal finders, investors, and other investment companies in Hong Kong for the purposes of management of the opponent.

28. In relation to the lack of advertising point, Mr Wong submitted the fact that there were little or no advertising or promotional activities of the opponent since 1998 does not mean that the opponent could not acquire any reputation in its mark. The opponent as an investment fund was publicly listed in Hong Kong for six years. Reputation can be generated by word-of-mouth (*Ping An Securities Ltd. v 中國平安保險(集團)股份有限公司*, FACV 26 of 2008, 12 May 2009, Court of Final Appeal, at paragraph 49). Mr. Justice Gault NPJ said at paragraph 49 as follows:

“It is said that advertising of services dealing in securities is not permitted. That might affect the time it takes to establish reputation, but it indicates also that the reputation is generated by word-of-mouth. That, in turn, emphasizes the importance of the aural use of the names. In that, there is identity or near identity between the distinctive elements of the appellant's names and the respondent's registered trade marks.....”

29. Mr Wong submitted that the point is in any event misconceived and not supported by evidence. The evidence is unchallenged that the opponent had not ceased operation by the time of the application of the suit marks in 2002. The opponent was still in operation under the mark “國泰”. As such, whilst it might be argued that since 1998, the level of reputation enjoyed by the opponent has not been further enhanced as substantially and rapidly as before, the goodwill and reputation previously gained by the opponent could not have been extinguished or completely extinguished (paragraph 26 of Leung’s second statutory declaration).

30. In my judgment, although the opponent was delisted from the HKSE in 1998, it is clear that the opponent had not by then ceased providing services in relation to the management of the investment fund under the mark “國泰” to the then existing investors of the opponent. As seen from the annual reports of the opponent from 1999 to 2002, the opponent had provided the management of investment funds services under the mark “國泰” by continuing in investing in listed and unlisted companies in mainland China and Hong Kong. The opponent’s mark had also been used in dealing with people other than the investors such as fund managers, brokers, lawyers, accountants, deal finders and other investment companies in the trade in the course of providing the management of investment funds services. I have not overlooked that there was lack of advertising of the opponent’s mark between 1998 and 2002. Nevertheless, I do not consider this fatal to the opponent’s case. As contended by Mr Wong, reputation can be generated by both the continuous provision of the services and word-of-mouth. In all the circumstances of the case, I consider that at the application date, the reputation of the opponent must be something more than *de minimis* in respect of the management of investment funds services under the opponent’s mark “國泰”. The onus then shifts to the applicant to show there is no reasonable likelihood of deception and confusion.

31. It is well established that the test to be used in applying section 12(1) is that stated by Evershed J. in *Smith Hayden & Co’s Application* (1946) 63 RPC 97 at 101. The test under section 12(1), adapted to this application, is as follows :-

“Having regard to the reputation of the opponent’s mark “國泰” in respect of the management of investment funds services, is the Registrar satisfied that the suit marks, if used in a normal and fair manner in respect of the specified services, will not be reasonably likely to cause deception and confusion amongst a substantial

number of persons? May a number of people be caused to wonder whether the services under the respective marks come from the same source? Is there a real tangible danger of confusion if the applied for mark is put on the Register?"

*Comparison of marks*

32. So far as the comparison of marks is concerned, there is no difficulty for me to find that the respective marks are identical. Mr Slater has not submitted otherwise.

*Likelihood of confusion and deception*

33. However, Mr Slater put forward the argument that as there are differences in the nature of trade, trade channels and target consumers between the parties, the use of the suit mark will not be reasonably likely to cause deception and confusion amongst a substantial number of persons. Mr Slater pointed out that the applicant conducts its business in Hong Kong through its wholly owned subsidiaries, Cathay United Bank Co., Ltd. and Cathay Life Insurance Co., Ltd., which mainly provide banking, insurance and financial services in Hong Kong. Its targeted customers are the general public. On the other hand, the opponent is a closed-end fund which provided financial and investment related services. Its targeted consumers were institutions and sophisticated or high net worth investors. The minimum investment or placement of money in the opponent's fund when launched in Hong Kong in 1992 was HK\$820,000. It is obvious that the services of the applicant are provided to different groups of people, for different purposes and in different manner. The parties are not in competition as such and in fact the applicant is remotely related to the services of the opponent being a closed-end fund. In addition, great care would be taken when placing business with a bank or investing in a fund, particularly when the fund in question has a minimum investment only suitable for the fabulously wealthy. Misplacement of business and confusion is unlikely.

34. To counter, Mr Wong contended that under section 12 of the Ordinance, the Registrar is concerned with the notional use of the applicant's marks in relation to the services in respect of which the suit marks are sought to be registered. The notional use of the suit marks is not limited to the way the applicant has actually used the marks. In any event, there is little, if any, evidence showing how the applicant has used the suit marks in relation to the services in respect of which the suit marks

are sought to be registered in Hong Kong. The subject application, if granted, will enable the applicant to, *inter alia*, market sophisticated, high-end or even closed-end investment fund to members of the public, including institutional or professional investors. It is thus difficult to imagine how the applicant can discharge the burden of showing no reasonable likelihood of confusion if the applicant does market, for example, such closed-end investment fund to members of the public, including institutional and professional investors. The services and the marks under which such services are provided will be identical to those of the opponent.

35. I accept the submissions of Mr Wong which are in line with the legal test under section 12. The comparison under section 12(1) is between the opponent's mark in actual use and the suit marks in notional fair use which means any normal and fair use which as registered proprietor the applicant would be entitled to make of the marks in the ordinary course of business in respect of services of the class for which they are registered. The prohibition is concerned with deception arising from the use of the applicant's trade marks as submitted for registration and not from the particular circumstances in which the applicant happens to carry on business (*Australian Laws of Trade Marks and Passing Off*, D.R. Shanahan, 2<sup>nd</sup> Edition, page 166).

36. In my view, it should also not be relevant that the respective services have been provided at different ends of the market. As decided by Mr Myall in the *Re Da Vinci Trade Mark*, supra, at 242 : "I ... must predicate that the applicants will use their mark in the opponent's field, ie that they will begin to do what they had not done at the relevant date and have not hitherto done, namely, to operate in the same price and quality ranges aimed at the kind of people who form the clientele for the opponents. This would be a normal and fair user of their mark since the specification for which they have applied to register it is not, and probably could not be, limited to down-market goods."

37. In my judgment, having regard to the reputation of the opponent's mark "國泰" in respect of the management of investment funds services, I am not satisfied that the suit marks in series being identical to the opponent's mark, if used in a normal and fair manner in respect of any of the specified services which include services identical and closely similar to those of the opponent, will not be reasonably likely to cause deception and confusion among a substantial number of persons.

38. It follows that the section 12(1) opposition succeeds.

Under section 22

39. At the application date section 22 provided :

“22. In case of honest concurrent use, or of other special circumstances which in the opinion of the Court or of the Registrar make it proper to do so, the Court or the Registrar may permit the registration by more than one proprietor, in respect of –

- (a) the same goods or services;
- (b) the same description of goods or services; or
- (c) goods and services or descriptions of goods and services which are associated with each other,

of trade marks that are identical or nearly resemble each other, subject to such conditions and limitations, if any, as the Court or the Registrar, as the case may be, may think it right to impose.”

40. It is now settled law that section 22 may be invoked not only where the suit marks offend against section 20(1), but also where they offend against section 12(1) of the Ordinance – see *Berlei (U.K.) Ltd v Bali Brassière Co. Inc.* [1970] RPC 469 at 476 and *CHELSEA MAN Trade Mark* [1989] RPC 111 at 121.

41. As it is pleaded in paragraph 5(c) of the counter-statement that the applicant has used the trade mark “國泰” in series in Hong Kong in respect of, *inter alia*, the specified services since at least January 1998 and evidence in this regard was filed by the applicant, it is necessary for me to consider section 22 to see whether it can assist the applicant.

42. According to Lee’s statutory declaration, the applicant is a corporation organized and existing under the laws of Taiwan. The applicant has conducted its business in Hong Kong through its wholly owned subsidiaries, Cathay United Bank Co. Ltd. (“Cathay United Bank”) and Cathay Life Insurance Co., Ltd. (“Cathay Life Insurance”). So far as Cathay Life Insurance is concerned, it obtained a business

registration in Hong Kong in May 1997. In January 1998, it opened an office in Hong Kong which has operated as a representative office since that date. The nature of the representative office and what was actually done by the office in Hong Kong prior to the application date are not elaborated in Lee's statutory declaration.

43. Mr Slater submitted that copies of business registration certificate of Cathay Life Insurance and correspondences between Cathay Life Insurance and other entities showing use of the suit marks in Hong Kong were exhibited as "CKL-4" to Lee's statutory declaration. I find that the nature of business as stated in the business registration certificate is again "HK Representative Office" which does not add anything to what is stated in the statutory declaration. The correspondences in the exhibit all dated February 1998 were between the Hong Kong representative office of Cathay Life Insurance and the Shanghai representative office of Nippon Life Insurance Company, 中國太平洋保險公司, 中宏人壽保險有限公司, and Fudan University all of which are in Shanghai. All the correspondences were in relation to the visit of the representatives of Cathay Life Insurance to the aforesaid entities in Shanghai as a matter of mutual exchange. I do not find them have anything to do with the use of the suit marks in Hong Kong in respect of any of the specified services at all.

44. Further, it was the contention of Mr Slater that Cathay United Bank, under its former name United World Chinese Commercial Bank Co., Ltd., opened a branch office in Hong Kong in October 2001. Since the merger into the applicant in October 2003, it has changed its name to Cathay United Bank Co., Ltd. and has provided various banking services in Hong Kong. It seems apparent to me that before the merger in October 2003 which was post-application date, the bank, even if under operation, was operated under its former name United World Chinese Commercial Bank Co., Ltd. rather than the suit marks. The alleged provision of banking services in Hong Kong under the name of Cathay United Bank Co., Ltd., even if accepted, was clearly some time after the application date.

45. To conclude, the applicant's evidence does not show actual use of the suit marks in respect of any of the specified services on or before the application date. In the circumstances, I decline to exercise my discretion under section 22 in favour of registration of the suit marks.

Under section 13(2)

46. As the opponent has succeeded in the opposition under section 12(1), the exercise of my discretion under section 13(2) of the Ordinance does not arise.

47. It follows the application to register the suit marks in class 36 in Part A of the register in respect of the specified services fails.

Costs

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

49. 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, with one counsel certified unless otherwise agreed between the parties.

*Original signed*

(Ms Fanny Pang)  
p. Registrar of Trade Marks  
27 November 2009