

Trade Marks Ordinance (Cap 43)

IN THE MATTER of an application by Time Group Limited to remove from the register the trade mark 2002B00064 TINY in class 9 in the name of Tiny Intellectual Property Limited

DECISION

of

Teresa Grant, acting for the Registrar of Trade Marks, after a hearing on 11 September 2006

Appearing: Mr Joseph Fan Sai Yan of Alvan Liu & Partners for the registered proprietor

1. Time Group Limited (the applicant) has made an application to the registrar of trade marks to rectify the register by removing a mark registered in the name of Tiny Intellectual Property Limited (the registered proprietor). The application was made under the Trade Marks Ordinance (Cap 43) section 48(1)(a) which provides that the registrar may remove a mark entered in the register without sufficient cause or wrongly remaining on the register.

Registered proprietor's trade mark

2. The applicant applies to remove the registered proprietor's trade mark:



registration 2002B00064, which is registered for 'computers, data processing equipment; all included in class 9'. The date of application for registration was 26 August 1999, which is deemed the date of registration (Trade Marks Ordinance (Cap 43) section 17(1)).

Grounds for removing trade mark

3. The application is made on the grounds that under the Trade Marks Ordinance (Cap 43) section 13(1) the registered proprietor was not entitled to be registered as proprietor; under section 12(1) the mark was likely to deceive or cause confusion or alternatively, the mark was disentitled to protection in a court of justice; under section 23 the mark was identical with or nearly resembled the applicant's marks registered in the country of origin; under section 2 the mark was not used or proposed to be used in relation to goods so as to indicate a connection in the course of trade; under section 9 and section 10 the mark was not adapted to distinguish nor

capable of distinguishing the registered proprietor's goods in the course of trade.

Preliminary matters

4. The application to rectify was filed on 19 February 2003 under the Trade Marks Ordinance (Cap 43) and remains to be dealt with under Cap 43, despite the repeal of Cap 43 on 4 April 2003 (Trade Marks Ordinance (Cap 559) Schedule 5, transitional matters, paragraphs 1 and 17(1)).

5. Both parties filed pleadings and evidence in the proceedings under the Trade Marks Rules (Cap 43 sub leg) rule 63 and rules 24 to 26 applied by rule 64. The registrar sent notice of the date for hearing, 4 September 2006, to both parties. The applicant did not respond. On 31 August 2006, Alvan Liu & Partners filed form TM-No.8 (notice of attendance) for the registered proprietor and Form TM-No.50 (authorisation of agent). The forms were filed under cover of a letter dated 28 August 2006 signed by 'Joseph Fan Joint and Several Liquidator Tiny Computers Pacific Limited'.

6. At the hearing on 4 September 2006, I asked Mr Fan if he or his firm Alvan Liu & Partners were authorised by the registered proprietor to act as its agent. I noted that Mr Fan was the liquidator of Tiny Computers Pacific Limited and was apparently acting as such in relation to this application but the relationship, if any, between that company and the registered proprietor was not explained and gave rise to the question whether Mr Fan or his firm were authorised by the registered proprietor. Alvan Liu & Partners had signed and filed Form TM-No.50 (authorisation of agent) as newly appointed agents but in the circumstances, I found it necessary to ask for confirmation of their authority to act for the registered proprietor.

7. In response, Mr Fan said that the registered proprietor held the trade

mark on trust for Tiny Computers Pacific Limited. I noted, however, that the Trade Marks Ordinance (Cap 43) precludes notice of any trust (section 5). It followed that an authorisation by the beneficial owner of the trade mark could not help. As Mr Fan was unable to confirm that he was authorised by the registered proprietor, I adjourned the hearing to 11 September at Mr Fan's request, to enable him to obtain an authorisation from a director or authorised officer of the registered proprietor, or as Mr Fan thought there may have been an assignment of the trade mark to Tiny Computers Pacific Limited, to file an assignment.

8. Surprisingly, in view of the failure to explain the basis of their claim to act for the registered proprietor, Alvan Liu & Partners subsequently wrote to the registrar on 7 September 2006 saying, 'we do not think that there is any reason to doubt the authority of our firm in the present circumstances. We are disappointed that the hearing scheduled for 4 September 2006 was adjourned which has costs consequences'.

9. In the event, the matter of the authorisation was resolved when the hearing resumed on 11 September, by the filing of a Form TM-No.50 signed by a director of the registered proprietor authorising Alvan Liu & Partners to act as agent in accordance with the Trade Marks Rules (Cap 43 sub leg) rule 102.

Onus

10. An applicant applying to rectify the register by removing a mark has the onus of showing that the mark should be removed. The Trade Marks Ordinance (Cap 43) section 29 expressly provides that 'in all legal proceedings relating to a registered trade mark (including applications under section 48) the fact that a person is registered as proprietor of such trade mark shall be prima facie evidence of the validity of the original registration of such mark and of all subsequent assignments

and transmissions thereof’.

Person aggrieved

11. An applicant must establish that he is a ‘person aggrieved’ to have the necessary standing to apply to rectify under section 48(1)(a).

12. The applicant pleads that it is a person aggrieved because the registrar has refused to register its application 200214029 on the ground that it conflicts with the registered proprietor’s trade mark. The applicant’s application 200214029 was filed on 7 September 2002 to register the trade mark:

TINY

in class 9 for a wide range of goods including ‘computer hardware’ and ‘data processing apparatus’, which are goods covered by the registered proprietor’s trade mark. The application has since been withdrawn.

13. The applicant’s evidence shows that it has a registration in the United Kingdom, 2,131,955 for the mark in the following form:

tiny

in class 9 for ‘computer installations, apparatus and instruments; computer hardware; computer software; apparatus and instruments, all for use with computers; parts and fittings for all the aforesaid goods’. The registration was applied for on 7 May 1997. The applicant also claims to have used the mark in this form.

14. To qualify as a person aggrieved the applicant must show that it has

used or has a fixed intention to use the mark for the same goods or for goods of the same description as the registered proprietor's goods. The applicant must show that it is in the same trade as the registered proprietor and could use the mark, or at the very least, intends to use the mark for the goods and is in some position to do so (*Wells Fargo Trade Mark* [1977] RPC 503 citing *Powell's Trade Mark (the Yorkshire Relish case)* (1894) 11 RPC 4, HL; *Appolinaris* (1891) 8 RPC 137, CA; and *Daiquiri Rum Trade Mark* [1969] RPC 600, HL).

15. In *Powell's Trade Mark (the Yorkshire Relish case)* (1894) 11 RPC 4, HL it was said that 'any trader is, in the sense of the statute 'aggrieved' whenever the registration of a particular trade mark operates in restraint of what would otherwise have been his legal rights. Whatever benefit is gained by registration must entail a corresponding disadvantage upon a trader who might possibly have had occasion to use the mark in the course of his business. It is implied, of course, that the person aggrieved must manufacture or deal in the same class of goods to which the registered mark applies and that there shall be a reasonable possibility of his finding occasion to use it' (*Lord Watson at 8*).

16. *Kerly's Law of Trade Marks and Trade Names 12 edition 11-07* states that the phrase 'person aggrieved' has been 'very liberally construed, and it would be difficult to find any person engaged in the trade concerned, or any allied or connected trade, who is prevented by the qualification which it requires from moving to rectify the register. The persons who are aggrieved are, it is held, all persons who are in some way or other substantially interested in having the mark removed from the register; including all persons who would be substantially damaged if the mark remained, and all trade rivals over whom an advantage was gained by a trader who was getting the benefit of a registered trade mark to which he was not entitled.'

17. In his statutory declaration for the applicant, Dr Tariq Mohammed states that the trade mark TINY was first used in the United Kingdom in the 1980's by

the applicant's predecessor Tiny Computers Limited. The registered proprietor disproves the statement with evidence that Tiny Computers Limited, a Jersey company, was incorporated on 31 January 1996 and registered as an overseas company in the UK on 9 May 1996 (Mr Ngan Chan Chung Harrison's statutory declaration dated 8 December 2004 paragraphs 12-17, exhibits NCCH-4, NCCH-5). Furthermore, the applicant's evidence of audited financial statements of OT Computers Limited for the year ended 31 January 2000 shows that Tiny Computers Limited, its subsidiary, was 'non-trading' (Dr Mohammed's statutory declaration dated 8 March 2004 exhibit DTM-3).

18. Dr Mohammed also states that the intellectual property rights and business of Tiny Computers Limited were assigned to the applicant's predecessor OT Computers Limited and that the applicant subsequently acquired the assets and goodwill of OT Computers Limited. Exhibit DTM-3 to Dr Mohammed's declaration is OT Computers Limited's directors' report and summary financial statements for the year ended 31 January 2000, which states that the principal activity of the company during the year was the manufacture and supply of computers and their components. However, there is nothing in the evidence that verifies the fact of an assignment to OT Computers Limited. Nor does the evidence verify the claim that the applicant acquired the assets and goodwill of OT Computers Limited and therefore deals in the same class of goods as the registered proprietor, or in an allied or connected trade. Given that Dr Mohammed's statements are incorrect as regards the early use of the trade mark by Tiny Computers Limited and given that the registered proprietor has expressly challenged Dr Mohammed's statements about the assignments, I cannot rely on the statements about the assignments.

19. A trade rival is a person aggrieved but subject to evidence of trade, or intention to trade in Hong Kong. The applicant claims that it is in the business of '*inter alia*, computers, computer installations, apparatus and instruments, computer hardware, computer software, apparatus and instruments', etc. However, the applicant does not clearly establish a link with the trade in computers carried on in the

name of Tiny Computers Limited (as advertised in the Daily Mail in 1997 at exhibit DTM-4, as shown in the 1997 product price list at exhibit DTM-5, as advertised in the October 1996 publication PCDirect at exhibit DTM-8 and as advertised in the December 1997/January 1998 publication PC@Home at exhibit DTM-9). Nor does the applicant clearly establish a link with the trade carried on in the name of Tiny Computers (as shown in the 1998 product price list at exhibit DTM-7) by stating for example, that Tiny Computers is its trading name.

20. Even if I accept that the applicant carried on a trade in computers through Tiny Computers Limited and under the name Tiny Computers, it is clear that the trade was carried on in the UK and not in Hong Kong. Furthermore, the applicant does not say that it intends to use the mark TINY in Hong Kong. The applicant does not show that it is a person aggrieved for the purpose of these proceedings to remove the registered proprietor's trade mark.

Section 13(1)

21. Under section 13(1) an application for registration may be made by 'any person claiming to be entitled to be registered as the proprietor of a trade mark used or proposed to be used by him'. The applicant asserts that the registered proprietor was not entitled to registration as proprietor of the mark at 26 August 1999, the date of registration.

22. The applicant does not explain the basis of the assertion. If it contends that it first used the mark TINY in Hong Kong or had a reputation in the mark in Hong Kong and was entitled to registration as the proprietor of the mark, it does not substantiate the claim. Reputation or first use in Hong Kong determines a claim to proprietorship (*Mila Schön Group SpA v Lam Fai Yuen [1998] 1 HKLRD 682 at 696*) but the applicant does not show that it used the mark in Hong Kong or had a reputation

in the mark in Hong Kong, before or at the date of registration.

23. Dr Tariq Mohammed states that by September or October 1998 the number of TINY stores [operated by the applicant] in the UK had increased. Dr Mohammed states that ‘members of the public could include Hong Kong people who may have patronised or seen these TINY retail outlets and showrooms during visits to the UK. Members of the public could also include UK expatriates and UK visitors in Hong Kong who would associate the trade mark TINY with [the applicant]’. *Hong Kong Caterers Ltd v Maxim’s Ltd [1983] HKLR 287 at 295* citing *Wienerwald Holdings AG v Kwan Wong Tan & Fong [1979] FSR 381* is authority for the principle that ‘the reputation to be protected is reputation already existing in [Hong Kong] albeit that reputation may be acquired here even when no business is carried on here.’ However, in these proceedings the applicant does not show how its reputation, if any, in the UK had spread to Hong Kong and as *Hunter J in Maxim’s* noted, ‘visitors cannot, as it were, bring a foreign reputation with them. Local repute cannot be established out of the mouths of visitors alone’.

24. Dr Mohammed states that the applicant has promoted TINY in magazines distributed for overseas circulation which may have been available in Hong Kong at the date of registration of the mark. The statement that the magazines ‘may have been available in Hong Kong’ does not establish the ground. There is nothing in the evidence that indicates that the magazines were available in Hong Kong so as to substantiate a claim to use of the mark in Hong Kong or to the spread of an overseas reputation to Hong Kong.

25. The fact that the applicant promotes and offers its goods for sale on its website www.tiny.com does not of itself constitute use of the mark in Hong Kong or evidence of a reputation in Hong Kong. There is no evidence that anyone in Hong Kong buys the applicant’s goods via the applicant’s website or, to put it more accurately, bought them via the website before the date of registration of the mark. In

Euromarket Designs Inc v Peters and Crate & Barrel Ltd [2001] FSR 288 Mr Justice Jacob stated that even for the purposes of infringement, use of a trade mark on a website is not necessarily use of the mark in the course of trade in every country in the world. In the present application, prices on the applicant's website are quoted in pounds sterling and delivery is expressed to be within the UK only, which is an indication that the applicant's use of the mark and reputation, if any, is in the UK not in Hong Kong.

26. The applicant does not show that it has used the mark TINY in Hong Kong or that its reputation, if any, in the UK, has spread to Hong Kong. Under section 13(1), the applicant is unable to establish that it was entitled to registration as the proprietor of the mark in Hong Kong, as against the registered proprietor.

Section 12(1) – whether likely to deceive or confuse

27. Under section 12(1) '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'. The applicant claims that its reputation at the date of registration of the mark, would lead the public to believe, mistakenly, that the registered proprietor's goods originate from the applicant or are approved by or are endorsed by the applicant.

28. The basis of the applicant's claim is that it had a reputation in the mark or name TINY in Hong Kong at the date of registration. However, the applicant does not show that it had a reputation in Hong Kong. Accordingly the applicant is unable to establish that use of the registered proprietor's mark was likely to deceive or confuse because of a resemblance to the applicant's mark.

Section 12(1) – whether disentitled to protection in a court of justice

29. Under section 12(1) ‘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 disentitled to protection in a court of justice’. The applicant, in its statement of case, pleads that ‘use of TINY as a trade mark by the [registered proprietor] in relation to the specified goods is likely to deceive and/or cause confusion among the purchasing public and would be disentitled to protection in a court of justice’.

30. If the applicant means to plead that use of the mark by the registered proprietor was disentitled to protection because it was likely to deceive or confuse by reason of its resemblance to the applicant’s mark, the ground fails for reasons I give above: the applicant is unable to show that it had a reputation in Hong Kong at the date of registration.

31. If the applicant means to plead that use of the mark by the registered proprietor in connection with the goods and services, represents the goods and services to be goods and services of the applicant and amounts to passing off, the ground fails as the applicant is unable to show that it had any goodwill or reputation in Hong Kong at the date of registration of the mark TINY by the registered proprietor. Accordingly, the registered proprietor’s mark was not disentitled to protection in a court of justice.

Section 23

32. Under section 23, ‘the registrar may refuse to register any trade mark if it is proved to his satisfaction by the person opposing the application for registration that such mark is identical with or nearly resembles a trade mark which is already registered in a country or place from which such goods originate’. The

applicant does not specifically plead section 23 in its statement of case but it claims that the registered proprietor's mark is identical with or nearly resembles its UK registered mark in respect of the same goods or the same description of goods (paragraph 6) and that the UK is 'the country of origin' (paragraph 2). Even if I assume the applicant pleads that under section 23, its trade mark registrations in the UK, the country from which its goods and services originate, should have prevented the registered proprietor's mark from becoming registered in Hong Kong, I am unable to find for the applicant.

33. Section 23 was authoritatively interpreted in the High Court judgment *Hong Kong Caterers Ltd v Maxim's Ltd [1983] HKLR 287*. The section is intended to prevent an applicant from registering a mark already registered elsewhere. It is to prevent piracy. As Hunter J expressed it: 'The section can be paraphrased as: 'the Registrar may refuse to register a copied mark' (*Maxim's at 301*).

34. The ground must be based in some way on an assertion of copying. The applicant's statement of case pleads that 'registration 2002B00064 was obtained in bad faith by the [registered proprietor]'. However, the applicant does not explain what it means by 'bad faith'. The applicant's statement is not necessarily an assertion that the registered proprietor copied the applicant's marks and if it is, the applicant does not substantiate the assertion. The application under this ground fails.

Sections 2, 9 and 10 – distinctiveness

35. The applicant asserts under section 2 that the mark was not a trade mark and under section 9 and section 10 that the mark was not adapted to distinguish or capable of distinguishing the registered proprietor's goods in the course of trade.

36. The trade mark was registered under section 10(2) on evidence showing that by reason of its use, it was in fact capable of distinguishing the registered proprietor's goods. Although a registration under section 10(2) is not conclusive as to validity, the applicant does not put forward any basis for challenging the registration of the registered proprietor's mark.

37. The mark TINY may not have been distinctive for registration under section 9 but the registrar's examination conducted under the Trade Marks Ordinance (Cap 43) concluded that the mark was registrable under section 10(2). The mark was in fact capable of distinguishing the registered proprietor's goods. It follows that the mark was used in relation to goods for the purpose of indicating a connection in the course of trade between the goods and the registered proprietor. It was therefore a trade mark under section 2.

38. Alternatively, if the applicant contends by the statement 'the [registered proprietor's] mark was not at the 26 August 1999 application date and is not now adapted to distinguish the [registered proprietor's] specified goods from the goods of the applicant', that the mark was not distinctive of the registered proprietor's goods because it indicated a connection with the applicant's goods, the argument fails. The applicant does not show that it had a reputation in Hong Kong. Consequently, use of the mark TINY could not indicate a connection with the applicant.

Application to rectify

39. For these reasons, the applicant fails in its application to rectify under section 48(1)(a) by removing the mark from the register.

Discretion

40. Although the registrar has a discretion under section 48(1)(a) to rectify or not, the applicant has failed to establish its case for removing the mark and there is no basis on which I should make an order to remove it from the register.

41. Additionally, the evidence indicates that the registered proprietor designed the mark and was the first to use it in relation to the goods.

Costs

42. The application to remove the registered proprietor's mark has failed and I award the registered proprietor costs. 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. 4) as applied to trade mark matters, unless otherwise agreed between the parties.

(Original Signed)

(Teresa Grant)
for Registrar of Trade Marks
15 September 2006