

Trade Marks Ordinance (Cap 559)

OPPOSITION TO THE REGISTRATION OF TRADE MARK APPLICATION 300044117

MARK : **BANSEOXJA**
变色鳄世家

CLASS : 25

APPLICANT : WONG YUET MEI

OPPONENT : CROCODILE GARMENTS LIMITED

STATEMENT OF REASONS FOR DECISION

1. Wong Yuet Mei ('the applicant') has applied to the Registrar of Trade Marks for registration of a trade mark "BANSEOXJA 变色鳄世家" in Class 25 under the Trade Marks Ordinance Cap 559 (the 'Ordinance'). Crocodile Garments Limited ('the opponent') opposes the application for registration under section 44 of the Ordinance.

2. A date for hearing the opposition was set. However, both parties had respectively indicated in writing that they would not appear at the hearing. In the event, by virtue of Rule 75(b)(ii) of the Trade Marks Rules Cap 559 sub leg (the "Rules"), the Registrar may decide the matter without a hearing.

3. This decision under the Ordinance section 44 is therefore made on the pleadings and evidence filed by the parties under the Rules. The pleadings and evidence are the opponent's notice of opposition under rule 16, the applicant's counter-statement under rule 17 and the opponent's evidence under rule 18. The applicant did not file evidence in support of the application.

Applicant's mark

4. The applicant has applied to register the mark:

BANSEOXJA
变色鳄世家

for 'leather footwear, clothing and headgear; all included in class 25'. The application for registration was filed on 8 July 2003. The mark was duly accepted after examination, and advertised for opposition purposes in the Government of the Hong Kong Special

Administrative Region Gazette on 1 August 2003.

Opponent's marks

5. The opponent's notice of opposition and evidence, together, give details of almost sixty trade mark registrations in Hong Kong on which the opponent relies. However, it is the opponent's registrations in class 25 and class 42 that are relevant to the opposition to the applicant's application to register its mark for 'leather footwear, clothing and headgear' and they are as follows:



registration 19100146 in class 25 for 'articles [of] clothing, excluding shirts'; date of application and registration 21 October 1910



registration 19520299 in class 25 for 'shirts only'; date of application and registration 26 October 1951



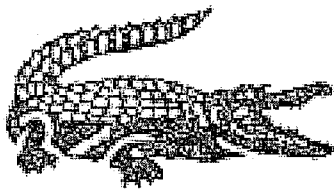
registration 19560174 in class 25 for 'articles of clothing'; date of application and registration 15 June 1955

鱷魚

registration 19730771 in class 25 for 'articles of clothing but not including boots, shoes and slippers'; date of application and registration 31 May 1972



registration 19810945 in class 25 for 'articles of clothing, but not including boots, shoes and slippers'; date of application and registration 24 April 1980



registration 19820236 in class 25 for '[clothing] but not including boots, shoes and slippers; date of application and registration 18 September 1980



registration 19840137 in class 25 for 'clothing but not including boots, shoes and slippers; all for children'; date of application and registration 17 November 1982



registration 199403307 in class 42 for 'retail store services relating to clothing, footwear, headgear, luggage, trunks and watches; all included in class 42'; date of application and registration 9 April 1992

CROCODILE

registration 199403308 in class 42 for 'retail store services relating to clothing, footwear, headgear, luggage, trunks and watches; all included in class 42; but not including any such services relating to footwear, luggage and trunks made of crocodile leather'; date of application and registration 9 April 1992



registration 199403309 in class 42 for 'retail store services relating to clothing, footwear, headgear, luggage, trunks and watches; but not including footwear, luggage and trunks made of crocodile leather; all included in class 42'; date of application and registration 9 April 1992

鱷魚恤

registration 199408690 in class 42 for 'retail services for clothing, footwear, headgear, articles of luggage, watches and fashion accessories but not including footwear, headgear, articles of luggage made of crocodile leather; all included in class 42'; date of application and registration 6 April 1992



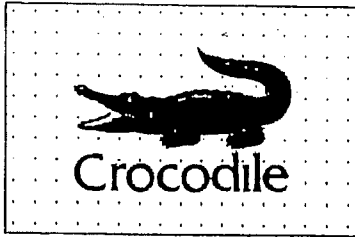
registration 199408691 in class 42 for 'retail services for clothing, footwear, headgear, luggage, watches and fashion accessories, excluding footwear, headgear and luggage made from crocodile leather; all included in class 42'; date of application and registration 6 April 1992



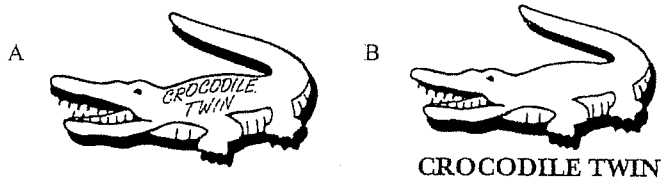
registration 199504150 in class 25 for 'clothing and articles of clothing not included in other classes; T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing; hats and caps; boots, shoes and slippers; but not including any of the aforesaid goods made of alligator or crocodile skin'; date of application and registration 11 May 1993



registration 199504151 in class 25 for 'clothing and articles of clothing not included in other classes; T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing; hats and caps; boots, shoes and slippers; but not including any of the aforesaid goods made of alligator or crocodile skin'; date of application and registration 11 May 1993



registration 199505175 in class 42 for 'retail services for clothing, footwear, headgear, articles of luggage, watches and fashion accessories but not including footwear, headgear, articles of luggage made of crocodile leather; all included in class 42'; date of application and registration 6 April 1992



registration 199803488(A-B) in class 25 for 'clothing, footwear, headgear; but not including any of the aforesaid goods made of alligator or crocodile skin'; date of application and registration 16 November 1995

鱷魚格格

registration 200007735 in class 25 for 'clothing, gloves, hats, headgear for wear, neckties, sandals, scarfs, shirts, shoes, socks, swimsuits, underclothing and uniforms; but not including any of the aforesaid goods incorporating or being made of crocodile leather; all included in class 25'; date of application and registration 27 September 1999



registration 200215261 in class 25 for 'clothing, footwear, headgear; all for ladies'; date of application and registration 7 September 2001



registration 200215262 in class 25 for 'clothing, footwear, headgear; all for ladies'; date of application and registration 7 September 2001



registration 200215263 in class 25 for 'clothing, footwear, headgear; all for ladies'; date of application and registration 7 September 2001



registration 200215264 in class 25 for 'clothing, footwear, headgear; all for ladies'; date of application and registration 7 September 2001



registration 200215265 in class 25 for 'clothing, footwear, headgear; all for ladies'; date of application and registration 7 September 2001



registration 200215266 in class 25 for 'clothing, footwear, headgear; all for ladies'; date of application and registration 7 September 2001

Grounds of opposition

6. The opponent filed grounds of opposition on 31 October 2003, opposing the application for registration under sections 12(1) and 20 of the repealed Trade Marks Ordinance, Cap 43. After the Registrar's clarification that the application comes within and should be dealt with under the provisions of the new Ordinance, the opponent filed amended grounds of opposition on 5 December 2003, opposing the application under sections 11(4)(b), 12(3) and 12(4) of the Ordinance.

Opponent

7. The opponent has been in the business of manufacturing, distributing and selling clothing and fashion accessories since 1952. In 1971, the opponent was listed on the Hong Kong Stock Exchange.

8. The opponent has registered and uses a range of marks in Hong Kong and elsewhere featuring the word CROCODILE, the characters “鱷魚” and “鱷魚恤”, various devices of crocodiles, or a combination of these features (Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005 paragraphs 3-4).

9. The opponent's goods are sold through its own chain of retail outlets in Hong Kong and elsewhere and in over 800 shops and franchised outlets in mainland China (Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005 paragraph 10).

10. The opponent's annual sales turnover in Hong Kong from 1997 to 2002 is very substantial. From August 2002 to July 2003, the year in which the applicant filed its application for registration, turnover for products under the trade marks 鱷魚恤, 鱷魚, CROCODILE and crocodile devices was not less than HK\$151 million (Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005 paragraph 11).

11. The opponent has extensively advertised its goods and trade marks in Hong Kong. The expenditure on advertising the opponent's goods and trade marks in Hong Kong from August 2002 to July 2003 was not less than HK\$2 million (Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005 paragraph 13).

Applicant

12. The applicant filed no evidence and there is nothing in her counter-statement giving any indication as to how she created the mark BANSEOXJA 变色鳄世家, or as to what her business is.

Section 11(4)(b)

13. This section is pleaded in the amended grounds of opposition in substitution for the wrongly pleaded section 12(1) of the repealed Trade Marks Ordinance, Cap 43. But the reason for pleading this ground has not been amended. The result is the opponent pleads that the use of the applicant's mark would be likely to deceive and therefore offends and should be denied registration under section 11(4)(b) of the Ordinance.

14. Section 11(4)(b), however, unlike section 12(1) of Cap. 43, is not concerned with likely deception as the result of an earlier unregistered mark or passing-off. Remedies for this type of deception are covered under section 12(5)(a) of the Ordinance. However, as the opponent has not pleaded section 12(5)(a), there is no basis for me to consider the section.

15. The types of deception that could lead to an objection under section 11(4)(b) are not defined. Since it is an absolute and not a relative ground for refusal of registration, the deception should be inherent in the mark itself, e.g., description of the composition of the goods or the materials used, suggestions of patronage or approval, suggestions of environmental friendliness.

16. However, the opponent has nothing to offer in its pleadings or evidence to suggest deception is inherent in the applicant's mark. In the absence of any substantiation of deception, the opponent fails on this ground.

Section 12(3)

17. Section 12(3) of the Ordinance provides that –

“A trade mark shall not be registered if –

- (a) the trade mark is similar to an earlier trade mark;
- (b) the goods or services for which the application for registration is made are identical or similar to those for which the earlier mark is protected; and
- (c) *the use of the trade mark* in relation to those goods or services is likely to cause confusion on the part of the public.”

18. According to section 7(1) of the Ordinance, in determining for the purposes of the Ordinance whether *the use of a trade mark* is likely to cause confusion on the part of the public, the Registrar may take into account all factors relevant in the circumstances, including whether the use is likely to be associated with an earlier trade mark.

Test for section 12(3)

19. Although couched in slightly different terms, section 12(3) combined with section 7(1) is modeled on section 5(2) of the UK Trade Marks Act 1994, which implements Article 4(1)(b) of the European Trade Marks Directive 89/104 of 21 December 1988 (“the Council Directive”).

20. The test under section 12(3) of the Ordinance is essentially the same as that under section 5(2) of the UK Act and Article 4(1)(b) of the Council Directive, that is, whether there are similarities in the marks and goods which would combine to create a likelihood of confusion.

21. In interpreting Article 4(1)(b) of the Council Directive, the European Court of Justice (“ECJ”) has formulated a test known as the “global appreciation” test. The main principles of the test have come from these decisions: *Sabel BV v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [1999] E.T.M.R. 690 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 561. In essence, the likelihood of confusion must be appreciated globally, taking into account all relevant factors (*Sabel BV v Puma AG*, [1997] E.C.R. I-6191, paragraph 22).

22. I consider the “global appreciation” test and the various principles enunciated in these cases a useful guide in considering section 12(3) of the Ordinance. Suffice to say at this juncture, the likelihood of confusion must be appreciated globally and I need to address

the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those various elements, taking into account also the degree of identity or similarity between the goods and services and how they are marketed. In comparing the marks, I must have regard to the distinctive character of each and assume normal and fair use of the marks across the full range of the goods and services within their respective specifications. I must consider the matter from the perspective of the average consumer who is deemed to be reasonably well informed and reasonably circumspect and observant.

The degree of similarity between the marks and goods concerned

23. It has been said that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods or services (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, paragraph 17). I note and find there is a high degree of similarity between the applicant's goods and the goods and services for which the opponent's marks are registered in Classes 25 and 42.

24. The opponent's evidence includes details of its marks registered in Hong Kong in classes 2, 3, 4, 6, 9, 14, 16, 17, 18, 20, 21, 22, 23, 24, 26 and 28. The marks are either the same or made up of the same components as the marks registered in classes 25 and 42. But I note the goods concerned are very different from the goods for which the applicant has applied, and this may not meet section 12(3)(b) which requires that there be *at least* some similarity between the goods or services covered. In any event, even if the goods were similar, the registrations would not give the opponent any stronger case than it has already in reliance on its marks registered in classes 25 and 42.

25. The opponent has registered a variety of marks in classes 25 and 42. For convenience, I shall consider them in three sets, namely, the 鱷魚 marks, the CROCODILE marks and the crocodile device marks, and compare them with the applicant's mark to see whether there is any similarity between the marks, and if there is whether it would combine with the similarity in the goods or services to create a likelihood of confusion, taking into account the likelihood of association.

Comparison with opponent's 鱷魚 marks

26. This set of the opponent's marks includes registration 19730771 鱷魚, 19810945 which includes the characters 鱷魚, 199408690 鱷魚恤 and 200007735 鱷魚格格.

27. The applicant's mark does not include the Chinese characters 鱷魚 as these marks do. However, the Chinese character 鱷 in the applicant's mark is the simplified version of the traditional Chinese character 鱷. Hence the characters 鱷 and 鱷 are essentially the same. However, this character is the only similar feature between these marks. The other features and the overall appearance of the marks are completely different.

28. I think neither party's mark(s) will be referred to simply as a 鱷 or 鱷 mark. Because of its distinctive character, people would probably refer to the opponent's marks in this set as the 鱷魚 mark or by its full name in Chinese which contains the characters 鱷魚. As I shall show below, because of the distinctive character of 变色鱷, 变色鱷世家 and the word BANSEOXJA, I think members of the public would call the applicant's mark the 变色鱷 mark or the 变色鱷世家 mark, or people who do not read Chinese would call it the BANSEOXJA mark.

29. Conceptually, the opponent's 鱷魚 marks convey the idea of a crocodile. What idea the applicant's mark conveys is more complex. BANSEOXJA is not a recognizable English word, and I think it would have no immediate meaning for most people in Hong Kong, although some people might see it as a transliteration of the characters “变色鱷”.

30. The first three characters of the applicant's mark, namely “变色鱷”, means a crocodile which can change colour. There is no suggestion that this is a kind or specie of crocodile that actually exists, nor is it a term used in daily language. A person who analyses the applicant's mark would likely think that this is a creative crocodile, having the characteristics of a chameleon (which can change colour). It is equally possible that a purchaser would, due to imperfect recollection, simply mistake it for a chameleon. This is because the Chinese term for chameleon is 变色龙, which is different from 变色鱷 only in the last character. Chameleon is, according to the entry of Wiktionary (at <http://en.wiktionary.org/wiki/Chameleon>, the lexical companion to the open-content encyclopedia Wikipedia), a small to mid-size reptile, of the family Chamaeleonidae, and one of the best known lizard families able to change color and project its long tongue. The term 变色龙, according to the Chinese dictionary 《辭海》(1979 edn. published by 上海辭書出版社), also connotes a person with inconstant behavior in politics, one able to

quickly adjust to new circumstances. I believe I can assume that 变色龙 (chameleon) is a term known to ordinary people in Hong Kong as being a creature that exists in nature or as connoting the idea set out in the quoted Chinese dictionary. In any case, the idea of the applicant's mark is not simply of a crocodile.

31. Hence the main idea left on the mind by the applicant's mark and by the opponent's marks are not the same. If there is any commonality between the two ideas it is that both refer to reptiles.

32. On the other hand, there are two features that distinguish the applicant's mark from the opponent's marks.

33. First, the term formed by the two characters “世家”, according to Lin Yutang's Chinese-English Dictionary of Modern Usage (The Chinese University Press 1972 edition), means (1) a noble family; (2) a family politically influential for generations. Taking the Chinese characters “变色鳄世家” as a whole, it could mean a noble or politically influential family of the creature 变色鳄. The very idea of an influential family of the creature 变色鳄 is itself novel enough to distinguish it from simply the idea of a crocodile.

34. Secondly, as I have said, BANSEOXJA is not a recognizable English word and I think it would carry no immediate meaning for most people in Hong Kong. Although to some people it may be recognized as a transliteration of the characters 变色鳄, it should not be denied that it adds an extra distinctive element to the applicant's mark that distinguishes it from the opponent's marks.

35. As global appreciation of the visual, aural and conceptual similarity of the marks must be based on the overall impression given by the marks, the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG*, paragraph 23). Perceiving each of the marks in question as a whole, I find there is no overall similarity between the applicant's mark and the opponent's 鱷魚 marks.

Comparison with opponent's CROCODILE marks

36. This set of the opponent's marks include registration 19520299 CROCODILE and device, 19810945 鱷魚 CROCODILE and device, 199403308 CROCODILE,

199505175 CROCODILE and device and 199803488(A-B) CROCODILE TWIN and device.

37. The applicant's mark does not include the word CROCODILE. There is no visual similarity between the applicant's mark and the opponent's CROCODILE marks, nor is there aural similarity.

38. The idea the opponent's marks convey is that of an ordinary crocodile or crocodiles, whereas the applicant's mark as a whole conveys the idea of a family of imaginary part-chameleon, part-crocodile creatures that would or could change colour. I consider the conceptual similarity here to be very low.

39. Again, the word BANSEOXJA adds an extra distinctive element to the applicant's mark that distinguishes it from the opponent's marks.

Comparison with opponent's crocodile device marks

40. The opponent's marks in this set comprise or include devices of crocodiles.

41. There is no device in the applicant's mark for making a comparison. Obviously there is no visual or aural similarity between these marks and the applicant's mark.

42. Except for registration 19100146 and 19560174, a crocodile device is not the only component of these marks. Other components include the word CROCODILE, the Chinese characters 鱷魚, the words "CROCO KIDS" and "MY FIRST CROCO". These accompanying word components will leave no doubt in the minds of those who see the mark that the devices represent crocodiles. Such concept, as I have discussed above, is not the same as the concept of the applicant's mark.

Net effect of similarity

43. Summing up the above, the applicant's mark and any of the opponent's marks are visually very different, even allowing for imperfect recollection. The applicant's mark would likely be referred to as the 变色鳄 or 变色鳄世家 mark, or BANSEOXJA mark for

people who do not read Chinese, whereas the opponent's marks would be referred to as the 鱷魚 marks, the CROCODILE marks and the crocodile device marks, as the case may be. The aural similarity is also very low.

44. Conceptually, the applicant's mark would be remembered as connoting an unusual creature, or an influential family of such creatures, whereas the opponent's marks would convey the idea of a crocodile or crocodiles. Would a reasonably well informed and reasonably circumspect and observant consumer be unable to differentiate between the two concepts? I do not think this would be the case.

45. On all levels the similarities are very minimal, and overall I conclude that the degree of similarity between the marks discussed above is very low.

Assessment of the likelihood of confusion

46. Notwithstanding the low degree of similarity between the marks, I must consider whether the earlier mark has been used and has acquired a more distinctive character, as this is a matter which must be taken into account as a factor likely to increase the risk of confusion. (Kerly's Law of Trade Marks and Trade Names, 14th Edition, paragraph 9-071). It is said that the more distinctive the earlier mark, the greater will be the likelihood of confusion ((*Sabel BV v Puma AG*, paragraph 24), and therefore marks with a highly distinctive character, either *per se* or because of the recognition they possess on the market, enjoy broader protection than marks with a less distinctive character (see *Canon*, paragraph 18).

47. The opponent indeed strongly emphasizes that it has acquired a distinctive and substantial reputation in the Chinese characters 鱷魚 and 鱷魚恤, the word CROCODILE and any device which contains a "crocodile" device.

48. In making the assessment of the distinctive character of an earlier registered mark, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and how long-standing the use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking. (see *Lloyd Schuhfabrik Meyer v Klijsen Handel*, paras.22 and 23).

49. In assessing the similarity between the marks I have already taken into account the inherently distinctive character of the opponent's marks. The opponent says that its marks containing the characters 鱷魚 and 鱷魚恤, the word CROCODILE and the devices of a crocodile have been in long use, and impressive figures of financial evidence of annual sales turnover and promotional expenditure are given. However, the financial evidence does not distinguish one mark from another and there are nearly 60 marks mentioned in the opponent's evidence.

50. For the use of the marks, the opponent filed its product catalogues for the years 2001, 2002 and 2003 as exhibit 5 to Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005. The catalogues filed are only photocopies which are not clear. From the copies I can see that mainly a particular mark has been used on the opponent's products. That particular mark consists of the word "CROCODILE" in capital letters, with the letter "O" in the centre being in smaller size as compared with the other letters, and a crocodile device similar to the device appearing in trade mark registration nos. 19810945, 19520299 and 19560174 just beneath the smaller "O". That mark is not any of the opponent's marks mentioned in its pleadings or evidence, though I find the following marks, namely, "CROCO KIDS and device" (registration 199408691) and "MY FIRST CROCO" (registration 199504150), having appeared alongside this mark on some pages of the catalogues. The only other mark that I can see being used on the opponent's products is a mark resembling registration 199803488B "CROCODILE TWIN and crocodile device", but with the word CROCODILE missing.

51. However, the opponent has stated that it has extensively used its registered marks in Hong Kong and elsewhere in the world, promoted its products and advertised them through television, radio, magazines, newspapers, etc. (Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005 paragraph 13). The statutory declaration of the opponent is unchallenged and I am satisfied that the opponent's marks are, on account of their reputation, highly distinctive.

52. The opponent further avers that because of its exclusive and extensive use of its trade marks in Hong Kong, any other crocodile or crocodile-like creature adopted by the applicant or anyone else will cause confusion, in the sense that the general unsuspecting public would be misled into thinking that those goods are "associated or connected in the course of trade with the opponent" (paragraph 10 of the amended grounds of opposition, and see also Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005 paragraph 14).

53. It has been established that mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Article 4(1)(b) on (*Sabel BV v Puma AG*, paragraph 26). The concept of likelihood of association is not an alternative to that of likelihood of confusion, but serves to define its scope. Further, following *Marca Mode CV v Adidas AG*, section 12(3) should not be applicable unless there is a genuine and properly substantiated likelihood of confusion about the origin of the goods or services in question. (paragraph 47).

54. However, I note it is said in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* that if the association between the marks causes the public to wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section (paragraph 29).

55. In the present context, given the low degree of similarity between the marks, would the public nonetheless believe that the applicant's goods also come from the opponent or undertakings economically linked to the opponent?

56. In this connection, I note that the opponent's goods are sold through its own chain of retail outlets in Hong Kong and elsewhere and in over 800 shops and franchised outlets in mainland China (Lam Kin Hong, Matthew's statutory declaration dated 7 January 2005 paragraph 10). There is no information regarding the sale channel of the applicant. I presume the applicant's goods and the opponent's goods would not be sold in the same sale outlets. But even if they were, given the dissimilarity between the applicant's mark and any one of the opponent's marks, the chance that one would mistake the goods of the applicant for the goods of the opponent is remote. Despite the highly distinctive character of the opponent's marks, no one would think that the opponent or some economically linked undertaking had ventured into a new brand of products under a trade mark featuring a part-chameleon, part-crocodile creature. In any event this is not supported by evidence. I cannot rule on what purely exists on a theoretical basis, as ECJ has said in *Marca Mode CV v Adidas AG*—

“Where a trade mark has a particularly distinctive character and a third party, without the consent of the proprietor of the mark, uses, in the course of trade in goods or services which are identical with, or similar to, those for which the trade mark is registered, a sign which so closely corresponds to the mark as to give rise to the possibility, risk or likelihood of its being associated with that mark, it is not sufficient, in order for Article 5(1)(b) of Directive 89/104 to apply, that the

distinctive character of the mark is such that the possibility, risk or likelihood of such association giving rise to confusion cannot be ruled out.” (paragraph 47)

57. Taking account of all of the above when considering the marks globally, I believe that there is little or no likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to it. The opposition under section 12(3) therefore fails.

Section 12(4)

58. Section 12(4) provides that a trade mark which is (a) identical or similar to an earlier trade mark; and (b) proposed to be registered for goods or services which are not identical or similar to those for which the earlier trade mark is protected, shall not be registered if, or to the extent that, the earlier trade mark is entitled to protection under the Paris Convention as a well-known trade mark and the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.

59. Although this section has been pleaded in the amended grounds of opposition in substitution for the wrongly pleaded section 20 of the repealed Trade Marks Ordinance, Cap 43, the opponent does not substantiate the ground.

60. Putting aside the questions whether section 12(4) can be interpreted to cover also goods or services which are not similar to an earlier trade mark, and what constitutes a well known trade mark protected under the Paris Convention, to succeed under this provision the opponent must specifically address the issue of whether the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.

61. All that has been suggested in the opponent’s pleadings and evidence is that the opponent’s marks in relation to the goods sold or distributed by the opponent enjoy substantial reputation in Hong Kong, hence members of the public in Hong Kong would associate anything containing the characters 鱷魚 and 鱷魚恤, the word CROCODILE and the devices of a crocodile with the opponent. The opponent has not gone on to substantiate how the use of the applicant’s mark would take unfair advantage of, or be

detrimental to, the distinctive character or repute of the opponent's marks. Given that the applicant's mark may not have been used, the fact that there is no evidence of unfair advantage or detriment is not surprising. However, plainly section 12(4) is not intended to give broad relief to trade mark owners whose marks have a reputation (see *Pfizer Ltd v Eurofood Link (UK) Ltd* [2001] FSR 3). The concepts of "unfair advantage" and "detriment" both require an inquiry of facts and should be distinctly shown. In the absence of evidence and submission in this respect, and given my earlier finding that there is little similarity in the marks, I must hold that the opposition under section 12(4) fails.

Discretion

62. The opponent has pleaded, without drawing reference to any particular section of the Ordinance, that the Registrar should exercise his power of discretion to refuse the applicant's application for registration.

63. Under section 42(1) and (2), the Registrar must conduct examination of all applications to make sure that they comply with the provisions of the Ordinance. Section 42(3) and (4) prescribe the procedure and consequence that should follow in case the requirements for registration are not met. If an application appears to meet these requirements, the Registrar has no power to refuse the application.

64. The effect of section 42 is to eliminate the residual discretion that the Registrar previously had, under the repealed Trade Marks Ordinance, Cap 43, in refusing or accepting an application.

65. As the Registrar has come to the view that the applicant's application appears to meet all the requirements under the Ordinance, and I have found the opposition fails in all of the pleaded grounds of opposition, there is no basis upon which the Registrar may refuse the application.

Costs

66. As the opposition has failed, I award the applicant 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)

(Frederick Wong)
for Registrar of Trade Marks
7 June 2006