

TRADE MARKS ORDINANCE (CAP. 559)

APPLICATION NO.: 300276462

MARK: AV Call

APPLICANT: SMARTONE 3G LIMITED

CLASSES: 9, 38

STATEMENT OF REASONS FOR DECISION

Background

1. On 30 August 2004, SmarTone 3G Limited (“the applicant”) applied, pursuant to the provisions of the Trade Marks Ordinance (Cap. 559) (“the Ordinance”), to register the following mark (in series):

A. AV Call

B. AV CALL

C. av call

(“the subject mark”).

2. In this application, the applicant applied for registration of the use of the subject mark in relation to the following goods and services:

Class 9: voice mail system; telephone dialling apparatus by vocal synthesizer; answering machine; telephone answering apparatus; automatic answering apparatus for communications apparatus; computer programs; computer software supplied on the internet; on-line electronic publications (downloadable from the internet); scientific, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision) and teaching apparatus and instruments; apparatus and instruments for recording, receiving, transmitting and/or reproducing data, information, pictures, images, and/or sound; telephones, pagers, mobile phones, facsimile machines; apparatus and instruments for displaying and/or printing out data, information, pictures and/or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; video tapes, audio cassettes, compact

discs, floppy discs, CD ROMS and DVD ROMS; data processing equipment and computers; computer software for searching of data; cards, wires, discs and semiconductor devices carrying computer programs; telecommunications apparatus, instruments, networks and circuitry; cables, cable installations; optical fibres, optical communication apparatus and circuitry, all for telecommunication purposes; electronic and computer apparatus and instruments for debiting and/or crediting financial accounts and/or for paying for goods or services; machine-readable debit and/or credit and/or charge cards; electronic and computer apparatus, instruments and software for communicating with computer networks and the world-wide web; television, radio, video and audio apparatus, equipment and devices; digital music (downloadable) provided from the internet; MP3 (moving picture experts group -1 audio layer 3) players; computer software for event scheduling and for managing, viewing and editing address books and personal and professional contact information; apparatus for coding and decoding signals; and parts and fittings for all the aforesaid goods; all included in Class 9.

Class 38: telecommunication services; provision of telecommunication access and links to computer database and to the internet; electronic communication services; interactive telecommunications services; telecommunication of information (web pages), computer programs and data; providing telecommunications connections to the internet or data bases; telecommunication gateway services; computer network communication services; provision of telecommunication access to world-wide web facilities and structures; communication by computer terminals, communication by fibre optic networks; computer aided transmission of messages and images, facsimile transmission, message sending, paging services; data communication services by electronic means; telephone and mobile phone services; satellite communication services; electronic mail service; rental of telecommunication equipment; electronic message sending, receiving and forwarding services; collection, transmission and delivery of data by electronic means; collection, transmission and delivery of mail messages, information and data by mechanical, electronic, telephone, computer and satellite means; electronic conferencing and order-transmission services; radio and television communication services; communication services between computers; provision of telecommunication access to signal coding and decoding

apparatus; broadcasting and transmission of radio and television programmes; provision of telecommunication facilities for interactive discussion and conversation; telephone credit card services; providing access to digital music web sites on the internet; providing telecommunication access to MP3 (moving picture experts group-1 audio layer 3) web sites on the internet; delivery of digital music by telecommunications; operating search engines; computerized consultation of telephone directories; preparation of reports in relation to the foregoing services; consultancy, information and advisory services in relation to the aforesaid services; all included in Class 38.

3. At the examination stage, objection was raised under sections 11(1)(c) and 11(1)(b) of the Ordinance in respect of the goods and services in class 9 and 38 on the basis that the subject mark consists of a sign that exclusively designates the characteristics of the applied for goods and services and is devoid of any distinctive character in respect of those goods and services.
4. On 30 July 2005, the request for a hearing on the registrability of the subject mark made by Messrs So Keung Yip & Sin on behalf of the applicant was received by the Registry.
5. The hearing took place before me on 24 October 2005 at which Mr. Chan Ka Pong of Messrs So Keung Yip & Sin appeared on behalf of the applicant. The applicant did not file evidence of use of the subject mark and I therefore have only the *prima facie* case to consider. I reserved my decision at the conclusion of the hearing.

The Ordinance

6. The absolute grounds for refusal of an application for registration are contained in section 11 of the Ordinance. Section 11(1) reads as follows:

“(1) Subject to subsection (2), the following shall not be registered-

- (a)
- (b) trade marks which are devoid of any distinctive character;
- (c) trade marks which consist exclusively of signs which may serve, in trade or business, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services, or other characteristics of goods or services; and

(d)

Decision

Section 11(1)(c) of the Ordinance

7. Section 11(1)(c) of the Ordinance excludes registration of trade marks which consist exclusively of signs which may serve, in trade or business, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services, or other characteristics of goods or services.
8. The applicant applies for the registration of the subject mark in goods in class 9 and services in class 38, covering a wide range of telecommunication goods and services. For example, the class 9 goods applied for include communication apparatus and systems such as “apparatus and instruments for recording, receiving, transmitting and/or reproducing data, information, pictures, images, and/or sound”, “telephones” and “mobile phones”. Also the services applied in class 38 include “provision of telecommunication facilities for interactive discussion and conversation”, “data communication services by electronic means” and “telephone and mobile phone services”.
9. The subject mark comprises of the English words “AV Call”. In relation to telecommunication goods and services, the word “call” means the “formation of a voice or data transmission connection between two endpoints” (Webopedia at www.webopedia.com) and the abbreviation “AV” stands for “audiovisual” (Collins English Dictionary) or “audio/video” (Acronym Finder at www.acronymfinder.com). There is no stylisation of the subject mark or any other additional element.
10. As a whole, the subject mark literally means “audiovisual call” or “audio/video call”. The subject mark in its totality conveys an obvious message in relation to the function of the goods and services. The term “av call” refers directly to a kind of connection or communication that enables transmission of both sound and image. With the current technology such as 3G telephones, it is not uncommon that calls transmitting both sound and image instantaneously can be made through a telephone, computer or other communication apparatus via a network of communications. The subject mark is apt to describe a function of the telecommunication services or communication apparatus applied for by the applicant. I therefore consider that the words “AV Call”, when used in relation to the applied for goods and

services, convey the immediate message of a type of call transmitting both sound and image.

11. Mr. Chan submitted that the letters “AV” could stand for other meanings such as “average”, “antivirus” and “asset value” and most customers will regard it as meaning “average”. Relying on the cases of *The AD2000 Trade Mark* ([1997]R.P.C. 168) (“*AD2000*”) and *R v “Cycling IS...” Trade Mark Applications* ([2002]R.P.C. 37) (“*Cycling IS*”), Mr. Chan submitted that the subject mark is not “exclusively” consisting of a sign designating the characteristics of the goods and services. As such, Mr. Chan submitted that the subject mark should be registrable.
12. Subsequent to the cases “*AD2000*” and “*Cycling IS*” the interpretation of the equivalent to section 11(1)(c) of the Ordinance was clarified by the European Court of Justice in approaching Article 7(1)(c) of the Regulation No. 40/94 in cases such as *Wm. Wrigley Jr. Company v OHIM* (Case-191/01 P) (the ‘*DOUBLEMINT*’ case) and Article 3(1)(c) of the First Council Directive 89/104/EEC in the case of *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (Case C-363/99) (the ‘*Postkantoor*’ case). These two Articles are effectively identical to each other and are broadly similar to section 11(1)(c) of the Ordinance. The relevant principles are as follows:

“In order for OHIM to refuse to register a trade mark under Article 7(1)(c) of Regulation No 40/94, it is not necessary that the signs and indications composing the mark that are referred to in that article actually be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that provisions itself indicates, that such signs and indications could be used for such purposes. A sign must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned.”: the ‘*DOUBLEMINT*’ case at paragraph 32.

“For the purposes of determining whether Article 3(1)(c) of the [First Council Directive 89/104/EEC] applies to such a mark, it is irrelevant whether or not there are synonyms capable of designating the same characteristics of the goods or services mentioned in the application for registration or that the characteristics of the goods or services which may be the subject of the description are commercially essential or

merely ancillary.”: the ‘*Postkantoor*’ case at paragraph 104.

13. These principles indicate that marks that are objectionable under section 11(1)(c) of the Ordinance do not have to be the typical way of describing the applied for goods or services and it is sufficient if at least one of the possible meanings of a mark designates a characteristic of the specified goods or services. In the context of the goods sold and services provided under the subject mark, the term “AV Call” sends out an obvious message of audiovisual or audio/video call. The reference by the mark “AV Call” to the audiovisual or audio/video function of the goods and services of the applicant is direct and clear. The combination of the words “AV” and “Call” does not introduce unusual variations as to syntax or meaning. Mr. Chan’s submissions therefore do not assist.
14. On the basis of my finding that the subject mark directly designates a function of telecommunication products or services applied for, I conclude that the subject mark consists exclusively of a sign which may serve, in trade or business, to designate the characteristic of those goods and services. The subject mark is therefore debarred from registration under section 11(1)(c) of the Ordinance.

Section 11(1)(b) of the Ordinance

15. I now turn to consider whether the subject mark is devoid of any distinctive character under section 11(1)(b) of the Ordinance.
16. Section 11(1)(b) of the Ordinance excludes from registration marks which are devoid of any distinctive character.
17. Mr Chan referred me to *British Sugar Plc v James Robertson and Sons Ltd* [1996] R.P.C. 281 (“*British Sugar*”) and “*Cycling IS*”, in which the approach in assessing distinctiveness was discussed.
18. The approach of assessing distinctiveness was discussed in “*British Sugar*” where Jacob J said, on page 306 :

“What does *devoid of any distinctive character* mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark?”

19. In “*Cycling IS*”, it was stated, at paragraph 53, that:

“It thus appears to be legitimate, when assessing whether a sign is sufficiently distinctive to qualify for registration, to consider whether it can indeed be presumed that independent use of the same sign by different suppliers of goods or services of the kind specified in the application for registration would be likely to cause the relevant class of persons or at least a significant proportion thereof, to believe that the goods or services on offer to them came from the same undertaking or economically-linked undertakings.”

20. The test of registrability under the equivalent of section 11(1)(b) was further discussed in *Nestlé SA’s Trade Mark Application (Have a Break)* [2004] F.S.R. 2 (at paragraph 23):

“The distinctiveness to be considered is that which identifies a product as originating from a particular undertaking. Such distinctiveness is to be considered by reference to goods of the class for which registration is sought and consumers of those goods. In relation to the consumers of those goods the court is required to consider the presumed expectations of reasonably well informed, and circumspect consumers.”

21. Applying the above legal principles, I must assess the distinctiveness of the subject mark in relation to the specified goods and services for which the applicant seeks registration. I must also have regard to the perception of a consumer who is reasonably well-informed and reasonably observant and circumspect.

22. In this application, the subject mark merely consists of the English words “AV Call” which is a term apt to describe a form of telecommunication that transmits sound and image. There is no added element or stylisation.

23. Customers of the goods and services in classes 9 and 38 include the general public who are seeking telecommunication services or apparatus and instruments in relation to such services. It is likely that the subject mark will be used in advertisements, promotional materials or websites for promoting the goods and services of the applicant. As for the goods in class 9, the subject mark will also be applied to the products themselves or their packaging.

24. Given that the subject mark is apt to describe a function of telecommunication,

the customers are likely to perceive the subject mark immediately as a plain reference to the type of call that is available under the applicant's goods and services. They are not likely to perceive it immediately as an indication of trade origin of such goods and services.

25. Mr. Chan submitted that the letters "AV" could alternatively be interpreted as "average", "asset value" and "anti-virus". He also submitted that the phrase "audio-visual" is commonly used in relation to audio/video home theatre system and not in relation to telecommunication goods and services. Furthermore, Mr. Chan relied on "*Cycling IS*" that the average consumers normally perceive a mark as a whole and will not analyse its details. As such, Mr. Chan argued that the combination of the words "AV" and "Call" at best alludes to the applied for goods and services and should be registrable.
26. I agree with Mr. Chan that in assessing the distinctiveness of a mark, it must be considered in its entirety. Moreover, the average consumers normally perceive a mark as a whole and do not proceed to analyse its details. Hence, the overall impression on the average consumers must be considered.
27. However, the impression of customers must also be assessed in the context of the goods and services. Whilst the subject mark "AV Call" can be understood in various ways, the mark must be examined in light of the goods and services in this application. As mentioned above, the subject mark conveys the immediate message of a kind of call enabling the transmission of sound and images through the telecommunication services and communication apparatus/systems of the applicant. Furthermore, the subject mark is not stylised and there are no additional elements. As such, when the average consumers in Hong Kong view the subject mark in light of those goods and services, they are likely to regard it as an indication of the function of such goods and services and not as a badge of trade origin. The fact that the subject mark is merely allusive is not sufficient to confer any distinctive character to it.
28. Based on the reasons stated above, I am of the view that the relevant consumers are unlikely to perceive the subject mark as an indication of trade origin of the applied for goods and services, and the subject mark is therefore devoid of any distinctive character in respect of the goods and services applied for. The subject mark is thus precluded from registration under section 11(1)(b) of the Ordinance.

Reference to other registered marks

29. Mr. Chan referred me to a number of registered marks in Hong Kong such as “AVNET”, “WIREFREE” and “E-TICKET” in relation to class 9, 38 and 39 goods and services. I do not consider it appropriate to compare the subject mark with other registered marks. In any event each case must be considered on its own merits. As stated in “*British Sugar*”, “It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see e.g. *MADAME Trade Mark* ([1966] R.P.C. 541) and the same must be true under the 1994 Act.”

Conclusion

30. In this decision I have considered all the documents filed by the applicant and all the arguments submitted in relation to this application. On a *prima facie* basis, the subject mark was found to consist exclusively of a sign which served to designate the characteristics of goods and services covered by the subject application and to be devoid of any distinctive character under sections 11(1)(c) and 11(1)(b) of the Ordinance in respect of the said goods and services. The subject application is accordingly refused under section 42(4)(b) of the Ordinance.

Sarah Li
for Registrar of Trade Marks
11 January 2006