





TRADE MARKS ORDINANCE (Cap. 559)

APPLICATION NO. : 300545508AA

MARK : A. 
B. 
C. 
D. 

APPLICANT : ITC Corporation Limited

CLASS : 35 and 36

STATEMENT OF REASONS FOR DECISION

Background

1. On 9 December 2005, ITC Corporation Limited (“the Applicant”) filed an application for the registration of the following four marks in a series (collectively referred to as “the subject marks”)

Mark A. 
Mark B. 
Mark C. 
Mark D. 

pursuant to the provisions of the Trade Marks Ordinance (Cap.559) (“the Ordinance”). The application was in respect of certain services in Classes 35 and 36. The application was subsequently divided into two, one in respect of the services in Classes 35 and 36 that are set out in Appendix A and the other in respect of some other services in Class 36. The subject application concerns only the services listed in Appendix A.

2. At the examination stage, an objection was raised against this application under section 12(3) of the Ordinance on the basis of the following registered trade mark (the “cited mark”) :

Cited Mark



Trade mark : International Training & Consultancy
Registration no. : 2003B11810
Date of registration : 04 May 2002

The cited mark is registered in Class 35 in respect of “consultancy services related to business management, business administration, sales promotion, advertising and marketing; all included in Class 35”.

3. The Applicant filed a statutory declaration at the examination stage to show that there had been honest concurrent use of the subject marks. Despite the filing of such evidence, the objection under section 12(3) was maintained.
4. The Applicant requested a hearing on the registrability of the subject marks. The hearing was held before me on 24 June 2008. Mr. Steven Birt of Messrs. Richards Butler appeared on behalf of the Applicant. I reserved my decision at the conclusion of the hearing. In addition to the evidence filed during the examination stage, the Applicant filed a further statutory declaration before the hearing on 24 June 2008 in support of its claim that there had been an honest concurrent use of the subject marks.

Provisions of the Ordinance

5. The relative grounds for refusal of an application for registration of a trade mark are set out in section 12 of the Ordinance. Subsection (3) provides as follows:

“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 trade 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.”*

6. The term “earlier trade mark”, as referred to in section 12(3), is defined in section 5 of the Ordinance, the relevant part of which states :

“(1) In this Ordinance, “earlier trade mark”, in relation to another trade mark, means –

- (a) *a registered trade mark which has a date of application for registration earlier than that of the other trade mark, taking into account the priorities claimed in respect of each trade mark, if any.”*

As the cited mark has a date of application for registration earlier than that of the subject marks, it is an “earlier trade mark” in relation to the subject marks.

7. On the interpretation of paragraph (c) of section 12(3), section 7(1) of the Ordinance is relevant. It provides that –

“For greater certainty, in determining for the purposes of this Ordinance whether the use of a trade mark is likely to cause confusion on the part of the public, the Registrar or the court may take into account all factors relevant in the circumstances, including whether the use is likely to be associated with an earlier trade mark.”

8. The provisions on honest concurrent use can be found in section 13 of the Ordinance and they read :

“(1) Nothing in section 12 (relative grounds of refusal of registration) prevents the registration of a trade mark where the Registrar or the court is satisfied –

- (a) *that there has been an honest concurrent use of the trade mark and the earlier trade mark or other earlier right; or*
(b) *that by reason of other special circumstances it is proper for the trade mark to be registered.*

(2) *The registration of a trade mark under or by virtue of subsection (1) shall be subject to such limitations and conditions as the Registrar or the court thinks fit to impose.*”

Decision

9. My decision after the hearing is to allow registration of the subject mark in respect of:

- (a) “import-export agencies; telephone answering (for unavailable subscribers); auction via a global computer network; home shopping by means of a global computer network; departmental store retailing; retail and wholesale of goods for designing, building, constructing and maintaining buildings, plants, utilities, airports, tunnels and bridges; retail and wholesale of building and construction materials of metals and non-metals, landscaping materials, imported or local manufactured office furniture, designed furniture for office use, work space design furniture, interior design fixtures, interior design decorative materials, imported and local manufactured home and domestic furniture, designed furniture for domestic use, household fittings and fixtures, outdoor furniture, appliances, publications, educational materials; office functions; compilation and rental of mailing lists; consultancy, information, management and advisory services relating to all the aforementioned services; all included in Class 35” on a *prima facie* basis; and

- (b) “accounting; book-keeping; business management and organization consultancy; business management consultancy; business management of hotels; business organization consultancy; advisory services for business management; commercial or industrial management assistance; secretarial services; tax preparation; business consultancy; business administration; business management assistance; business development; business investigation; consultancy, information, management and advisory services relating to all the aforementioned services; all included in Class 35” in Class 35 and “capital investments; financial management; financing services; fund investments; lending against security; loans financing; property investment; consultancy, information and advisory services

relating to all the aforementioned services; all included in Class 36” in Class 36 on ground that there has been honest concurrent use.

10. In respect of the rest of the services, namely “marketing research and studies; publication of publicity materials; advertising and promotion services and information services thereto; business information services; dissemination of advertising materials, updating of advertising materials, compilation of advertisements for use as web pages on the Internet; rental of advertising space, promotion of goods and services, computer database processing; sales, business, advertising and promotional information provided by computers to unavailable subscribers; provision of sales, business, advertising and promotional information through a global computer network; provision of computer databases relating to business; organization of exhibitions for commercial or advertising purposes; consultancy, information, management and advisory services relating to all the aforementioned services” in Class 35 (“the Objected Services”), I maintain the objections raised. The reasons for refusing registration of the subject mark in respect of the Objected Services are set out below.

Section 12(3)

11. Before turning to the two statutory declarations that have been submitted, I will first deal with the ground of objection under section 12(3) of the Ordinance. At the hearing, it was mentioned that the submissions made on behalf of the Applicant at the examination stage were repeated. I will deal with all main arguments of the Applicant, whether submitted at the examination stage or at the hearing.
12. Section 12(3) of the Ordinance is similar in effect to section 5(2) of the UK Trade Marks Act 1994¹, which implements Article 4(1)(b) of the European Trade

¹ Section 5(2) of the UK Trade Marks Act 1994 provides as follows –

- “(2) A trade mark shall not be registered if because –
- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
 - (b) it is similar to an earlier trade mark and is to be registered for goods or services identical or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

Marks Directive². A number of decisions of the European Court of Justice have shed light on the application of the aforesaid Article 4(1)(b) and they provide appropriate guidance in considering the ground of objection to registration under section 12(3) of the Ordinance.

13. According to the case of *Sabel BV v Puma AG* [1998] R.P.C. 199, the likelihood of confusion must be appreciated globally, taking into account all relevant factors. The matter has to be judged through the eyes of the average consumer of the goods or services in question who normally perceives a mark as a whole and does not proceed to analyse its various details. Furthermore, the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impression created by the marks bearing in mind their distinctive and dominant components. In the case of *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, the average consumer is said to be one who is deemed to be reasonably well informed and reasonably observant and circumspect – but who rarely has the chance to make direct comparison between different marks and instead rely upon the imperfect picture of them he has kept in his mind.
14. In addition, in assessing the likelihood of confusion, I am mindful of the principle established in the case of *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] R.P.C. 117; that is, a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods or services, and vice versa. The *Sabel BV v Puma AG* case, supra, also suggests that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character either *per se* or because of the use that has been made of it.
15. In determining whether registration of the subject mark is prohibited under section 12(3) of the Ordinance, I have to consider whether the subject marks would likely cause confusion on the part of the relevant consumers as a result of

² Article 4(1)(b) of the European Trade Marks Directive 89/104/EEC of 21 December 1988 provides –
“(1) A trade mark shall not be registered or, if registered, shall be liable to be declared invalid:
.....
(b) if because of its identity with, or similarity to, the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

their being similar to the cited mark and because they are to be registered in respect of services the same as or similar to those of the cited mark. In doing so, I must consider the similarities between the subject marks and the cited mark and the similarities in the services which lead to a likelihood of confusion. In assessing the likelihood of confusion, I may, according to section 7(1) of the Ordinance, take into account all factors relevant in the circumstances.

Comparison of marks

16. In applying the principles for comparing the marks concerned, I must take into account the visual, aural and conceptual similarities of the marks in question, based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. I have to be mindful of the similarities as well as the dissimilarities between the marks and have regard to the perception of the marks in the mind of the average consumer of the services in question.
17. The Objected Services are general promotional and publicity services and these can vary in scale and complexity. The potential users of such services can be business entities or members of the general public. As such services are not daily use household items, some degree of care and attention can be expected of the consumers in their selection of such services.
18. The subject marks consist of the alphabets “ITC” in plain block letters. There is some slight variation in the type of font used in Mark D but the difference is not in any sense significant. In the case of Mark A and Mark B, the letters appear against a background of a different colour. The colour of the background is blue in Mark A and the letters are in white. The colours blue and white are claimed by the Applicant in respect of Mark A. No colour claim has been made in respect of Mark B.
19. The cited mark can be used in any colour. The colour claim in respect of Mark A of the subject marks is therefore of little significance in terms of offering assistance to distinguish it from the cited mark. The representation of the letters “ITC” against a background in Mark A and Mark B also does little to affect the relevant consumers in their perception of the subject marks. They

will still regard them as mere “ITC” marks.

20. The cited mark also has the alphabets “ITC” arranged in plain block letters. It has however a few other additional features. On the left of the cited mark, there is a device with two blocks arranged in a perpendicular manner and a crescent on top. The upper part of the block that is immediately beneath the crescent is slightly concave, aligning with a part of the outer edge of the crescent. The alphabets “ITC” appear immediately to the right of the upper block in the device while the words “World Solutions” appear immediately to the right of the lower block in the device. In addition, the words “International Training & Consultants” appear in a much smaller size than the letters “ITC” and the words “World Solutions” at the bottom of the cited mark, underneath the device and the words “World Solutions”.
21. The cited mark is registered in respect of consultancy services related to business management, business administration, sales promotion, advertising and marketing. With the proliferation of globalized trade and business, the words “World Solutions” merely describe the nature of the services provided as offering solutions that work across the world. Similarly, the words “International Training & Consultancy” only tell consumers what the services provided under the cited mark are. These words are not therefore distinctive elements which will leave a particular impression on the relevant consumers.
22. Both the letters “ITC” and the device in the cited mark are of considerable prominence. The device is distinctive on its own but since words speak louder than devices, consumers are likely to pay greater attention to the letters “ITC” and remember the cited mark as an “ITC” mark. I therefore consider the subject marks and the cited mark to be visually similar to each other.
23. The aural differences between the subject marks and the cited mark can only be attributed to the two sets of words “World Solutions” and “International Training & Consultancy”. In view of the descriptiveness of these two sets of words, the relevant consumers will likely refer to the cited mark as “ITC” only in speech. That being the case, there are no aural differences that help to distinguish the subject marks from the cited mark.

24. The device in the cited mark does not invoke any particular concept. As regards the words “World Solutions” and “International Training & Consultancy”, in view of their descriptiveness, they also do not have an impact on the overall impression of the cited mark. Thus, there is no significant conceptual difference between the subject marks and the cited mark.
25. As noted in the above, the relevant consumers of the Objected Services may afford some care and attention in their selection of the services and thus the dissimilarities between the subject marks and the cited mark may have a greater impact on the impression cast on such consumers. On the whole however, since they only have a fleeting memory to rely on, the identity in the main element of the letters “ITC” will mean that such consumers will still regard the subject marks and the cited mark as similar.
26. The Applicant does not agree that the subject marks should be considered as similar to the cited mark. In essence, the Applicant seeks to place greater emphasis on the dissimilarities between them, in particular the relatively greater size and prominence of the device and the spatial arrangement of the various components in the cited mark. At the examination stage, the Applicant submitted that the dot on top of the device was in the form of a stylized globe and it symbolized a worldwide provider of services, emphasizing and echoing the words “World” and “International” in the cited mark. At the hearing however, Mr. Birt pointed out that the device should be read as a stylized letter “i” with the crescent regarded as the dot of the letter “i”.
27. Mr. Birt also sought to rely on the case of the *opposition by Stingray Surf Company Pty Ltd to trade mark application no.567048 in the name of Wendy Lister* (1997) 37 IPR 306 (“the *Stingray* case”) where the presence of the slogan “TAKES THE STING OUT OF THE SUN’S RAYS”, in conjunction with the evidence on the reputation of the applicant, was considered to tend to minimize the risk of deception or confusion. He suggested that the effect of the words “World Solutions International Training & Consultancy” in the cited mark was akin to the slogan in the *Stingray* case in reducing the likelihood of confusion.
28. Although the device in the cited mark is eye-catching, that does not of itself render the overall impression that the relevant consumers have of the subject

marks to be different from that they have of the cited mark. As noted above, the size of the device is considerable, but the words “ITC World Solutions International Training & Consultancy” in the cited mark are as a whole of greater prominence, although some of the words are of a smaller size. I also have difficulty in following the Applicant’s suggestion that the device symbolizes a worldwide provider of services. The so-called dot on the top of the device is a crescent and not a sphere. Even if it is a sphere, it takes some mental leap on the part of the consumers to regard it as a symbol of the globe.

29. I do not agree that the device would be instinctively perceived as the letter “i” as suggested by Mr. Birt. The suggestion was not made during the examination stage, nor in the written submissions prepared by Mr. Birt about a week prior to the hearing. It may be something one can be led to conclude when told about it but it is not likely to be something for one to arrive at spontaneously.
30. Instead of associating the device with the letter “i” or regarding it as a globe, I do not think it would carry any conceptual import. The impression the device has on the relevant consumers is more likely than not overshadowed by that cast by the letters “ITC”, especially when the imperfect recollection of the consumers is to be taken into account. It should also be borne in mind that the comparison is not of the two sets of marks side by side and that words do have a more long-lasting effect on the minds of people. Furthermore, even if the device will impart the idea of the letter “i” in the minds of the relevant consumers, such an idea will not detract from that invoked by the letters “ITC” when “i” is the first letter in “ITC”. The impression of the consumers will also not be affected even if they regard the device as a globe. Rather it will only reinforce the idea conveyed by the terms “World Solutions” and “International Training & Consultancy” as a globe alludes to the worldwide suitability or availability of the services in question.
31. I also have doubt about the suggestion that the spatial arrangement of the cited mark has a significant role to play in assisting the relevant consumers to distinguish it from the subject marks. There is indeed space in the middle-right and top-right sections of the cited mark if a block is to be the starting point for consideration. I do not however consider that to be the way how consumers perceive the cited mark. Consumers are used to the innumerable ways in which

trade marks are designed nowadays, many of which are arranged in all sorts of irregular or peculiar manners. I am therefore not persuaded that consumers will find the so-called spaces noticeable as spaces, nor do I consider the spatial arrangement of the cited mark to have as compelling an effect on the relevant consumers as the letters “ITC” have.

32. As regards the *Stingray* case, despite the presence of the slogan “TAKES THE STING OUT OF THE SUN’S RAYS” in the mark in question, the Australian Registrar of Trade Marks did find it to be objectionable under section 33 of the Australian Trade Marks Act 1955 which disqualifies a mark from registration if it is substantially identical with or deceptively similar to a trade mark which is registered or is the subject of an earlier application for registration in respect of the same goods, or goods of the same description or of services that are closely related to those goods. The part of the decision relied on relates only to the point of allowing registration on special circumstances notwithstanding the registration of an identical or similar mark for identical or similar goods and/or services.
33. The suggestion that the words “International Training & Consultants” play the same role as the slogan in the *Stingray* case is also open to question. Mr. Birt pointed me to the descriptive nature of the phrase in both cases. The phrase “International Training & Consultants” is much more descriptive of the services in question than the slogan used in the *Stingray* case. Furthermore, the words “International Training & Consultants” in the subject marks direct consumers to relate them to the letters “ITC” since “ITC” can be an acronym formed by the initial letters in the phrase. As such, those words merely reinforce the perception that “ITC” is the most prominent component in the subject marks which will most likely be the recollection that consumers have of them.

Comparison of services

34. The principles applicable to the comparison of goods and services were considered in the case of *British Sugar v James Robertson and Sons Ltd* [1996] R.P.C. 281(at page 296-7). The factors that were considered to be relevant by Jacob J in the case are :

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of services;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves; and
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

35. In the case of *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, supra, a similar statement of the factors to be taken into account can be found at paragraph 23 –

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary.”

36. The Objected Services relate to the provision of information and publicity and promotional services. As for the cited mark, its registration is in respect of, *inter alia*, consultancy services related to sales promotion, advertising and marketing. Although the services under the cited mark are provided in the capacity of a consultant, the nature of the services are the same. Such services are of use to business entities and members of the general public. Hence, the use as well as the users of the services are the same. The similarities do not end there. Since service providers of advertising services usually provide related consultancy services as well, they share the same trade channels. This means that they are in direct competition with each other.

37. The Applicant has raised a number of arguments in support of its claim that the services covered by this application are not similar to those covered by the cited mark. They have mostly been dealt with at the examination stage but some fresh ones were put forward at the hearing and to these I shall now turn. In the first place, the Applicant seeks to draw a distinction between the provision of consultancy to customers regarding advertising and marketing and the provision of the actual advertising and marketing services. In support of this argument, the case of *Harding v Smilecare Limited* [2002] FSR 37 was referred to by Mr. Birt.
38. In the *Smilecare* case, the court considered financial services provided to dentists to be not similar to dental services. According to Mr. Birt, this supports the Applicant's claim that the consultancy services relating to advertising and marketing provided by the owner of the cited mark are not similar to advertising and marketing services.
39. I do not see how such claim of the Applicant, even if established, can be of assistance to this application. There is indeed a distinction between consultancy services and the services for which the consultancy relates to. The question is not whether there is such a distinction but whether the two are similar. It is apparent from the analysis in paragraphs 34-36 above that services that may be different from one another may still be similar for the purpose of section 12(3) of the Ordinance. The discussions in those paragraphs also show that, although the Objected Services are different from the services covered by the registration of the cited mark, they are similar to each other.
40. By the same token, the *Smilecare* case is not of help to the Applicant. I should nonetheless add that the distinction between the two sets of services compared by the court in the *Smilecare* case (whether in terms of the uses and users of the services and the trade channels employed) is much wider apart than the services under consideration in this case. The conclusion that the parties in that case were not in competition with each other is not applicable when comparing the Objected Services with the consultancy services relating to sales promotion, advertising and marketing that are covered by the registration of the cited mark.

Likelihood of confusion

41. Apart from the similarities between the marks and the similarities between the services, there is still another requirement under section 12(3) of the Ordinance, namely, that the use of the mark applied for on the services in question will likely cause confusion on the part of the public.
42. In considering whether there is a likelihood of confusion, I have to apply the global appreciation test, taking into account all relevant factors. In assessing the likelihood, I need only to consider the normal and fair use of the marks as they are. I also have to bear in mind that the nature of the services applied for and the level of attention and care that the consumers will have in relation to the selection of such services and their imperfect recollection of the marks that they encounter.
43. With such considerations in mind, I consider that, despite the higher level of care and attention that can be expected of the potential consumers of the Objected Services, the likelihood of confusion that can arise from the co-existence of the subject marks and the cited mark cannot be ruled out. The subject mark is therefore precluded from registration under section 12(3) of the Ordinance in respect of the Objected Services.
44. Mr. Birt made reference to the *modus operandi* of the Applicant at the hearing and the difference with that of the owner of the cited mark, in particular the absence of any trade presence of the owner of the cited mark in Hong Kong as shown from its website at www.itcworldsolutions.com. He also drew my attention to the reputation of the Applicant as a public company in Hong Kong as shown by the evidence filed. It was his submission that these facts, coupled with the higher level of attention and care that should be accorded to the consumers of the services in question, meant that confusion was unlikely to arise.
45. What we are concerned here is the *prima facie* case. The current position in the market is not decisive, nor should the status of the current trading practice of the owner of the cited mark be a matter that I should take into account when it is open to such owner to adopt any other form of trade practice that it considers appropriate. There is also no restriction against the owner of the cited mark to

extend its business to Hong Kong, should it not cover the territory at present and should it wish to do so.

46. Another matter that I have to cover before leaving this point is the reliance on the co-existence of other similar marks on the register. There are a number of examples of what the Applicant would consider to be similar marks which had been registered by different parties in respect of similar services in Classes 35 and 36. One of the examples which Mr. Birt specifically referred to was that of the registration of “APM” (Trade Mark No. 300254222) in respect of services in Class 35 and of “apm” (Trade Mark No. 300170801) in respect of goods and services in Classes 28, 35, 36 and 41 under the names of two different parties. That may be the position on the register but it has been long established that the state of the register is not relevant in considering the registrability of a mark since each case has to be decided on its own merits. As noted by Jacob J in the case of *British Sugar v James Robertson and Sons Ltd*, *supra*, at page 305 “*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 and the same must be true under the 1994 Act.*”. The citing of existing registered marks is therefore of no assistance to this application
47. In view of the similarity between the cited mark and the subject marks and the similarity between the services covered by the registration of the cited mark and the Objected Services and having taken into account all relevant factors, I consider that there is a real likelihood of confusion about the origin of the Objected Services and the similar services covered by the registration of the cited mark. The *prima facie* case of the registrability of the subject mark is not therefore established and registration of the subject mark is refused under section 12(3) of the Ordinance in respect of the Objected Services.

Honest concurrent use

48. As provided in section 13 of the Ordinance, a mark would not be prevented from registration under section 12 if there has been an honest concurrent use of the mark and the earlier trade mark. There was discussion about the matters to be taken into account in considering whether a case of honest concurrent use has

been established in the UK case of *Pirie* (1933) 50 RPC 147 and the following factors were considered to be relevant:

- (a) the extent of use in time and quantity and the area of the trade;
- (b) the degree of confusion likely to ensue from the resemblance of the marks which is to a large extent indicative of the measure of public inconvenience;
- (c) the honesty of the concurrent use;
- (d) whether any instances of confusion have in fact been proved; and
- (e) the relative inconvenience which would be caused if the marks were registered.

According to the case of *Electric Ld's Application for Trade Mark* [1957] RPC 369, these factors are not exhaustive and all relevant circumstances ought to be considered. Further, what is a relevant circumstance depends on the facts in each case.

49. As noted in the 14th edition of *Kerly's Law of Trade Marks and Trade Names*, at paragraph 9-156, the discretion of the tribunal is unfettered and concurrent registration may be allowed even where the possibility of confusion is considerable and each case has to be determined on its own merits.³ On this basis, I shall examine the evidence filed to see if a case of honest concurrent use has been made out.
50. The point of time for establishing honest concurrent use is the date of filing of this application, that is, 9 December 2005. The Applicant has submitted a statutory declaration by Mr. Law Hon Wa, William ("Law Declaration") and a statutory declaration by Ms. Chau Mei Wah ("Chau Declaration"). The Law Declaration has 21 exhibits, Exhibits LHW-1 to LHW-21 while the Chau Declaration has 3 exhibits, Exhibits CMW-1 to CMW-3. Some of the materials submitted are dated after the date of application and cannot therefore be taken into account.
51. The Chau Declaration and its exhibits were filed to establish two matters, the first being the relationship between ITC Management Limited and the Applicant.

³ This passage was quoted with approval in the UK Court of Appeal in the case of "*Budweiser*" [2000] RPC 906 at 915

According to the Law Declaration, staff of the indirectly wholly-owned private subsidiary of the Applicant, ITC Management Limited, and staff of the Applicant had been seconded to provide various services to a number of listed and unlisted companies in Hong Kong and in other places as well as the subsidiaries of these companies in which the applicant held significant interests. Most of the debit notes found in the exhibits of the Law Declaration were issued in the name of ITC Management Limited, a wholly owned subsidiary of the Applicant which was looking after the management of the companies in its group. In addition, the Chau Declaration gives information about the number and nature of the shareholders of the Applicant as at 30 September 2005. All other matters for establishing honest concurrent use are covered by the Law Declaration.

52. The first thing to note about the Law Declaration is that in paragraph 19, Mr. Law averred that the subject marks have been used in relation to only some and not all of the services applied for. Mr. Birt mentioned at the hearing that the services identified by Mr. Law in the Law Declaration as being those in respect of which the subject marks had been used should be allowed, with the Applicant given the opportunity to amend the specification.
53. Some of the Objected Services are among the services that the Applicant has, on the basis of its own admission in paragraph 19 of the Law Declaration, not applied the subject marks in relation to their provision. These are “marketing research and studies; rental of advertising space, promotion of goods and services, computer database processing; sales, business, advertising and promotional information provided by computers to unavailable subscribers; provisions of sales, business, advertising and promotional information through a global computer network; provision of computer databases relating to business; organization of exhibitions for commercial or advertising purposes; consultancy, information, management and advisory services relating to all the aforementioned services” in Class 35 (“the Unused Services”). Since the evidence submitted does not relate to these services, the objection raised under section 12(3) of the Ordinance cannot be overcome on ground of there having been honest concurrent use for such services.
54. For the remainder of the Objected Services, namely “publication of publicity materials; advertising and promotion services and information services thereto;

business information services; dissemination of advertising materials, updating of advertising materials, compilation of advertisements for use as web pages on the Internet; consultancy, information, management and advisory services relating to all the aforementioned services” (“the Remaining Services”), the evidence filed in support is analysed below.

Extent of Use

55. To assess the extent of use of a trade mark in time and quantity and the area of trade, pointers like the range of the consumers that use the services provided under the mark, the sales volume and the duration of use are all useful. Information about the consumers involved, the sales turnover and the history of use has been provided in the Law Declaration, much of which covers use by another company. The relevance of such use has to be examined in greater detail.
56. The Applicant claims first use of the subject marks by the International Tak Chung Group since or around August 1990. It is actually difficult to trace the right to use the subject marks from the background disclosed in the Law Declaration, a large part of which is due to the confusion resulting from the Applicant treating a registered trade mark for “ITC” as the subject marks. This registration is for “ITC” in plain capital form in respect of “construction of buildings” in Class 37 and the trade mark number is 1997B09762 (the “Registered Mark”).
57. Application for registration of the Registered Mark was made in 1994 by another public company involved which was at one point called International Tak Cheung Holdings Limited and I would refer to it as “ITC Holdings”. According to the Law Declaration, ITC Holdings had been the substantial shareholder of the Applicant. As a result of a corporate reorganization in 1997, ITC Holdings ceased to be a substantial shareholder of the Applicant and the Registered Mark was assigned by ITC Holdings to the Applicant by way of an assignment dated 7th May 1998. This document is produced in Exhibit LHW-9. The Applicant also changed its name to ITC Corporation Limited in December 1997 and before that its name had nothing to do with the term “ITC”.

58. Throughout the Law Declaration, the deponent had regarded the Registered Mark as the same as the subject marks. In particular, the Applicant looks upon ITC Holdings as the original owner of the subject marks from whom it derives the right to use the subject marks. Trade mark rights are intangible personal property rights and the exclusive right to use a trade mark that its owner has is limited to goods or services that are identical or similar to those for which the mark has been registered and/or used. The extent to which ITC Holdings had used the Registered Mark in respect of any of the Remaining Services is not clear.
59. Nevertheless, the Applicant seeks to rely on the use of the subject marks by ITC Holdings. The basis for so doing has not been very clearly accounted for. There is mention in paragraph 14 of the Law Declaration that reliance is premised on legal advice received that all goodwill accrued from the use of the subject marks by ITC Holdings inures to the benefit of the Applicant by way of the assignment mentioned above. That was however only an assignment of the Registered Mark together with the goodwill attaching to it. The registration is in respect of “construction of buildings” in Class 37 and that has nothing to do with the Remaining Services.
60. Evidence about the goodwill established through the use of the “ITC” mark by ITC Holdings has not been presented to me. A separate statutory declaration by someone on behalf of ITC Holdings has not been filed. Even with the evidence filed in the form of the Law Declaration, there is nothing to show that if there had been use of the “ITC” mark by ITC Holdings in respect of the Remaining Services, the goodwill, if any, relating to such services had been devolved to the Applicant, whether through an assignment, the corporate reorganization or otherwise. Ergo, even if use of the Registered Mark by ITC Holdings inures to the benefit of the Applicant because of the assignment, such use is of no help to this application when the assignment merely relates to services unrelated to the Remaining Services. Thus, I do not agree that the supporting materials relating to ITC Holdings should be taken into account and I shall discount them in the discussions below.
61. The deponent of the Law Declaration had helpfully indicated the relevance of the exhibits to the different types of services involved in paragraph 20 of the

declaration. In relation to the Remaining Services, materials in Exhibit LHW-17 were filed in support. The materials consist of annual and interim reports of the Applicant, circulars and announcements issued or published by the Applicant and debit notes regarding advertisements.

62. The annual reports and interim reports were published by the Applicant for compliance with the listing rules and other statutory requirements. They cannot be considered as advertisements. They merely provided records of the activities carried on by the applicant during the periods in question and its financial position. There was no promotion of the products and/or services of the Applicant. More importantly, the publication of the reports did not involve the provision of any publication, advertising, dissemination, updating or compilation of information or publicity materials to customers of the Applicant.
63. This is where the Applicant referred me to the diversity of its shareholders. Even without the details provided in the Chau Declaration, I agree that the public investors in a listed company can represent a significant proportion of the public. However, I cannot accept that there had been the provision of any of the Remaining Services to these public investors in the act of publishing annual and interim reports of the company. The recipient of any promotional, publicity and other services is the Applicant and not the public investors or other parties.
64. As regards the circulars and announcements, they were about rights issue, shares acquisition or other notifiable transactions the publication of which was also a listing requirement. Although a few of them (out of the 83 circulars and 138 announcements submitted) relate to companies other than the Applicant as well, the Applicant issued the circular or made the announcement because of its shareholding in those companies. I would not rule out the possibility of such circulars or announcements serving as advertisements at the same time. As in the case with the annual and interim reports of the Applicant however, with the circulars and announcements filed, their publication did not involve the provision of any of the Remaining Services, nor the provision of services to the public investors or other parties.
65. In paragraph 20 of the Law Declaration, the deponent specifically mentioned that the provision of business information of the Applicant's group to members of the

public, in particular the shareholders of the Applicant, was demonstrated by the materials in Exhibit LHW-17. I do not see how this can be the case when the business information that the Applicant provided was only that in relation to its group. A customer looking for a provider of business information services would not go to the Applicant because the subject matter to which the information relates can only be that of the companies in the Applicant's group. If the argument of the Applicant is accepted, it would mean that all public companies are engaged in the business of providing business information services. Not only that, all newspaper and media in which the circulars and announcements of public companies may be published should also be regarded as providing business information services.

66. There are also 15 debit notes regarding advertisements in Exhibit LHW-17. They were issued by ITC Management Limited to various companies for advertisements placed in various newspapers and magazines. The descriptions in these debit notes speak for themselves. The amounts payable were for "share of advertisement fee on [name of newspaper/magazine] on [date]". In some cases, the invoice from the magazine concerned is attached. There is no mention of the provision of any services by the Applicant. The debit notes only show the existence of a cost-sharing mechanism between the Applicant and the respective company in question. They do not support the provision of any of the Remaining Services by the Applicant.
67. The sales turnover that can be attributed to the provision of the services in question can serve as a good indicator of the extent of use of the subject marks. Figures on turnover are set out in paragraph 22 of the Law Declaration and discounting those attributable to ITC Holdings, they cover the period from 1998 to 2005. Although the amounts varied from year to year, they are fairly impressive. They are however not helpful to me in considering whether there has been honest concurrent use of the subject marks.
68. The figures provided in paragraph 22 of the Law Declaration are directly copied from the annual reports of the Applicant. The data on the turnover represent the aggregate of sales from all business activities of the Applicant. The annual reports for those years do show some breakdown of these figures according to the different categories of businesses carried on by the Applicant during the

relevant periods. Mr. Birt also directed my attention to the summary provided on page 12 of the summary in Exhibit LHW-21 of the Law Declaration which indicates the relevance of the “segmental information” in the extracts of the annual reports in Exhibit LHW-18 to the different types of business activities carried out by the Applicant. None of these items however relates to the Remaining Services.

69. The difficulty presented by the unavailability of the itemized sales figures that should be attributed to the provision of the different categories of the services applied for had been drawn to the attention of the Applicant at the examination stage. In the letter of the Registry dated 25 January 2008, the examiner commented that since the turnover figures regarding individual items of the services applied for or of a similar group of items were not provided, the extent of use of the subject marks on these items or group of items could not be ascertained. There is a valid concern here since it is possible that the sales were mainly attributable to the provision of one type of service while another type of service had only been sought for to a minimal extent. The concern is also more acute where, as in the present case, the services in respect of which honest concurrent use is claimed are quite diversified and numerous.
70. In addition to the point about the “segmental information” in the extracts of the annual reports filed, Mr. Birt submitted that when an applicant was seeking to overcome a citation on the ground of honest concurrent use, the Registrar should be looking to assist the applicant in securing registration where the marks had clearly co-existed. He even suggested that there should be a presumption in favour of accepting the evidence of use filed.
71. As noted in paragraph 49 above, the discretion vested in me is unfettered. That however has to be exercised within reasonable realms. To allow an applicant to register a mark which would likely give rise to confusion when used together in the market with an identical or similar mark of another party, very clear evidence has to be filed in support.
72. I appreciate that the Applicant may not have kept their accounts in a way that allows them to provide the relevant breakdown and I have some sympathy for them if that is the case. That however does not alter the incidence of proof.

The onus is still on the Applicant to establish that the extent of the honest concurrent use claimed is such that would justify the acceptance of the subject marks. As is apparent from the legal principles discussed in paragraph 48 above, this factor is no doubt a relevant factor that I should take into account in assessing whether there has been honest concurrent use. In the absence of any breakdown of the sales figures provided or an explanation in the statutory declarations filed about the extent of the provision of the different services in question, I cannot conclude that there has been extensive use of the subject marks in respect of the Remaining Services.

73. As regards the duration of use, in paragraph 14 of the Law Declaration, Mr. Law averred to the first use of the subject marks by ITC Holdings in or around August 1990. As indicated in the above, there is no justification for attributing use of the subject marks, if any, by ITC Holdings as use by the Applicant. Rather, as is apparent from the discussions in paragraphs 56-72 above, the evidence does not support a case of the Applicant having been engaged in the provision of any of the Remaining Services.

Degree of confusion

74. The degree of confusion that will likely ensue has already been covered by the discussions in paragraph 41 to 47. I should add though that a likelihood of confusion *per se* does not necessarily justify refusal of registration. Despite the possibility of confusion, other considerations may well justify registration. The passage from *Kerly's*, quoted in paragraph 49 above, points to honest concurrent use as a permissible exception even where confusion is considerable.

Honesty of concurrent use

75. The subject marks form part of the name of the Applicant and the history of the evolution of its name, from its initial association with ITC Holdings and its later change of name after the corporate reorganization, has been explained in the Law Declaration. I have no doubt about the honesty of the Applicant in adopting the subject marks as its trade name and service marks.

Instances of confusion

76. I have no information before me about any actual instances of confusion.

Balance of inconvenience

77. The owner of the cited mark is the first to register. In light of my finding that there has not been use of the subject marks in respect of the Remaining Services by the Applicant, the owner of the cited mark will no doubt be inconvenienced if another party is allowed to register a similar mark that may give rise to confusion in the market. On the other hand, Mr. Birt referred to the prejudice to the Applicant and its business in not being able to rely on the protection afforded by the registration of its trade mark and the need to rely on the common law action of passing off to protect its rights.

78. In view of the above analysis of the business activities of the Applicant, I have doubt whether the Applicant will be able to prove the subsistence of any goodwill with regard to the Remaining Services as the basis for mounting any passing off action. Thus, despite such cogent arguments, I do not agree that the balance of inconvenience tips in favour of the Applicant when there can be no justifiable finding that the Applicant has been carrying on the business of providing any of the Remaining Services.

Weighing of all factors

79. Apart from the above factors, I have also considered the full story about the Applicant and its group as presented in the two statutory declarations and the exhibits, in particular the way in which the Applicant and companies in its group managed their businesses and corporate activities. I have also taken note of the submissions made on behalf of the Applicant about the way records of the activities of the group have been kept and the endeavours of the deponent of the Law Declaration in providing a more detailed picture of the relevance of the materials exhibited. Having taken all relevant circumstances into account, I find the Applicant to have failed to establish that there has been honest concurrent use in respect of the Remaining Services.

Other special circumstances

80. There is an alternative ground for allowing registration of a mark despite a valid objection under section 12 of the Ordinance. Pursuant to section 13(1)(b) of the Ordinance, if by reason of other special circumstances it is proper for a trade mark to be registered, the objection under section 12 can be overcome. As other special circumstances are a separate and distinct ground that may justify registration, although there has been no honest concurrent use with regard to the Unused Services and the Remaining Services, I still have to consider whether the objection under section 12 may be overcome by the presence of other special circumstances in respect of the Unused Services and the Remaining Services.
81. Although not judicially defined, indication of what amounts to “other special circumstances” can be gleaned from the cases where registration had been allowed on this basis. In the case of *Holt* [1957] RPC 289, the fact that the applicant in the case had used their mark for 15 years prior to the opponents was considered as “special circumstances” because it was a fact peculiar to the applicant in relation to the subject matter of the application. The *Holt* case was relied on in the Hong Kong case of *Re Miss Elaine Inc.* [2003] 1 HKC 666.
82. In addition to the *Holt* case and the *Re Miss Elaine Inc.* case, Mr. Birt referred me to the *Stingray* case and the cases of *Budweiser supra* and *Granada Trade Mark* [1979] RPC 303 as well. He then summarized the factual circumstances relevant to the case, all of which had been covered in his deliberations on the *prima facie* registrability and honest concurrent use of the subject marks. Mr. Bird placed emphasis on the alleged prior use of the subject marks by the Applicant and ITC Holdings and his suggestions about the non-use of the cited mark by its owner.
83. In the *Granada* case, it was common ground that the opponents could not stop the use of the applicant’s mark because the similar element in the opponent’s registered mark had been disclaimed. This fact was considered as a special circumstance that would justify registration of the applicant’s mark. On the basis of the earlier use claimed and the lack of evidence of use of the cited mark as noted in paragraph 44 above, Mr. Birt submitted that the owner of the cited mark would not be in a position to prevent the Applicant from using the subject

marks for the services applied for and the registration of the cited mark was clearly vulnerable for cancellation on ground of non-use.

84. In the *Budweiser* case, whether there was a special circumstance that justified the registration of “BUDWEISER” as a trade mark in respect of beer was in question. Gibson L.J. of the UK Court of Appeal concluded that the way the consumers referred to a product by a particular name (BUDWEISER) in a trade mark sense was a special circumstance, and so was the previous litigation between the parties and in particular the registration of BUD by the applicant as a trade mark contraction of BUDWEISER.
85. Both the *Granada* case and the *Budweiser* case were opposition cases and their decisions were based on the respective actual usages of the marks in question by the applicants and the opponents. In the present case, the owner of the cited mark has no opportunity to present its case and the assertion of Mr. Birt that the cited mark has not been used in respect of the services for which it is registered is based simply on the information obtained from its website. Further, what is of greater importance is the absence of evidence of use of the subject marks as, in the case of the Unused Services, admitted by the Applicant and, as per my finding, in the case of the Remaining Services. The *Granada* case and the *Budweiser* case are therefore clearly distinguishable.
86. The Australian *Stingray* case involves the opposition to an application for the registration of a composite mark constituted by the word “STINGRAY”, a stingray device and a slogan “TAKE THE STING OUT OF THE SUN’S RAYS”. The application was in respect of “clothing and headgear” in class 25. The opponent was the owner of the registered mark “STINGRAY” in class 25. The evidence of use showed that the applicant in the *Stingray* case had used the mark on special clothing for protection of the human body against the harm caused by ultraviolet radiation of the sun and the word “STINGRAY” was chosen because of its play on the words of the slogan. The products of the applicant were retailed at shops operating under the name of “Australian Skin Cancer Shop”.
87. The hearing officer dismissed the opposition on ground of there being special circumstances and the officer had this to say on the factors that had been considered relevant –

“Apart from a reference to two outlets in Queensland one in South Australia supplying the opponent’s goods, Mr. Beatty’s statements that the articles of clothing carrying the opponent’s trade marks have been sold by various retailers throughout Australia have not been supported by evidence, nor any details furnished as to the turnover of the goods and the related advertising expenditure. The applicant’s evidence, on the other hand, has provided sufficient information from which I am able to conclude that the subject mark has achieved reasonable reputation and has become identified in the minds of the relevant members of the Australian community. This factor, together with the slogan TAKES THE STING OUT OF THE SUN’S RAYS in the applicant’s marks, which emphasizes the connection between the mark and the particular nature of the goods of this application and at the same time, tends to minimize the risk of deception or confusion, as reiterated by Ms Freeman, is a further matter which enhances the applicant’s case.”

88. It was Mr. Birt’s submissions that the words “World Solutions International Training & Consultancy” in the cited mark played the same role as the slogan in the *Stingray* case and hence the likelihood of confusion would lessen. I do not see any play of words in the case of the cited mark. No doubt the term “ITC” can be seen as the acronym of “International Training & Consultancy” but such practice is very common and does not entail much mental exercise on the part of the consumers.
89. It is also clear from the judgment of the *Stingray* case that the hearing officer had taken account of a number of factors and the effect of the slogan in the mark applied for in the case was only one of them. The fact that the extent of use claimed by the opponent was not supported by evidence while the evidence of the applicant justified a conclusion that the mark had achieved reasonable reputation and had become identified in the minds of the relevant consumers was, I think, of greater if not equal importance.
90. Furthermore, unlike the *Stingray* case where the goods of the applicant served a particular purpose and were targeted at a particular niche in the market, the services of the Applicant and the owner of the cited mark are of interest to the same group of people. There has not been use of the subject marks by or on

behalf of the Applicant in respect of the Remaining Services or the Unused Services. The differences from the *Stingray* case do not warrant a finding of any special circumstances in the present case.

91. I have reviewed the particulars of the present case in detail and the cases relied on by the Applicant. With the materials before me, there is no basis for me to find that any special circumstances exist to justify the registration of the subject mark in respect of the Remaining Services and the Unused Services. I cannot therefore allow registration of the subject marks in respect of the Remaining Services and the Unused Services on ground of other special circumstances.

Conclusion

92. I have considered all the documents filed by the Applicant, including the evidence filed and all written and oral submissions made in respect of the application and the authorities referred to. For the reasons stated above, I find that, in respect of the Objected Services, the subject marks are precluded from registration under section 12(3) of the Ordinance. The application is accordingly refused under section 42(4)(b) of the Ordinance in respect of these services.

93. As I find that the registration of the subject marks can be accepted in respect of the services set out in paragraph 9 above, the application for registration in respect of such services can proceed to publication provided that the Applicant files, on or before 5th June 2009, a Form T5A to restrict the specification by deleting the Objected Services and a Form T3 to divide the amended application into two separate applications as follows:-

- (1) an application in respect of “import-export agencies; telephone answering (for unavailable subscribers); auction via a global computer network; home shopping by means of a global computer network; departmental store retailing; retail and wholesale of goods for designing, building, constructing and maintaining buildings, plants, utilities, airports, tunnels and bridges; retail and wholesale of building and construction materials of metals and non-metals, landscaping materials, imported or local manufactured office furniture, designed furniture for

office use, work space design furniture, interior design fixtures, interior design decorative materials, imported and local manufactured home and domestic furniture, designed furniture for domestic use, household fittings and fixtures, outdoor furniture, appliances, publications, educational materials; office functions; compilation and rental of mailing lists; consultancy, information, management and advisory services relating to all the aforementioned services, all included in Class 35” which can be accepted for registration on a *prima facie* basis; and

- (2) an application in respect of “accounting; book-keeping; business management and organization consultancy; business management consultancy; business management of hotels; business organization consultancy; advisory services for business management; commercial or industrial management assistance; secretarial services; tax preparation; business consultancy; business administration; business management assistance; business development; business investigation; consultancy, information, management and advisory services relating to all the aforementioned services; all included in Class 35” in Class 35 and “capital investments; financial management; financing services; fund investments; lending against security; loans financing; property investment; consultancy, information and advisory services relating to all the aforementioned services; all included in Class 36” which can be accepted for registration on ground of honest concurrent use.

If the Applicant fails to do so on or before 5th June 2009, it will be deemed to have abandoned the application.

Caroline Chow
for Registrar of Trade Marks
5 May 2009

Appendix A

Class 35

Accounting; book-keeping; business management and organization consultancy; business management consultancy; business management of hotels; business organization consultancy; import-export agencies; advisory services for business management; commercial or industrial management assistance; secretarial services; tax preparation; business consultancy; business administration; business management assistance; business development; marketing research and studies; publication of publicity materials; advertising and promotion services and information services thereto; business information services; dissemination of advertising materials, updating of advertising materials, compilation of advertisements for use as web pages on the Internet; rental of advertising space, promotion of goods and services, computer database processing; sales, business, advertising and promotional information provided by computers to unavailable subscribers; telephone answering (for unavailable subscribers); provision of sales, business, advertising and promotional information through a global computer network; provision of computer databases relating to business; auction via a global computer network; home shopping by means of a global computer network; departmental store retailing; retail and wholesale of goods for designing, building, constructing and maintaining buildings, plants, utilities, airports, tunnels and bridges; retail and wholesale of building and construction materials of metals and non-metals, landscaping materials, imported or local manufactured office furniture, designed furniture for office use, work space design furniture, interior design fixtures, interior design decorative materials, imported and local manufactured home and domestic furniture, designed furniture for domestic use, household fittings and fixtures, outdoor furniture, appliances, publications, educational materials; office functions; organization of exhibitions for commercial or advertising purposes; compilation and rental of mailing lists; business investigation; consultancy, information, management and advisory services relating to all the aforementioned services; all included in Class 35.

Class 36

Capital investments; financial management; financing services; fund investments; lending against security; loans financing; property investment; consultancy,

information and advisory services relating to all the aforementioned services; all included in Class 36.