

## TRADE MARKS ORDINANCE (CAP. 559)

**APPLICATION NO.** : **300878680**  
**MARK** : **artprotect**  
**APPLICANT** : **AXA Art Versicherung AG**  
**CLASSES** : **36 and 39**

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## STATEMENT OF REASONS FOR DECISION

### Background

1. On 28 May 2007, AXA Art Versicherung AG (“the Applicant”) filed an application (“the subject application”) for registration of the mark shown below (“the subject mark”) under the Trade Marks Ordinance (Cap. 559) (“the Ordinance”).

**artprotect**

2. The registration of the subject mark is sought in respect of the services of “insurance; financial affairs” in Class 36 and “transport” in Class 39.
3. At the examination stage, objections were raised under sections 11(1)(b) and (c) of the Ordinance in respect of the applied-for services of “insurance” in Class 36 and “transport” in Class 39 (“the objected services”) on the basis that in relation to the objected services, the subject mark is devoid of any distinctive character and it consists exclusively of signs which may serve, in trade or business, to designate the characteristics of the objected services. No objection has been raised against the services of “financial affairs” in Class 36. Subject to meeting the requirements set forth in paragraph 29 below, the subject application insofar as it is in respect of “financial affairs” may proceed to publication.
4. On 26 June 2008, the Applicant requested a hearing on the registrability of the subject mark. The hearing took place before me on 2 September 2009, at which Mr. Philips B. F. Wong, Counsel instructed by Messrs. Woo Kwan Lee & Lo appeared for the Applicant. I reserved my decision at the conclusion of the hearing.
5. The Applicant did not file any evidence of use of the subject mark to show that the mark has in fact acquired a distinctive character as a result of the use made of it under section 11(2) of the Ordinance. I have, therefore, only the *prima facie* case to consider.

## **The Ordinance**

6. The absolute grounds for refusal of an application for registration are set out in section 11 of the Ordinance. The relevant provisions under section 11 read 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 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 the goods and services in respect of which registration is sought.
8. In *Wm. Wrigley Jr. Company v OHIM* [2004] 1 W.L.R. 1728 (“*DOUBLEMINT*”), the European Court of Justice (“the ECJ”) discussed the approach to Article 7(1)(c) of Regulation No. 40/94 of 20 December 1993 on the Community Trade Mark (provisions of which are broadly similar to section 11(1)(c) of the Ordinance) and stated the relevant principles as follows:

“29. Article 7(1)(c) of Regulation No 40/94 provides that trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographic origin, time of production of the goods or rendering of the service, or other characteristics of the goods or service are not to be registered.

30. Accordingly, signs and indications which may serve in trade to designate the characteristics of the goods or service in respect of which registration is sought are, by virtue of Regulation No 40/94, deemed incapable, by their very nature, of fulfilling the indication-of-origin function of the trade mark, without prejudice to the possibility of their acquiring distinctive character through use under Article 7(3) of Regulation No 40/94.

31. By prohibiting the registration as Community trade marks of such signs and indications, Article 7(1)(c) of Regulation No 40/94 pursues an aim which is in the

public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all. That provision accordingly prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks (see, inter alia, in relation to the identical provisions of Article 3(1)(c) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of Member States relating to trade marks (OJ 1989 L 40, p. 1), *Windsurfing Chiemsee*, paragraph 25, and Joined Cases C-53/01 to C-55/01 *Linde and Others* [2003] ECR I-3161, paragraph 73).

32. 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 provision 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.”

9. In light of the legal principles above, to be precluded from registration under section 11(1)(c) of the Ordinance, a mark does not need to be actually in use in a way that is descriptive of the applied-for goods and services. It is sufficient if the mark could be used for the purpose of designating the characteristics of the goods and services, including the kind and intended purpose of the goods and services. A mark is therefore objectionable if at least one of its possible meanings designates a characteristic of the goods and services in question.
10. In *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (Case C-363/99) [2004] E.T.M.R. 57 (“*POSTKANTOOR*”), the ECJ also clarified that it is irrelevant whether there are other, more usual signs or indications for designating a particular characteristic of the goods or services, as the provision does not require that the sign or indication under examination should be the only way of designating the characteristic in question (*POSTKANTOOR*, para.57). It is also irrelevant whether there are synonyms capable of designating the same characteristic of the goods or services, or whether the characteristic in question is commercially essential or merely ancillary (*POSTKANTOOR*, para.104).
11. The subject mark is a compound of two ordinary English words “art” and “protect”. According to *Compact Oxford English Dictionary*<sup>1</sup>, “art” may refer to “the expression of creative skill through a visual medium such as paintings or sculpture”, or “the product of such a process; paintings, drawings, and sculpture collectively”. Paintings, drawings and sculpture are sensitive to environmental conditions such as temperature, humidity and exposure to light. Sunlight may speed up the fading of pigments in a painting and acid rain could erode a sculpture made by stone. Due to their delicate

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<sup>1</sup> [www.askoxford.com](http://www.askoxford.com)

nature, owners of works of art may wish to take out an art insurance policy to protect themselves against the risk of loss or damage to their precious assets as a result of a variety of natural hazards. As a single piece of work of art could worth up to millions of dollars, owners of works of art may also wish to insure against the potential loss of property because of theft or mysterious disappearance. Well-equipped vehicles and special packaging may be used to secure the safety and security of works of art during the transportation process. It is therefore conceivable that art protection is a matter of concern to museums, galleries and private collectors of works of art.

12. According to settled case law, I must assess the descriptiveness of a mark from the perspective of the average consumer of the applied-for services. In relation to the objected services of insurance and transport, the relevant consumers are essentially individual members of the public as well as organizations in Hong Kong which are looking for or interested in these services. They include people or organizations which are looking for or interested in one or more types of these services according to their different needs, including but not limited to those museums, galleries and private collectors of works of art referred to in paragraph 11 above.
13. When the mark “artprotect” is used in relation to insurance services, the mark as a whole merely designates the kind and intended purpose of the insurance services provided by the Applicant, i.e. the insurance services are for the protection of works of art. When the subject mark is used in the context of transport services, it directly describes the kind and intended purpose of those services, namely, they are for protecting the relevant works of art from damage during the course of transport. Thus, in the mind of the relevant consumers, the subject mark consists exclusively of a sign which may serve in trade to designate the kind and intended purpose of the objected services.
14. At the hearing, Mr. Wong argues that whilst the Registrar is entitled to consider the meaning of each of the constituent elements of the mark, the mark must ultimately be assessed as a whole to determine whether it is descriptive or not. He submits that the way in which the words “art” and “protect” are combined in the subject mark is creative and unprecedented, as the phrase “art protect” is unnatural and grammatically incorrect in contemporary English language and other traders in the field are unlikely to employ such term to describe the characteristic of similar services. Mr. Wong further suggests that the words “art” and “protect” are combined together to form a single neologism so that the visual impact of the subject mark as a whole is significantly different from its individual components.
15. I am not convinced by Mr. Wong that merely putting the words “art” and “protect” together would create an impression which is significantly different from that created by its individual components. Taken as a whole, the subject mark would simply be

read and understood by the average consumers as referring to art protection, and nothing else. As suggested by the ECJ in *Duro Sweden AB v OHIM* (Case T-346/07) [2009] E.T.M.R. 22 (“EASYCOVER”) (at page 456), it is common in English language to create words by coupling together two words each of which has a meaning. The court in that case held that the mere absence of a hyphen or a space between the two words composing the mark does not create an impression which is sufficiently far removed from that produced by the simple juxtaposition of those words, and it was found that the meaning of the mark “EASYCOVER” taken as a whole conjured up the idea of “easy covering” or of “something which can be easily applied or placed on an object”. Likewise, in the present application, the fact that there is no spacing between the words “art” and “protect” does not make any difference to the perception of the relevant consumers, and the subject mark taken as a whole remains to be descriptive of the kind and intended purpose of the objected services, i.e. insurance and transport services which are provided for the purpose of art protection. The descriptive meaning conveyed by the subject mark is clear and direct.

16. As regards Mr. Wong’s submission that the phrase “art protect” is unnatural and grammatically incorrect, it was stated in paragraph 27 of *Easynet Group Plc v Easygroup IP Licensing Ltd* [2007] R.P.C. 6 (“easy.com”) that:

“The authorities show that the true approach is not that formulated by Mr Alexander but a broader one of looking at the mark as a whole in order to see whether the mark as a whole is descriptive within the meaning of the section and, in particular, to see whether the mark as a whole produces something which is more than the mere sum of the parts. In the course of that exercise it is permissible, although probably not obligatory, to consider the descriptive nature of the separate elements, but it is an overall assessment that matters. ***That assessment is not qualified by such concepts as unusualness. It is a qualitative judgment as to the degree of descriptiveness of the term and the extent to which it goes beyond that which arises out of the conjunction of the two or more elements which make it up, and it does not depend on compliance with any particular adjectives of the nature of usual, unusual, ordinary or extraordinary.***” (emphasis added)

17. Following the above principle, I must look at the mark as a whole, consider the overall impression made by the mark and assess whether, on that basis, the mark is descriptive. There is no separate requirement for the combination to be unusual or extraordinary. It is the overall impression created by the mark that must be assessed. As explained in paragraph 13 above, when the subject mark is used in relation to insurance and transport services, I find that the subject mark as a whole is descriptive of the kind and intended purpose of the objected services, namely that they are for art protection or protecting works of art. The relationship between the subject mark and

the objected services is so direct and immediate that the relevant consumers would perceive the subject mark, without further thought, as designating the kind and intended purpose of the objected services. As the subject mark consists only of a sign which may be used to designate the kind and intended purpose of the objected services, the mark is therefore debarred from registration under section 11(1)(c) of the Ordinance in relation to the objected services.

*Section 11(1)(b) of the Ordinance*

18. Section 11(1)(b) of the Ordinance, operating as a ground of objection separate and independent from that under section 11(1)(c), precludes registration of signs which are devoid of any distinctive character. In *British Sugar Plc v James Robertson & Sons Ltd* [1996] R.P.C. 281 at 306, Mr. Justice Jacob said:

“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. Further to the above principle, in assessing the distinctive character of a sign, Sir Andrew Morritt in *Nestle SA’s Trade Mark Application (“Have a Break”)* [2004] F.S.R. 2, at paragraph 23, stated that:

“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.”

20. It follows that the distinctive character under section 11(1)(b) of the Ordinance means that the mark, assuming no use of it, must be capable of identifying the product or service as originating from a particular undertaking, and thus distinguishing it from those of other undertakings. The distinctiveness of the mark must be assessed by reference to the goods or services for which registration is sought and the perception of the relevant consumers who are reasonably well-informed and circumspect.
21. As discussed in paragraph 12 above, the relevant consumers of the objected services are individual members of the general public in Hong Kong as well as organizations which are looking for or interested in insurance or transport services.
22. In paragraph 11 of this decision, I have considered the dictionary meaning of the word “art” in the subject mark and examined the relationship between art protection and the objected services of insurance and transport. On that basis, I analysed the meaning of

the subject mark “artprotect” in the context of objected services and concluded that the subject mark as a whole conveys a descriptive message as to the kind and intended purpose of the objected services i.e. those services provided by the Applicant are for protecting works of art.

23. In view of such descriptive message, I consider that when the subject mark is used in relation to the objected services, the relevant consumers would immediately or automatically perceive it, on first impression, as an indication that the relevant services are for art protection, as opposed to denoting the commercial origin of the services in question. In other words, a reasonably well-informed and circumspect consumer who is looking for or interested in the objected services would not, without first being so educated, immediately or automatically recognise the trade mark significance of the subject mark. Hence, the subject mark is found to be devoid of any distinctive character under section 11(1)(b) of the Ordinance in relation to the objected services.
24. In this regard, Mr. Wong avers that the term “artprotect” is only allusive, and not descriptive, of the objected services. He argues that in respect of insurance services, an insurance company never protects an insured object, but only compensates the owner if there is damage or loss to the object; and that in relation to transport services, the subject mark does not bear any direct description on the services in question. In contrast, Mr. Wong submits that the term “artprotect” would be descriptive to security services because such services are rendered to protect the art objects themselves.
25. I cannot accept Mr. Wong’s submission. According to *Collins English Dictionary (Millennium Edition)*, “insurance” is “a means of protecting or safeguarding against risk or injury”. In other words, protection is the underlying objective of insurance. Every person who is looking for an insurance service invariably wishes to be protected. As such, when the mark “artprotect” is used in relation to insurance services, the instant and immediate message conveyed by the subject mark to the relevant consumers is that the subject matter of protection is the works of art. In the context of transport services, the term “artprotect” is likely to be viewed by the relevant consumers as an indication that the transport services provided by the Applicant afford protection to the relevant works of art in the course of carriage. In view of such direct messages, I am not satisfied that the subject mark would enable the relevant consumers to distinguish the objected services of the Applicant from those of other traders when they encounter the mark on first occasion. The subject mark therefore fails to perform the essential function of a trade mark in guaranteeing the identity of the origin by enabling the relevant consumers to distinguish the objected services offered by the Applicant from those provided by the others.

26. Based on the reasons stated above, I find that the subject mark is devoid of any distinctive character in respect of the objected services. The subject mark is thus precluded from registration under section 11(1)(b) of the Ordinance in relation to the objected services.

*Foreign registrations of the subject mark*

27. Mr. Wong also avers that the subject mark has been accepted for registration by the Office for Harmonization in the Internal Market (“OHIM”) and the trade mark offices in Switzerland, Germany and the United States, and hence it provides analytical support that the subject mark is not devoid of any distinctive character. It should be noted that national trade mark rights are territorially limited and granted independently of each other, and one cannot expect that every trade mark office will invariably take the same view. Even if the subject mark has been accepted for registration by a foreign trade mark office, it is a well-established principle that the bare fact of registration in other jurisdictions is not sufficient to establish that a sign is eligible for registration here (*Automotive Network Exchange Trade Mark* [1998] R.P.C. 885). In the instant case, as there are good reasons for refusing the subject application in relation to the objected services, I am not prepared to simply follow the decisions of other registries. This is especially so when the reasons and rationale behind those acceptances are not available before me.

**Conclusion**

28. I have carefully considered all of the submissions, both written and oral, made by and on behalf of the Applicant. For the reasons given above, I consider that the subject mark is precluded from registration by sections 11(1)(b) and 11(1)(c) of the Ordinance in relation to the objected services. The subject application is accordingly refused under section 42(4)(b) of the Ordinance in respect of the objected services.
29. As I have indicated in paragraph 3 above, no objection has been raised against “financial affairs” in the specification. The subject application in respect of the services of “financial affairs” in Class 36 may proceed to publication, provided that the Applicant files, on or before **1 March 2010**, an amendment on Form T5A to amend the specification by restricting the application to “financial affairs” only. If the Applicant fails to do so on or before **1 March 2010**, it will be deemed to have abandoned the subject application.

Ryan Ng  
for Registrar of Trade Marks  
28 January 2010