




TRADE MARKS ORDINANCE (Cap. 559)

APPLICATION NO. : 301114631AB

MARK :

A 

B 

C 

APPLICANT : THE LUXURY CHANNEL LIMITED

CLASSES : 35, 38 and 41

STATEMENT OF REASONS FOR DECISION

Background

1. On 13 May 2008, The Luxury Channel Limited (“the applicant”) filed an



application for the registration of three marks in a series (“the subject marks”) pursuant to the provisions of the Trade Marks Ordinance (Cap.559) (“the Ordinance”). The applicant claims the colours black, white and gold as elements of Mark A in the series. The application was originally filed in respect of various goods and services in classes 9, 16, 35, 38 and 41. The application was subsequently divided into two, one in respect of the goods in Classes 9 and 16 and the other in respect of the services in Classes 35, 38 and 41. The subject application is the latter one.

2. At the examination stage, objections were raised against the application under section 11(1)(b) and (c) of the Ordinance on the grounds that each of the subject

marks consists exclusively of a sign which designates the characteristics of the services applied for and that it is devoid of any distinctive character. Despite submissions made on behalf of the applicant, the objections were maintained by the Registrar.

3. The applicant requested a hearing on the registrability of the subject mark and this was held before me on 13 July 2010. At the hearing, the applicant was represented by Ms Loo Wan Ching of Messrs. Robin Bridge & John Liu, agents of the applicant. I reserved my decision until after the conclusion of the hearing.
4. By a Form T5A filed by the agents on 13 July 2010, the subject application is amended by restricting the services applied for to those set out in the Appendix hereto and by the addition of a disclaimer of, separately, the words “THE LUXURY” and “CHANNEL”. That being the case, I need only to consider the registrability of the subject marks in respect of the services set out in the Appendix hereto. The applicant did not file any evidence of use of the subject marks. I therefore have only the *prima facie* case to consider.

Grounds of refusal under section 11

5. The absolute grounds for refusal of an application for registration of a trade mark are set out in section 11 of the Ordinance. The relevant parts of 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 services, or other characteristics of goods or services; and ...

Decision

6. A mark that is devoid of any distinctive character is to be refused registration

under section 11(1)(b) of the Ordinance. Principles on how the assessment of whether a mark has any distinctive character is to be carried out can be found in a number of UK cases. According to Jacob J in the case of *British Sugar Plc v James Robertson and Sons Ltd* [1996] RPC 281,) the test is (at page 306) –

“What does devoid of 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?”

7. The test as stipulated in the case of *Nestle SA’s Trade Mark Application (Have a Break)* [2004] FSR 2 (at paragraph 23) is as follows –

“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.”

8. In other words, the job before me is to consider whether the subject marks will be perceived as a badge of trade origin. The assessment is to be carried out with reference to the services of the class for which registration is sought, as well as the consumers of those services, who are reasonably well-informed and circumspect.
9. The services in question are general advertising and the provision of information via various means of communication, broadcasting and communication services and entertainment services provided over different media. The target of the advertising, broadcasting and entertainment services are the general public and hence they are the relevant consumers. They are reasonably well-informed and circumspect, but they cannot be expected to exercise more than an average level of care and attention.
10. Each of the subject marks consists of the three English words “THE”, “LUXURY” and “CHANNEL”, presented in plain font in the upper case and

arranged in three rows from top to bottom, with two horizontal lines, one between the first and second rows and the other between the second and third rows. In the case of Marks A and B, the words are set against a dark background, with the part beneath the word “CHANNEL” in a lighter tone. In addition, with Mark A, in line with the colour claim mentioned above, the word “LUXURY” appears in the colour gold while the two other words and the horizontal lines are in white, and they are all set against the rectangular background in black.

11. As has been quoted to the applicant, the dictionary meaning of “luxury” is “something expensive which is pleasant to have but is not necessary” (according to <http://dictionary.cambridge.org/define.asp?key=46821&dict=CALD>) while that of “channel” is “a band of frequencies used in radio and television transmission; a medium of communication or the passage of information” (according to http://www.askoxford.com/concise_oed/channel?view=uk). The dominant features of the subject marks are the words “THE LUXURY CHANNEL”. When used on the marketing and advertising services applied for in Class 35, the clear message conveyed is that the services are for the promotion of luxury goods and services over different communication channels. Whereas when the words are applied on the broadcasting and transmission services applied for in Class 38, the import to the relevant consumers is that the subject matter of the broadcast and transmission concerns luxury goods and services. Similarly, with the entertainment services applied for in Class 41, the words denote that the services are programs on television or other media and they are about luxury goods and services. The words therefore transmit a message about the characteristic of the services applied for. As the message is conveyed by the phrase “THE LUXURY CHANNEL” as a whole, the disclaimer of, separately, the words “THE LUXURY” and “CHANNEL” does not alter the primary signification of the term.
12. The horizontal lines in the subject marks are decorative in nature and since the average consumer does not pay attention to details, they have little effect on the overall impression of the subject marks. This is also the case with the rectangular background in Mark A or B which can serve to highlight the presence of the mark against a light-coloured screen or other materials it is appearing on. Although the hue of the background is lighter at the lower part of the rectangle,

its significance will likely be overshadowed by the words in the subject marks and thus will have little impact on the general image that will be formed in the mind of the average consumer about the subject marks.

13. I have also duly taken into consideration the use of the colours as claimed in Mark A. The use of colours by commercial enterprises is such a commonplace phenomenon that the attention of consumers will not in the general case be drawn by them. Further, there is nothing remarkable or unusual about the colours adopted in the representation of Mark A. Thus, when viewed as a whole, the overall impression that the relevant consumers will have of each of the subject marks is a description about the characteristic of the services applied for. Without first having been educated of the function of the subject marks as an indicator of trade source, they will not be perceived by the relevant consumers of the services applied for as an identifier of trade provenance. The subject marks are therefore precluded from registration under section 11(1)(b) of the Ordinance.
14. Ms. Loo made a number of submissions on behalf of the applicant. In the first place, relying on the *Baby-Dry* case [2002] ETMR 3, Ms. Loo suggested that if the conjoining of the words is of an unusual manner or if the conjoined phrase is an unfamiliar English expression or an unnatural descriptive use, then the mark should be registrable. According to Ms. Loo, it is unnatural and grammatically wrong in contemporary English language to place a noun in front of another noun to denote a specific meaning and such an unorthodox combination will be viewed as a unique and creative collocation of words. It is Ms. Loo's submission that such a term is resistant to any intuitive grammatical analysis, but would provoke mental analysis on the part of the relevant consumers.
15. In addition, Ms. Loo submitted that the applied-for services had nothing to do with actually providing luxury goods or services and that there would be nothing "luxurious" about advertising, broadcasting or entertainment services. Thus, in her view, the signification of the three words "THE LUXURY CHANNEL" is imprecise and non-specific when used in relation to the services in question and they are in no way descriptive of the characteristic of those services.
16. Furthermore, Ms. Loo took issue with the view of the examiner that a mark

would be considered as descriptive if it could be used to designate a characteristic of the goods or services applied for, even if it is not so used at the moment. This is the principle laid down in the case of *Wm. Wrigley Jr. Company v OHIM* (“the *DOUBLEMINT* case”) (Case-191/01 P). Ms. Loo referred to the outcome of the internet search which shows overwhelming use of the phrase “THE LUXURY CHANNEL” as a badge of trade origin. This she considered to be indicative of how the trade and the public would perceive the subject marks. My attention was also drawn to a passage in the UK Trade Marks Work Manual which suggests that the principle of the *DOUBLEMINT* case applies only where there is a reasonable likelihood that the sign in question will serve a descriptive purpose in the ordinary course of trade.

17. Ms. Loo also directed her criticism to the internet findings referred to by the examiner. She rightly pointed out that those websites only showed the word “luxury” being used to denote fashion and luxury goods, but the word was not used to describe any advertising, broadcasting or other services applied for. Thus, she failed to see how those materials could demonstrate how the term “THE LUXURY CHANNEL” would naturally be perceived by the consumers in Hong Kong. Ms. Loo went on to suggest that if the words “THE LUXURY CHANNEL” did possess the descriptive meaning as concluded by the examiner, there ought to be wide-spread use of the term. It is therefore her conclusion that other traders would not, without an improper motive, wish to use the subject marks in representing the services under consideration.
18. As regards the appearance of the subject marks, Ms. Loo stressed that the overall representation of the subject marks was of paramount importance. Not only did she consider the specific colouring and shading (which in her view has the effect of a spotlight being beamed onto the words and reflected at the bottom and giving the impression of the mark being inscribed on a transparent surface and placed upright) adopted in the representation of the subject marks to be fanciful and obvious to the eye, but that the use of different fonts and font sizes for the words and the incorporation of the two horizontal lines also resulted in anything but a simple design – all of which combining to convey a unique and sophisticated design to the visual impression of the consumers. All these, coupled with the unusually structured phrase of “THE LUXURY CHANNEL”, mean, in the view of Ms. Loo, that each of the subject marks does serve as a

badge of trade origin.

19. At the hearing, I questioned Ms. Loo about the unusualness of the combination of two nouns. When I put it to her that terms formed by two nouns could often be found in the use of the English language, like “baby boom” and “market trend”, Ms. Loo suggested that putting a noun in front of the noun “channel” was itself unusual. I do not see why the word “channel” should be singled out from other English words and considered under a different light, nor did Ms. Loo offer any explanation for her tenet. Perhaps, in her view, the rarity lies in what she considers as an unprecedented combination of the two words “luxury” and “channel”. Even if the putting together of the two words has indeed never occurred before, I do not see any force in her argument when the two words are simple English words with clear meanings and the immediate message that will be conveyed, when used on the services applied for, is none other than what the relevant consumers will naturally perceive it to be. Like the case of having “mussel chowder” or “lobster chowder” on the menu, a patron of the restaurant who comes across such an item for the first time will have no difficulty in understanding that it means a thick and creamy soup that has, in place of fish in the more common “fish chowder”, mussel or lobster instead as an ingredient.
20. Although putting the word “luxury” in front of “channel” has the effect of qualifying the meaning of the word “channel”, I do not agree that the relevant consumers will be led to think of a luxurious channel. The assessment of the perception of the consumers has to be carried out with reference to the services applied for and not in the abstract. When the combined term is applied to the advertising, broadcasting and entertainment services in question, the clear message transmitted is that such advertising, broadcasting and entertainment services, provided via a means of communication, relate to luxury goods and services. Contrary to the suggestion of Ms. Loo that this is a too indirect way of construing the phrase, I find that it is the other way round. Construing the phrase as indicating a luxurious channel or the advertising or other services are themselves luxurious is a more indirect and unnatural way of ascribing a meaning to the term. I should also add that it matters not whether the services in question actually relate to luxury goods and services, if the message transmitted is not one indicating trade source. Hence, Ms. Loo’s submission that the applied-for services have nothing to do with actually providing luxury

goods or services does not take the applicant's case any further.

21. As for the internet findings referred to by the examiner, they were not meant to show that the word "luxury" is descriptive of the word "channel", they were mentioned merely to illustrate that luxury products and services are often what TV programs are about. Contrary to what Ms. Loo suggested, I do not agree that absence of widespread use in the trade means that the mark should be registrable. Nor do I agree that this is a case where application of the principle established in the *DOUBLEMINT* case should be exempted because of the absence of a reasonable likelihood that the sign in question will serve a descriptive purpose in the ordinary course of trade. As pointed out in the above analysis, the first and foremost impression that the relevant consumers will have of the term "THE LUXURY CHANNEL" is a descriptive one. There is therefore more than a reasonable likelihood that other traders would want to use the term in relation to their own services.
22. In coming to the conclusion above, I have taken into consideration the internet findings submitted by Ms. Loo and those provided on behalf of the applicant during the examination stage. In assessing the *prima facie* registrability of the subject marks, my task is to consider the instinctive perception of a mark by the relevant consumers, and not how people regard the mark after there has been use of it in the market. As the applicant is not relying on acquired distinctiveness through use of the subject marks to overcome the objections raised and I do not find the internet reference materials to be indicative of the natural way the term "THE LUXURY CHANNEL" will be understood by the consumers of the services applied for, without their first having been educated of its intended purpose of distinguishing the services of the applicant from those of other undertakings, the findings are of little assistance to this application.
23. Turning to Ms. Loo's submissions about the effect that different elements of the subject marks have on their overall impression, I do not consider her analysis to be realistic as the level of care and attention required to pay heed to the details of each of the elements in the subject marks is something that cannot be called for from the average consumer. There is actually no colour claim in respect of Mark C and the differences in the fonts and font sizes adopted for the words do not have a substantial effect on the overall distinctiveness of the subject marks.

They merely operate to put the emphasis on the word “LUXURY” and they are of no help in displacing the primary signification of the term “THE LUXURY CHANNEL”. With Mark B, there is also no colour claim and the shadings that appear on the mark, even when the light spot underneath the word “CHANNEL” is taken into account, merely have the effect of highlighting the word elements in the mark. The same can be said of Mark A. Although there is the additional colour claim in Mark A, the colours do not have a significant effect on the outlook of the mark. The gold, black and white combination has little appeal to the eye and does not create a sufficiently strong and memorable stimulus to the relevant consumers. In the modern world of advertising, broadcasting and entertainment services where great efforts are made to attract and appeal, the use of the colours as claimed is likely to slip from the attention of the average consumer.

24. There is also nothing unusual about the two horizontal lines in the subject marks. They embellish the layout of the three words and have the effect of directing the focus of the person looking at it to the word “LUXURY”. On the overall impression of the subject marks however, they have little impact and the idea communicated to the relevant consumers by the subject marks as a whole remains that of a description about the subject matter of the advertising, broadcasting or entertainment services being provided.
25. For the reasons stated above and having gone through all the submissions of Ms. Loo, I am not convinced that, without first having been educated of their trade mark significance, the subject marks will be regarded by the relevant consumers as indicators of trade source. They are therefore precluded from registration under section 11(1)(b) of the Ordinance.
26. Having found that the registration of the subject marks should be refused under section 11(1)(b) of the Ordinance, there is no further need for me to consider the objection raised under section 11(1)(c) of the Ordinance.
27. Ms. Loo had also referred to the acceptance for registration of the subject marks in Canada, Singapore, USA, UK and EU, all on a *prima facie* basis, which decisions the examiner refused to follow. Apart from furnishing me with the copy registration documents, Ms. Loo provided me with the supplementary

information about how similar objections were overcome in the US. Ms. Loo criticized the strict reliance on the authority of the *Automatic Network Exchange Trade Mark* case [1998] RPC 885 which says that the bare fact of registration in other countries would not be sufficient to establish that a sign is eligible for registration. In her view, the case could have no application to UK registration vis-à-vis Hong Kong. The reasons advanced by Ms. Loo are manifold – Hong Kong had been under British rule for more than a century, English has always been one of the official languages in Hong Kong, the trade mark legislation is modeled on the UK Acts and the Registrar and the court here have frequently referred to UK and OHIM decisions on trade mark matters. According to Ms. Loo, there cannot be any possible different construction of the words “LUXURY” and “CHANNEL” due to linguistic, cultural and/or social differences between Hong Kong and the UK.

28. The situations as described by Ms. Loo are indeed factually accurate, but they cannot be considered out of context. When other relevant factors are also considered, they do not automatically lead to the conclusion that there are no linguistic, cultural and/or social differences between Hong Kong and the UK. The dominance of people of the Chinese race, the recognition of more than one official language in Hong Kong and the development in the common law of Hong Kong may all well lead to divergence from the linguistic, cultural and social practices in the UK. Given that trade mark rights are territorial in nature and granted by the registry of each locality independently of each other, the mere fact of the acceptance of a mark in other places does not mean that it is necessarily registrable in Hong Kong. This is particularly so when there are valid reasons to object to the registration of the marks here.

29. Lastly, Ms. Loo drew my attention to the registration of eight marks in Hong Kong in respect of services in Classes 38 and/or 41, all of which incorporate the word “CHANNEL” or the Chinese characters “頻道”, being the Chinese translation for “CHANNEL”. Ms. Loo pointed to what she considered to be the similarities between these marks and the subject marks and urged me to follow those cases in the assessment of the registrability of the subject marks. However, it has long been established that the registrability of each mark has to be considered on the basis of 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 reference to other existing registered marks is thus of no assistance to this application.

Conclusion

30. I have considered all the documents filed by the applicant together with all the oral and written submissions made in respect of the application. For the reasons stated above, I find that the subject marks are, contrary to section 11(1)(b) of the Ordinance, devoid of any distinctive character. The application is accordingly refused under section 42(4)(b) of the Ordinance.

Caroline Chow
for Registrar of Trade Marks
23 August 2010

Appendix

Class 35

Advertising and sales promotion and marketing by means of television, cable, satellite, catalogues, mail, computers, the Internet and/or global computer networks; provision of information to customers, television viewers and/or Internet users and/or users of the Internet and/or of global computer networks of advice and assistance in the selection of goods and services.

Class 38

Broadcasting services via television, satellite, radio, wireless and/or a global computer network, or by digital distribution technologies including Internet protocol television (IPTV) and podcasting; digital transmission services; broadcasting of a television channel; communication services relating to electronic shopping and auctions; provision of a television shopping channel; provision of a television channel.

Class 41

Entertainment services relating to television, or a global computer network; production, development, composition, presentation, syndication, distribution, networking and provision of entertainment including television programmes via television, satellite, radio, wireless and/or a global computer network, or by digital distribution technologies including Internet protocol television (IPTV) and podcasting.