

TRADE MARKS ORDINANCE (Cap. 559)

APPLICATION NO. : 301504683

MARK : Gasex

APPLICANT : HIMALAYA GLOBAL HOLDINGS LTD.

CLASS : 5

STATEMENT OF REASONS FOR DECISION

Background

1. On 21 December 2009, Himalaya Global Holdings Ltd. (“the applicant”) filed an application for registration of the mark shown below (“the subject mark”) under the Trade Marks Ordinance (Cap.559) (“the Ordinance”).

Gasex

2. Registration of the subject mark is sought in Class 5 in respect of “pharmaceutical preparations and dietetic substances for medical use; all included in Class 5”.
3. At the examination stage, objection was raised against the subject application under section 12(3) of the Ordinance by virtue of the following registered trade mark (“the cited mark”) :

Cited Mark

Trade mark : **GASEC**
Registration no. : 199914754
Date of registration : 17 July 1998

The cited mark is registered in respect of “pharmaceutical and sanitary preparations” in Class 5.

4. By its letter dated 18 January 2011, the applicant requested a hearing on the registrability of the subject mark. The hearing took place before me on 9 September 2011, at which Mr. Wenxian Wang and Dr. Sunny Yang of Liu, Shen & Associates appeared for the applicant. I reserved my decision at the conclusion of the hearing.
5. The applicant did not file any evidence of honest concurrent use of the subject mark and the cited mark under section 13 of the Ordinance.

The Ordinance

6. The objection is raised on the basis of section 12(3) of the Ordinance, which provides that :

“A trade mark shall not be registered if –

- (a) the trade mark is similar to an earlier trade mark;
- (b) the goods or services for which the application for registration is made are identical or similar to those for which the earlier 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.”

7. As to the meaning of “earlier trade mark” as referred to in section 12(3), the relevant part of section 5 of the Ordinance 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...”

The date of application for registration of the cited mark is earlier than that of the subject mark. The cited mark therefore constitutes an “earlier trade mark” in relation to the subject mark for the purpose of section 5 of the Ordinance.

8. Another section to consider is section 7(1) of the Ordinance which throws light on how subsection (c) of section 12(3) is to be interpreted. 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.”

Decision

9. Section 12(3) essentially precludes a mark from registration if the use of it is likely to cause confusion on the part of the public, as a result of its being similar to an earlier trade mark and that it is sought to be registered in respect of goods or services the same as or similar to those registered under the earlier trade mark. I must therefore consider whether there are similarities between the subject mark and the cited mark and between the goods covered by the two trade marks which would combine to create a likelihood of confusion.
10. The basic principles regarding the assessment of similarity between marks and the likelihood of confusion between them are set out in the cases of *Sabel BV v Puma AG* [1998] RPC 199, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77 and *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 and adopted in *Guccio Gucci SpA v Gucci* [2009] 5 HKLRD 28. These principles are:
- (a) The likelihood of confusion must be appreciated globally, taking account of all the relevant factors.
 - (b) The matter must be judged through the eyes of the average consumer of the goods in issue, who is deemed to be reasonably well informed and reasonably observant and circumspect.
 - (c) In order to assess the degree of similarity between the marks concerned one must determine the degree of visual, aural or conceptual similarity between them and, where appropriate, evaluate the importance to be attached to those different elements taking into account the nature of the goods in question and the circumstances in which they are marketed.

- (d) The visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components. The perception of the marks in the mind of the average consumer plays a decisive role in the overall appreciation of the likelihood of confusion.
- (e) The average consumer normally perceives a mark as a whole and does not proceed to analyze its various details.
- (f) 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.
- (g) The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; further the average consumer's level of attention is likely to vary according to the category of goods in question.
- (h) Appreciation of the likelihood of confusion depends upon the degree of similarity between the goods. A lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and *vice versa*.
- (i) Mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purpose of the assessment.
- (j) But the risk that the public might believe that the respective goods come from the same or economically linked undertakings does constitute a likelihood of confusion within the meaning of the section.

Comparison of marks

11. A comparison of the marks concerned has to be based on an overall appreciation of the visual, aural and conceptual similarities of the marks in question, taking into account the overall impressions given by the marks, and bearing in mind, in particular, their distinctive and dominant components.

12. In comparing the marks, I shall consider the perception of the marks in the mind of the average consumer of the goods in question. The goods for which registration is sought are pharmaceutical preparations and dietetic substances for medical use. The relevant consumers are therefore members of the general public and medical professionals in Hong Kong, and they are considered to be reasonably well informed and reasonably circumspect and observant.
13. Both the subject mark and the cited mark are pure word marks. The subject mark consists solely of the word “Gasex” whereas the cited mark comprises the word “GASEC” only. There is no device in either of the marks.
14. Mr. Wang submits that the appearance of the cited mark is totally different from that of the subject mark, as the cited mark is composed of five letters in upper case, whilst the subject mark consists of a first letter in upper case and four other letters in lower case.
15. I do not agree. Visually speaking, both the subject mark and the cited mark are made up of five-letter words, each of which shares the same first four letters and they appear in exactly the same order. Both words appear in plain form without any stylization or particular manner of presentation. Despite all letters of the cited mark are in upper case whereas some letters of the subject mark are in lower case, I must assume notional and fair use of both the cited mark and the subject mark in respect of the goods for which they are respectively registered and proposed to be registered, and notional and fair use of either marks could include use in lower case, upper case or a combination of the two (*DIGIT* (BL No. O/283/01) (29 June 2001), *BAYWATCH* (BL No. O/486/00) (12 October 2000) applied). Thus, whether the letters constituting the two marks appear in upper or lower case is plainly beside the point. I have also not overlooked that the last letters of the two marks are different. However, all remaining letters are the same. Owing to the complete identity of the first four alphabets in both marks, I consider that the difference in only the final letter is not sufficient to substantially overshadow a strong visual similarity produced by the sharing of all but one letters constituting the two marks. This is particularly the case “given the increasing practice of misspelling epidemic in today’s marketing environment” (*ELEMENTZ @ BRANTANO* (BL No. O/289/08) (22 October 2008)). Comparing the subject mark and the cited mark as wholes, I find that there is a high degree of visual resemblance between the subject mark and the cited mark.

16. Aurally, Mr. Wang contends that the subject mark would likely be pronounced as “gæseks” which is a three-syllable term, while the cited mark would be pronounced as “gæsek” which is a two-syllable term. I do not see much force in this contention. Whether the marks are made up of two or three syllables, what is incontrovertible is that the subject mark and the cited mark share two identical syllables “gæ” and “sek”, which are both vowels and contribute significantly towards the overall pronunciation of each of the marks. It has been observed in many cases that the first syllable of a word mark is generally the most important, due to “the tendency of persons using the English language to slur the terminations of words” (*London Lubricants Ltd’s Application* (1925) 42 R.P.C. 264, followed in *Glaxo Group Ltd v Neon Laboratories Ltd* [2004] F.S.R. 46). I find in the instant case that there is a real likelihood that the ending “s” will be dropped or neglected by the average consumer when he refers to the subject mark verbally. With these points in mind, I consider that the subject mark and the cited mark are strikingly similar from a phonetic perspective.
17. Conceptually, both the words “Gasex” and “Gasec” have no dictionary meaning. Thus, there is no conceptual difference between the two words which enables the average consumer to distinguish the subject mark from the cited mark by their meanings. In view of the strong resemblance between the two marks in terms of spelling and visual appearance, the average consumer upon seeing the subject mark on the applied-for goods would readily call to mind the cited mark on first impression.
18. Whilst Mr. Wang does not dispute that both the subject mark and the cited mark are meaningless words, he argues that consumers would generally divide a word into several parts familiar to them. In his view, consumers would most likely divide the cited mark into “GA” and “SEC”, the latter part of which would be perceived as the abbreviation of “second”, whereas the subject mark would be split into “Ga” and “sex”, the latter part of which is more colourful and seductive. He therefore avers that the subject mark and the cited mark would convey different meanings to consumers.
19. It is clear from settled case law that consumers normally perceive a mark as a whole and do not proceed to analyze its various details (paragraph 10 above). They would not, contrary to what Mr. Wang suggests, break down a mark into several pieces and closely analyze the idea underlying each individual piece, especially when the mark in question is only a five-letter word. In view of the foregoing, I am not convinced that the subject mark would convey a different conceptual connotation to the average

consumer as compared to that of the cited mark.

20. Taking into account the visual, aural and conceptual similarities between the subject mark and the cited mark as well as the differences between them as a whole, and bearing in mind the perception of the average consumer of the goods in question, I find the subject mark and the cited mark to be closely similar to each other.

Comparison of goods

21. Guidance on the comparison of goods can be found in the case of *British Sugar v James Robertson and Sons Ltd* [1996] R.P.C. 281(at page 296-7). In that case, Jacob J (as he then was) set out the factors that should be taken into account when considering the similarities between goods and/or services. They 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.
22. It was also held in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* (supra) that in assessing the similarity of the goods or services concerned, 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.
23. Bearing these principles in mind, I consider that the applied-for goods, namely “pharmaceutical preparations and dietetic substances for medical use; all included in Class 5”, are identical or similar to “pharmaceutical and sanitary preparations”

covered by the registration of the cited mark. This point was not disputed by Mr. Wang at the hearing.

Likelihood of confusion

24. Under section 12(3), likelihood of confusion refers to confusion on the part of the public as to the trade origin of the goods in question. This is a matter of global appreciation taking into account all relevant factors and judging through the eyes of the average consumer of the goods at issue.
25. Mr. Wang submits that as the applied-for goods would be administered to human beings and would have significant effects to the health of consumers, the relevant consumers would generally seek advice from professionals before purchasing such goods and would be very cautious during the purchase. In his view, the relevant consumers will pay more attention in the purchase of the applied-for goods and could notice very tiny difference between the marks.
26. In *MIRAGAN* (BL No. O/293/02) (5 July 2002) the Appointed Person in her decision set out parts of the hearing officer's decision under appeal, including the following:

“14. During the course of the hearing, submissions were made as to the approach I should adopt when considering opposition proceedings to trade marks covering pharmaceuticals. In summary, Mr Wilkinson argued that when considering such cases and assessing the likelihood of confusion between the trade mark the subject of the application and other trade marks, the registrar should adopt a cautious approach, taking into account the danger to the health of consumers in the event that two trade marks are confused. On the other hand, Mr Campbell suggested that the average consumer is more careful when purchasing pharmaceuticals and so trade marks that might otherwise be similar and lead to confusion could exist side by side when applied to pharmaceuticals.

15. This is not a new debate to trade mark law

16. It seems to me that the role of the registrar is to apply the Trade Marks Act 1994 and its subordinate legislation to the proceedings brought before her. Other provisions and authorities exist for the licensing of pharmaceuticals and in my view, it is not the role of the Trade Marks Registry to stray into these areas. Under the provisions of the Act and

acting on behalf of the registrar I must consider whether there exists a likelihood of confusion if the applicants' and opponents' trade marks are used in respect of the goods for which they are respectively applied for and registered. I must find a likelihood of confusion not merely a possibility of confusion; *Reactor* at page 290.

17. Of course, in assessing the likelihood of confusion I must consider this matter through the eyes of the average consumer of the goods in question. Consequently, I have to take into account the way or ways in which the products in question reach the end consumer.... Each case must be determined on its own facts and on the evidence that is presented to the registry....”

27. The Appointed Person then stated that she was unable to detect an error of principle in the hearing officer's decision. The Appointed Person also referred to her earlier decision in *OROPRAM/SEROPRAM* (BL No. O/208/02) (8 May 2002), where she stated at paragraph 25, *inter alia*, as follows:

“I have arrived at this view without engaging in the debate whether a higher or lower threshold needs to be reached before confusion can be established in conflicts between pharmaceutical trade marks. For my own part, I do not believe that different standards exist or are necessary to exist. The test of likelihood of confusion is flexible enough to allow each case to be judged according to its own peculiar facts....”

28. Having regard to the above principles, I would not dwell on the debate of whether a higher or a lower threshold needs to be reached before confusion can be established in conflicts between pharmaceutical trade marks. I would, however, approach the question of likelihood of confusion globally, taken account of all relevant factors. I must approach the question assuming normal and fair use of the subject mark and the cited mark in relation to the goods applied for.
29. The goods for which registration is sought are “pharmaceutical preparations and dietetic substances for medical use”, which include those which may be available over the counter or by prescription. The average consumer may be medical professionals and/or the public at large. Handwritten prescription may or may not be involved. The public may be ordering or purchasing goods in the environment of a busy chemists shop, a supermarket or even a convenient store. Although serious consequences may ensue if a consumer is confused by similar marks into taking the

wrong pharmaceutical preparation, with the degree of seriousness depending on the nature of the particular medication, I consider that the average consumer is unlikely to act other than in a reasonably circumspect and observant fashion. It should also be noted that average consumer seldom directly compare marks side by side but rely upon their imperfect recollection of marks.

30. Having regard to the visual, aural and conceptual aspects of the subject mark and the cited mark, I have found that the subject mark is closely similar to the cited mark (paragraphs 11 to 20 above). I have also found that the goods sought to be registered under the subject application are identical or similar to the goods covered by the registration of the cited mark (paragraphs 21 to 23 above). Upon a global appreciation of all the relevant factors and bearing in mind the principles set out in paragraph 10 above, I consider that when the subject mark is used in relation to the applied-for goods, the average consumer will be confused into believing that the respective goods provided under the subject mark and the cited mark come from the same or economically-linked undertakings. In the premises, the registration of the subject mark in respect of the applied-for goods is objectionable under section 12(3) of the Ordinance.

Conclusion

31. I have considered all the oral and written submissions made by the applicant in respect of the subject application. For the reasons stated above, the subject mark is precluded from registration under section 12(3) of the Ordinance. The subject application is accordingly refused under section 42(4)(b) of the Ordinance.

Ryan Ng
for Registrar of Trade Marks
18 October 2011