

TRADE MARKS ORDINANCE (CAP. 559)

APPLICATION FOR REVOCATION OF TRADE MARK 19811301

MARK: **BOSS**
CLASS : **14**
APPLICANT: **HUGO BOSS TRADE MARK**
MANAGEMENT GMBH & CO. KG
TRADE MARK OWNER: **BOSS CO., LIMITED**

STATEMENT OF REASONS FOR DECISION

Background

1. On 29 December 2008, Hugo Boss Trade Mark Management Gmbh & Co. KG (“Applicant”) filed an application for revocation (“Application for revocation”) of the following trade mark under section 52 of the Trade Marks Ordinance (Cap. 559) (“TMO”). The documents filed comprised Trade Mark Form T6 and the Grounds for Revocation.

Trade mark : **BOSS**

Class no. and specification : Class 14
watches, clocks, watch bands, watch chains and parts and accessories.

Owner's Name : Boss Co., Limited

Date of Registration : 18 October 1980

For ease of reference, the registered trade mark and the owner of the mark set out above shall be referred to in this decision as the “subject mark” and “BCL”. References to “Revocation Proceedings” shall mean the present proceedings for revocation of the subject mark.

2. The Applicant stated specifically on Form T6 that the Application for revocation was initiated based on grounds other than non-use. However, the Registrar of Trade Marks (“Registrar”) noted that both section 52(2)(a) of TMO (non-use of the subject mark) and section 52(2)(c) of TMO (a ground

other than non-use of the subject mark) were pleaded in the Grounds for Revocation.

3. Having noted the above inconsistencies, the Registrar sought clarification from the Applicant.¹ In response, the Applicant's agent confirmed that the Revocation Proceedings were taken out based on section 52(2)(c) of TMO (i.e. a ground of revocation other than non-use of the subject mark). It went on to explain that the information in the Grounds for Revocation regarding non-use of the subject mark² was merely provided to give the Registrar a full picture of the facts of the case.³
4. Thereafter, the parties proceeded with the Revocation Proceedings according to the procedures set out in rules 40 - 45 of the Trade Marks Rules (Cap. 559A) ("TMR"). More specifically, the following documents were filed by the parties:
 - (a) Counter-statement of BCL was filed on 26 March 2009 under rule 41 of TMR;
 - (b) Statutory Declaration of Ms Judith Eckl, Authorised Representative of the Applicant, dated 9 August 2010 was filed by the Applicant on 19 August 2010 under rule 42 of TMR;
 - (c) Statutory Declaration of Mr. Liu Yuk Ming, a shareholder and a director of BCL, dated 4 January 2011 was filed by BCL on 6 January 2011 under rule 43 of TMR; and
 - (d) Statutory Declaration of Mr. Chan Yam Wing, the Head of the Legal Department of a company which is a member of the Applicant's group of companies, dated 4 July 2011 was filed by the Applicant on 5 July 2011 under rule 44 of TMR.
5. The hearing took place before me on 4 February 2015. Mr. Alan Ng Man Sang, Counsel, instructed by Twiggy MH Liu Law Office, appeared for the Applicant. Mr. Philips B.F. Wong, Counsel, instructed by Rebecca Lo & Co., appeared for BCL.

¹ Letter from the Registrar to the Applicant's agent, Twiggy MH Liu Law Office, dated 14 January 2009.

² Paragraph 12(E) of the Grounds for Revocation.

³ Letter from Twiggy MH Liu Law Office to the Registrar dated 19 January 2009.

6. Before going into the details of the Revocation Proceedings, I will also mention, by way of background, certain proceedings previously concluded between the parties that are related to the present case.

Relevant proceedings between the parties

Application for rectification

7. On 9 April 2009, shortly after the commencement of the Revocation Proceedings, BCL took out an application for rectification of an error on the register of trade marks (“Register”) relating to the subject mark.⁴ The error related to an entry on the Register concerning the alleged change of name of the owner of the subject mark from a company called Boss Watch & Jewels Ltd. (“BWJ”) to BCL which was recorded on the 12 November 2003. The evidence put forward was that BWJ had assigned the subject mark to BCL under an assignment dated 3 March 2003 (“Assignment”). However, BCL made an error and filed a Request for Change of Name⁵ with the Registrar instead of an Application to register Registrable Transaction.⁶ BWJ was subsequently dissolved on 29 August 2003.
8. The application for rectification was opposed by the Applicant. The opposition was heard on 21 May 2013 and the Registrar’s decision was issued on 20 August 2013.⁷ The above proceedings shall be hereinafter referred to as the “Rectification Proceedings”. In essence, the Registrar found that the error on the Register should be rectified by amending the name of the registered owner of the subject mark from BCL to BWJ (“Rectification”). An entry on the Rectification was recorded on the Register on 30 October 2013. By virtue of section 57(4) of TMO, the effect of the Rectification is that the error on the Register shall be deemed never to have been made.

⁴ Section 57 of TMO.

⁵ Trade Mark Form T5.

⁶ Trade Mark Form T10.

⁷ The Registrar’s decision is available at http://www.ipd.gov.hk/eng/intellectual_property/trademarks/trademarks_decisions/decision/DEC19811301RT.pdf

Application to register the Assignment

9. In addition to the above application for rectification, BCL filed a separate application to register the Assignment on 9 April 2009.
10. After the Registrar's decision on the Rectification Proceedings was issued, the Registrar processed the application to register the Assignment. On 30 October 2013, the Assignment was recorded on the Register and BCL was entered as the owner of the subject mark by virtue of the Assignment.
11. The combined effect of the recordal of the Rectification and the recordal of the Assignment is that BCL is registered as the owner of the subject mark by virtue of the Assignment with effect from 30 October 2013. The historical details recorded on the Register are extracted in the Annex of this decision for easy reference.

Grounds of Revocation

12. As mentioned in paragraph 3 above, the Revocation Proceedings were taken out based on the ground in section 52(2)(c) of TMO. More specifically, the Applicant claimed that the subject mark was identical or substantially similar to many registered trade marks owned by the Applicant. Furthermore, the subject mark was registered in respect of goods that are similar to those covered by the Applicant's registered trade marks. Hence, any use or proposed use of the subject mark by BCL would likely mislead and/or cause confusion to the public and the subject mark should be revoked under section 52(2)(c) of TMO.⁸
13. At the hearing, Mr. Ng, on behalf of the Applicant, decided not to proceed with the case pleaded in the Grounds for Revocation. Instead, he made submissions on other issues that have not been raised in the Grounds for Revocation or the evidence filed by the Applicant. He claimed that these issues supported the Applicant's case for revocation of the subject mark. These issues will be summarized in the paragraphs below.

⁸ Paragraph 12(F) of the Grounds for Revocation.

The new issues

The counter-statement is invalid

14. Rule 41(1) of TMR requires that the counter-statement should be filed by the *owner* of the trade mark in question. “Owner” is defined in section 2(1) of TMO as the person whose name is for the time being entered in the Register as the owner of the trade mark concerned.
15. Mr. Ng submitted that in the present case, the Assignment was not registered at the time the Revocation Proceedings were initiated (i.e. 29 December 2008) and the owner of the subject mark at that point in time should be BWJ. This is in line with the Registrar’s decision in the Rectification Proceedings.⁹
16. Based on the above analysis, Mr. Ng submitted that the counter-statement in the present proceedings should be filed in the name of BWJ (instead of BCL). The counter-statement filed by BCL did not satisfy the requirements of rule 41(1) of TMR and it has no legal effect. Mr. Ng went on to argue that, pursuant to rule 41(3) of TMR, the Registrar should treat the Application for revocation as being unopposed by the owner of the subject mark and grant an order to revoke the subject mark. He referred to a passage in *Kerly’s Laws of Trade Marks and Trade Names* (“*Kerly’s*”) to support the above line of arguments.¹⁰

The registration of the subject mark was not validly renewed

17. According to section 49 of TMO, a trade mark shall be registered for a period of 10 years beginning on its date of registration and such registration may be renewed for further periods of 10 years. Further, section 50(1) of TMO provides that the owner of a registered trade mark may request the renewal of the registration of the trade mark.
18. Based on the date of registration of the subject mark (i.e. 18 October 1980), Mr. Ng deduced that the previous renewal of the registration should fall on

⁹ Pursuant to the Registrar’s decision in the Rectification Proceedings, the Register was rectified by amending the name of the registered owner from BCL to BWJ. By virtue of section 57(4) of TMO, the error was deemed never to have been made. In effect, BWJ was deemed to be the registered owner of the subject mark up to 30 October 2013, the date on which the Assignment was recorded on the Register.

¹⁰ 15th edn. at pages 413-414 para 13-014.

18 October 2005. As BWJ should be, and was deemed to be,¹¹ the owner of the subject mark on the previous renewal date, the request for renewal should be filed by BWJ. However, BWJ could not possibly have filed a request for renewal since it was dissolved prior to the due date for renewal. As a consequence, the purported renewal of the registration of the subject mark must be void and the present registration must be invalid. Thus, the subject mark should be removed from the Register.

19. Before I consider the new issues put forward by Mr. Ng, I will briefly mention the ground of revocation originally pleaded in the Application for revocation (i.e. section 52(2)(c) of TMO).

Section 52(2)(c) of TMO

20. Section 52(2) of TMO provides various grounds upon which a registered trade mark can be revoked. However, under paragraph 16(2) of Schedule 5 of TMO, not all of these grounds are applicable to trade marks registered under the now repealed Trade Marks Ordinance (Cap. 43)¹² (“repealed Ordinance”). Given that the subject mark was registered on 18 October 1980 under the repealed Ordinance, it is important to examine the above provision in detail so as to determine whether the ground pleaded in the Grounds for Revocation (i.e. section 52(2)(c) of TMO) is applicable to the subject mark.

21. Paragraph 16(2) of Schedule 5 of TMO is worded as follows:

“An application for the revocation of an *existing registered mark* may be made under section 52 of this Ordinance (revocation of registration) at any time on or after the commencement date,¹³ but such an application may be made only on the ground mentioned in section 52(2)(a) of this Ordinance.”

22. An “existing registered mark” referred to above is defined in paragraph 1(1) of Schedule 5 of TMO which is worded as follows:

“existing registered mark” means a mark that, immediately before the commencement date, constituted a registered trade mark, certification trade

¹¹ Footnote 9 above.

¹² Repealed on 4 April 2003.

¹³ The commencement date of TMO was 4 April 2003.

mark or defensive trade mark under the repealed Ordinance.”

23. It is clear from the above provisions that the subject mark is an “existing registered mark” and the ground of revocation in section 52(2)(c) of TMO is not applicable to such mark. It follows from the above analysis that the ground of revocation initially pleaded in the Revocation Proceedings is a non-starter.
24. As regards the issues set out in paragraphs 14-18 above, they were first brought up in the Revocation Proceedings in Mr. Ng’s skeleton submissions filed on 3 February 2015, the date before the hearing.
25. Mr. Wong, on behalf of BCL, rightly pointed out that the issues have never been pleaded or raised prior to 3 February 2015 and BCL was put in a prejudiced position to deal with the new issues at such a late stage. I entirely agree with Mr. Wong that such acts on the part of the Applicant should be strongly discouraged.
26. The new issues will be dealt with in the paragraphs that follow.

The counter-statement is not valid

27. In response to the arguments put forward on behalf of the Applicant in paragraphs 14-16 above, Mr. Wong made the following submissions:
 - (a) The counter-statement was filed on 26 March 2009, before the date of commencement of the Rectification Proceedings on 9 April 2009. At the time of filing of the counter-statement, BCL was indeed recorded as the registered owner of the subject mark. Hence, the counter-statement was validly filed by BCL. Furthermore, the Rectification Proceedings should not be viewed in isolation but should be considered in conjunction with the application to register the Assignment.¹⁴ The error on the Register was caused merely by the use of the “wrong means” to record the Assignment. However, the end “result” has always been correct, in the sense that BCL was the registered owner of the subject mark at all material times;
 - (b) Even if the Applicant’s argument is sound (which Mr. Wong categorically

¹⁴ Paragraphs 9-10 above.

denied), the effect of the Rectification would not merely render the counterstatement invalid. It would also render the Application for revocation invalid since it was not served on BWJ, the owner of the subject mark as alleged by the Applicant;

- (c) In any event, the Applicant has never challenged the validity of the counter-statement but has actively pursued the Revocation Proceedings. By so doing, it has clearly elected to argue on the substantive merits of the matter based on the parties' pleaded case. Furthermore, it has waived its right to challenge the validity of the counter-statement. The case of *Devon and Cornwall Housing Association Ltd. v. Acland Thorman and Miller-Williams*¹⁵ was cited by Mr. Wong to support the above argument; and
- (d) Finally, even if the counter-statement is found by the Registrar to be invalid, rule 41(3) of TMR only stipulates that the Registrar may treat the Revocation Proceedings as being unopposed by the owner of the subject mark. The Registrar would still need to consider the merits of the Application for revocation. Given that the ground pleaded by the Applicant in the Grounds for Revocation (i.e. section 52(2)(2) of TMO) is totally misconceived and inappropriate, the Revocation Proceedings should fail in any event.

28. As the Applicant's line of argument is premised on rule 41(3) of TMR, it is important for me to examine the above provision in detailed before considering the merits of the Applicant's case. Rule 41(3) is worded as follows:

“If the owner does not file a counter-statement within the period specified in subrule (1), the Registrar may treat the application for revocation as being ***unopposed by the owner.***” (*my emphasis*)

29. It is obvious from the above provision that if the owner of a trade mark fails to file a counter-statement when faced with an application for revocation of his trade mark, the Registrar may treat the application as being unopposed by the trade mark owner. It does not provide that the Registrar must treat the application as unopposed by the owner. Furthermore, even if the Registrar exercises her discretion to treat the application as unopposed by the owner, rule

¹⁵ 6 ConLR 41 at pages 54-55, 65-66.

41(3) does not provide that a revocation order should be granted as a matter of course. An applicant for revocation of a mark based on a ground otherwise than non-use has the burden of proving his case on balance of probabilities. Hence, the Registrar would in any event be required to consider the merits of the application and determine whether the applicant for revocation has proved his case on balance of probabilities.

30. As I have mentioned in paragraph 16 above, Mr. Ng relied on a passage in *Kerly's* to support his submission that an order for revocation should be granted as a matter of course if the owner of a trade mark fails to file a counter-statement. The relevant part of the passage is reproduced below:

“For example, a counter-statement to a revocation claim has to be filed by the registered proprietor, and where the registered proprietor has merged into another corporation and so ceased to exist, the filing of a counterstatement by the new corporation does not satisfy the rules and revocation is liable to be granted.”

31. The above passage was based on the decision of the Appointed Person in the English case of *CERNIVET Trade Mark*¹⁶. This case concerns an application for revocation based on non-use of the trade mark in question. The counter-statement was filed by an entity that was recorded as the owner of the trade mark. However, such entity has ceased to exist in law at the time the counter-statement was filed. The Appointed Person held that in the absence of any counter-statement, revocation of the trade mark should be granted under rule 31(4) of the UK Trade Marks Rules 1994 (“UK Rules”) (now repealed). The relevant part of above provision is worded as follows:

“....., in the case of an application for revocation on the grounds of non-use under section 46(1)(a) or (b) [*Trade Mark Act 1994*],¹⁷ ***the application shall be granted*** where no counter-statement is filed.” (***my emphasis***)

32. Comparing the wording of the above provision with that of rule 41(3) of TMR, it is clear that the effect of the provisions is entirely different. Under rule 41(3) of TMR, the Registrar may only treat the application for revocation as being

¹⁶ [2002] R.P.C. 30.

¹⁷ Section 46(1) of the UK Trade Mark Act 1994 sets out the grounds upon which the registration of a trade mark may be revoked and paragraphs (a) and (b) concern non-use of the trade mark.

unopposed by the owner of the trade mark if he fails to file a counter-statement. Hence, even if I accept that the counter-statement filed by BCL was invalid, the Revocation Proceedings would only be treated as unopposed by the owner of the subject mark. The Applicant would still be required to prove its case on balance of probabilities.

33. The only ground put forward by the Applicant in the Application for revocation is section 52(2)(c) of TMO. Given that the above provision is not applicable to the subject mark, the Applicant would not be able to succeed in the Revocation Proceedings even if the counter-statement filed by BCL is held to be invalid.

The registration of the subject mark was not validly renewed

34. In response to the line of arguments raised by the Applicant in paragraphs 17-18 above, Mr. Wong made the following submissions:

- (a) The issue relating to the renewal of the registration of the subject mark was not pleaded in the Application for revocation. The Applicant should not be allowed to run such an unpleaded case at the last minute; and
- (b) Even if the Applicant wants to pursue an unmeritorious claim that the renewal of the registration of the subject mark was defective, it should seek to rectify the “error” on the Register in other appropriate proceedings.

35. I have carefully considered the arguments put forward by the Applicant regarding renewal of the registration of the subject mark. However, it is important to note that the present proceedings concern an application to revoke the subject mark under section 52 of TMO. The grounds for revocation are clearly stipulated in the above section. The grounds so stipulated are exhaustive and none of them concerns an irregularity on the Register. Thus, even assuming that there is indeed an irregularity concerning renewal of the registration of the subject mark as alleged by the Applicant, the Registrar has no power to make an order for revocation based on the alleged irregularity. I agree with Mr. Wong that if the Applicant intends to pursue a case based on the alleged irregularity mentioned above, it should initiate fresh proceedings based on the appropriate cause of action.

36. In any event, I wish to point out that the Applicant has erred in submitting that the previous renewal of the registration of the subject mark was due on 18 October 2005. The subject mark was registered on 18 October 1980 under the repealed Ordinance. Under sections 17(2) and 45 of the repealed Ordinance, registration of a mark was valid for an initial period of seven years and it may be renewed on subsequent expiry dates for successive terms of 14 years. Given that the date of registration of the subject mark was 18 October 1980, the initial and successive terms should expire on 18 October 1987 and 18 October 2001 respectively. Since the expiry date presently recorded on the Register is 18 October 2015, it can be deduced that the registration of the subject mark was last due for renewal on 18 October 2001 (and not 18 October 2005 as alleged by the Applicant). This was prior to the date of dissolution of BWJ which was on 29 August 2003. Hence, the argument put forward by the Applicant that the registration of the subject mark must have been renewed by a person other than BWJ based on the previous due date of renewal could not stand.
37. In view of the above, I find that the Applicant has failed to establish the ground of revocation under section 52(2)(c) of TMO based on the alleged defect in the renewal of the registration of the subject mark.

Conclusion

38. To conclude, I find that the Applicant has failed to establish its case for revocation of the subject mark and I hereby award costs to BCL.
39. Subject to any representations as to the amount of costs or calling for special treatment which either party may make within one month from the date of this decision, costs will be calculated with reference to the usual scale in Part I of the First Schedule to Order 62 of the Rules of the High Court (Cap. 4A) as applied to trade mark matters, unless otherwise agreed.

(Maria K. Ng)

for Registrar of Trade Marks

1 June 2015

Annex
Historical details of TM registration no. 19811301
extracted from the Registrar of Trade Marks

詳細背景資料：

Historical Details:

作出記項日期 事項

Date of entry Matters

09-04-2009 APPLICATION FOR REGISTRATION OF / NOTICE TO REGISTER
PARTICULARS OF ASSIGNMENT / TRANSFER FILED

30-10-2013 ASSIGNMENT / TRANSFER

New Owner's Name and Address	Boss Co., Limited Rm. 618 Hollywood Plaza, 610 Nathan Road, Mongkok, Kowloon Hong Kong
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New Owner's Address for Service	REBECCA LO & CO. 1408, DINA HOUSE, RUTTONJEE CENTRE, 11 DUDELL STREET, CENTRAL, HONG KONG
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Previous Owner's Name and Address	BOSS WATCH AND JEWELS LIMITED RMG, 7/F WORLD WIDE IND BLDG, 33 TOK WA WAN ROAD, KOWLOON, HONG KONG
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Previous Owner's Address for Service	Rebecca Lo & Co 1408 Dina House, Ruttonjee Centre, 11 Duddell Street, Central HONG KONG
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Date of Assignment:	03-03-2003
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作出記項日期

事項

Date of entry

Matters

30-10-2013

RECTIFICATION

In pursuance of an application filed on 9 April 2009 under section 57 of the Trade Marks Ordinance, the error in the register is rectified by amending the name and address of the registered owner from “BOSS CO., LIMITED” of FLAT G, 7/F, WORLD WIDE IND BLDG, 33 TOKWAWAN ROAD, KOWLOON, HONG KONG to “BOSS WATCH AND JEWELS LIMITED” of RMG. 7/F WORLD WIDE IND BLDG, 33 TOK WA WAN ROAD, KOWLOON, HONG KONG.

作出記項日期

事項

Date of entry

Matters

12-11-2003

CHANGE OF NAME

New name: BOSS CO., LIMITED

Previous name: BOSS WATCH AND JEWELS LIMITED

作出記項日期

事項

Date of entry

Matters

12-10-1990

ASSIGNMENT

BOSS WATCH AND JEWELS LTD., of ROOM 6, 5TH FLOOR, INTERNATIONAL PLAZA, NO. 20, SHEUNG YUET ROAD, KOWLOON BAY, KOWLOON, HONG KONG, registered as subsequent proprietor by virtue of the Deed of Assignment dated 6th March 1990.

作出記項日期

事項

Date of entry

Matters

23-07-1981

REGISTRATION

Original Owner's LIU YUK MING TRADING AS THE SUN

Name and Address INTERNATIONAL TRADING CO.

FLAT E, 11TH FLOOR, FUNG CHEUNG BUILDING,
CHEUNG FAT STREET, UN CHAU STREET,
KOWLOON, HONG KONG