

**TRADE MARKS ORDINANCE (CAP. 559)**

**APPLICATION FOR REVOCATION OF TRADE MARK 300677034**

**MARK :** CIPRIANI RESIDENCE

**CLASSES :** 35, 36, 37, 43, 45

**APPLICANT :** HOTEL CIPRIANI SRL

**REGISTERED PROPRIETOR :** ALTUNIS TRADING GESTAO E SERVICOS LDA

**STATEMENT OF REASONS FOR DECISION**

1. Hotel Cipriani Srl (“the applicant”) applied to the Registrar of Trade Marks on 21 May 2012 to revoke the registration of the trade mark “CIPRIANI RESIDENCE” in classes 35, 36, 37, 43 and 45 under the Trade Marks Ordinance (Cap. 559) (“the Ordinance”) on the ground of non-use (the “application for revocation”). The trade mark was registered, at the time the application for revocation was filed, in the name of Altunis Trading Gestao E Servicos Lda (“the registered proprietor”).

2. The hearing of the application took place before me on 12 February 2015. Mr. Paul Stephenson, Counsel, instructed by Messrs. Wilkinson & Grist, represented the applicant. Mr. Douglas Clark, Counsel, instructed by Messrs. Deacons, Solicitors, represented the registered proprietor.

### **Ground for revoking the trade mark**

3. The application for revocation is made under section 52(2) of the Ordinance on the ground that the trade mark has not been genuinely used in Hong Kong by the registered proprietor or with its consent, in relation to the services for which it is registered.

### **Three-year period of non-use**

4. Under section 52(2)(a) of the Ordinance, the registration may be revoked if the trade mark has not been used for a continuous period of at least three years. The application filed on 21 May 2012 seeks revocation to take effect from, perhaps due to a clerical mistake 21 February 2012, or any other date as the Registrar deems appropriate. In the present proceedings, therefore, the relevant period of the enquiry is the three year period immediately prior to 21 May 2012 or, as the pleaded case suggests, 21 February 2012. Unless stated otherwise herein below, in the present proceedings I detect no real significance in the difference of three months between the stated days, and would, for convenience, refer to the period as “the relevant 3-year period”.

### **Registration**

5. The registration that the applicant applies to revoke is the trade mark below:

**CIPRIANI RESIDENCE**

(the “subject mark”) which has been registered with registration number 300677034 in classes 35, 36, 37, 43 and 45 in respect of the following services:-

Class 35

Promoting the interests of apartment, home and condominium renters and owners that reside in a community.

Class 36

Leasing and rental of apartments, homes and condominiums; real estate brokerage services for apartments, homes and condominiums.

Class 37

Real estate development services, namely, the development of residential communities including apartments, homes and condominiums and hotels and commercial properties including industrial building, office and retail space.

Class 43

Hotel services; making hotel reservations for others.

Class 45

Hotel concierge services.

(together “the registered services”).

The filing date of the application for registration of the subject mark, which is deemed to be also the date of registration, is 10 July 2006.

**Applicant’s evidence in support of the application**

6. Filed with the application for revocation, besides the Statement of Grounds, were the applicant’s evidence in support of the application pursuant to Rule 36 of the Trade Marks Rules, Cap. 559A (the “Rules”). The evidence consists of a statutory declaration of Man Chi Hung Edward and a statutory declaration of Helen Tang, both declared on 17 May 2012.

7. Man Chi Hung was a commercial investigator in the employ of a private investigation company which received instruction in or around mid-January 2012 from Messrs. Wilkinson & Grist, the applicant's solicitors, to conduct an investigation into the use of the subject mark. Man Chi Hung's statutory declaration sets out the process and results of the investigation.

8. From what were set out in the statutory declaration, it seems all that Mr. Man had done in relation to the investigation was to pay a visit to a restaurant called "Cipriani Hong Kong" located at 12<sup>th</sup> floor, Old Bank of China Building, Bank Street, Central, Hong Kong on 6 February 2012, talk to the captain of the restaurant and get a name card of Ms. Michelle Li, telephone Ms. Michelle Li the next day as well as on 21 February 2012 and make enquiries about whether "Cipriani Hong Kong" would provide services such as travel arrangement and hotel reservation, and products such as shampoo, perfumes and household and kitchen goods. Mr. Man observed the following out of his investigation:-

- (i) "Cipriani Hong Kong", as said by the captain, is a restaurant which offers "restaurant services" and not any other type of services; it served clients who are members but food products and gift items can be sold to non-members.
- (ii) The telephone conversations with Ms. Michelle Li also reveals that "Cipriani Hong Kong" is purely a restaurant and it does not offer any of the services, nor does it sell any of the products, as suggested by Mr. Man. The only products Ms. Michelle Li said would be sold by the restaurant were "pasta; rice; sauces; pestos; pastes; oil; vinegar".

9. Mr. Man had also obtained from the restaurant a copy of the brochure of "CIPRIANI HONG KONG" (hereinafter referred to as the "Cipriani Brochure"), a copy of which was exhibited to Man Chi Hung's statutory declaration as exhibit "MCHE-2". I shall discuss about this Cipriani Brochure later in this decision.

10. As to Helen Tang's statutory declaration, this is filed purportedly to give background information about the registered proprietor as well as the applicant's. In gist, the applicant is owner of the trade mark "CIPRIANI" in various countries and it

has filed trade mark applications in Hong Kong for the marks “CIPRIANI” and “HOTEL CIPRIANI” in Classes 35, 36 and 43. Ms. Tang is a partner of Messrs. Wilkinson & Grist, the applicant’s solicitors. The statutory declaration exhibited some company and internet searches caused to be done by Ms. Tang.

### **Counter-statement and registered proprietor’s evidence**

11. There were altogether three statutory declarations filed pursuant to Rule 37 of the Rules, but eventually only the latest one matters as the registered proprietor’s evidence of use, whilst the first two had either been replaced by the latest one or had already served its very purpose of filing for curing or addressing some procedural issues and hence is no longer relevant. For the present purposes of considering Rule 37 evidence, I would therefore confine my consideration to the latest one, which is a statutory declaration of Giuseppe Cipriani declared on 12 April 2013 (“Cipriani’s statutory declaration”). Giuseppe Cipriani is the director of the registered proprietor. He had by then been associated with the registered proprietor for around 12 years.

12. According to Mr. Cipriani, the registered proprietor authorised Cipriani USA, Inc. (“Cipriani USA”) to use the subject mark in relation to all the services in respect of which the subject mark has been registered. The registered proprietor and Cipriani USA, along with other related companies, collectively referred to as the “Cipriani Group”, were ultimately owned by the same company which was formed after the first Cipriani-owned business was founded by Giuseppe Cipriani’s grandfather in 1931. The business of the Cipriani Group seems to have originated in a bar in Venice called Harry’s Bar which was later declared by the Italian Ministry for Cultural Affairs as a national landmark. Due to its success, the business expanded to other areas of the food and beverage industry including the opening of a number of fine restaurants and also the development of the Cipriani brand of food and drinks such as pastas, sauces, olive oils, coffee, as well as kitchenware and books authorised by Giuseppe Cipriani’s father, Arrigo Cipriani.

13. Mr. Cipriani further said that the Cipriani Group has not only operated in the food and beverage industry but has also expanded its business to the development and operation of luxurious apartments. The “Cipriani Club Residences at 55 Wall Street” located in New York was cited as an example. In addition, the Cipriani Group is said to also provide management and consulting services to the Mr. C Beverly Hills hotel (the “Hotel”) located in Beverly Hills, California. The “C” is said to refer to the Cipriani family name.

14. Mr. Cipriani alleges that the registered proprietor has continuously used the subject mark during the relevant 3-year period in Hong Kong via, inter alia, the website <[www.cipriani.com](http://www.cipriani.com)> (the “Cipriani Website”) which was owned by Cipriani USA. This Cipriani Website, which advertises and promotes all of the registered services under the subject mark offered by the Cipriani Group, is in English and contains a “Hong Kong” specific page which caters to Hong Kong consumers. Exhibit 1 to Cipriani’s statutory declaration contains pages of printout from the Cipriani Website as well as of a Whois search result of the website.

15. It is alleged that if a Hong Kong consumer clicks on the tab entitled “RESIDENCES” at the bottom of the Cipriani Website, he or she will be able to access a page which advertises, promotes and/or offers apartments services in “55 Wall Street” which is located in New York. Exhibit 2 to Cipriani’s statutory declaration contains copies of printout from the “RESIDENCES” page of the Cipriani Website. It is alleged that the words “CIPRIANI RESIDENCES” appearing on the “RESIDENCES” page of the Cipriani Website is indeed use of the subject mark “CIPRIANI RESIDENCE”, as this does not alter the distinctive character of the subject mark.

16. Mr. Cipriani claims that it was he, his father Arrigo and Mr. David Tong who jointly established “Cipriani Hong Kong” in Hong Kong in or around 2003. “Cipriani Hong Kong” is described as being a private members’ club situated in Central, the heart of the city of Hong Kong, offering, inter alia, high-end Italian restaurant services and food and drink products. Exhibit 3 to Cipriani’s statutory declaration contains printout from the “Hong Kong” page of the Cipriani Website;

Exhibit 4 to Cipriani's statutory declaration contains a copy of the club's brochure which was distributed to Hong Kong consumers within at least the last 3 years before 2013.

17. In Mr. Cipriani's view, not only could Hong Kong consumers learn about the classes 35, 36 and 37 services for which the subject mark has been registered and accommodation arrangements via the contact details displayed on the Cipriani Website, they could also always make accommodation arrangements through the club.

18. As for the classes 43 and 45 services, Mr. Cipriani deposed that if a Hong Kong consumer clicks on the tab entitled "RESORTS" at the bottom of the Cipriani Website, he or she will be able to easily access a page dedicated to the Hotel; and on that page there is a hyperlink which allows a Hong Kong consumer to easily access the Hotel's website at <www.mrchotels.com> ("Hotel Website"). Exhibit 5 to Cipriani's statutory declaration contains copies of printout from the "RESORTS" page of the Cipriani Website as well as a printout of the Hotel Website.

19. It is further alleged that by accessing the Cipriani Website and the Hotel Website, Hong Kong consumers can easily learn about and purchase the Hotel's services; furthermore, by clicking on the "CONCIERGE" tab on the Hotel Website, he or she will be able to conveniently access and request the Hotel's concierge services by filling in the "Online Concierge Form". Exhibit 6 to Cipriani's statutory declaration contains printout of the Hotel Website and the "Online Concierge Form".

20. Based on the above, Mr. Cipriani is of the view that the subject mark has been genuinely used in Hong Kong in respect of all the goods and services for which it has been registered, by or with the consent of the registered proprietor.

#### **Applicant's additional evidence in support of the application**

21. The applicant filed additional evidence, pursuant to Rule 38 of the Trade Marks Rules, Cap. 559A (the "Rules"), in support of the application. The additional

evidence consists of a second statutory declaration of Helen Tang dated 22 October 2013.

22. This second statutory declaration of Helen Tang is filed mainly to comment on Cipriani's statutory declaration. The comments are of Helen Tang's own observations, I do not propose to summarize them but may refer to them if deems appropriate in the latter parts of this decision.

### **Decision**

23. At the outset, Mr. Douglas Clark, Counsel for the registered proprietor, rightly pointed out that this application for revocation relies only on the ground of non-use and no other, as the skeleton submissions of the applicant seemed to raise at issue other grounds such as bad faith which had not been pleaded and was not appropriate for the present form of proceedings.

24. Revocation of the registration of a trade mark is provided for under section 52 of the Ordinance. In particular, section 52(2)(a) provides that the registration of a trade mark may be revoked where "the trade mark has not been genuinely used in Hong Kong by the owner or with his consent, in relation to the goods or services for which it is registered, for a continuous period of at least 3 years, and there are no valid reasons for non-use".

25. Section 52(8) provides that for the purposes of subsection (2)(a), the 3-year period may begin at any time on or after the actual date on which particulars of the trade mark were entered in the register under section 47(1), i.e., the actual date of registration of the trade mark.

26. In the present case, the application filed on 21 May 2012 seeks revocation to take effect from 21 February 2012 or any other date as the Registrar deems appropriate. I would, as discussed above, refer to the three year period immediately

prior to 21 May 2012 or 21 February 2012 as “the relevant 3-year period” unless otherwise stated.

27. Section 82(1) of the Ordinance states : ‘if in any civil proceedings under this Ordinance in which the owner of a registered trade mark is a party, a question arises as to the use to which the trade mark has been put, the burden of proving that use shall lie with the owner’. The result is that in an application to revoke for non-use, the onus of proof of use is on the owner of the mark in question, which in the present context is the registered proprietor.

28. Whilst this point was not expected to be seriously in dispute, Mr. Clark submitted that this is so only in relation to the evidential burden, whereas the legal burden remains on the applicant. He drew my attention to paragraph 24 of *Pan World Brands Ltd v Tripp Ltd (Extreme Trade Mark)* [2008] R.P.C. 2, in particular the last sentence of that paragraph, which is reproduced below:-

24 There was some debate at the hearing before me as to the incidence of the burden of proof. In my judgment the position is as follows. The legal burden of proving that the requirements for revocation under section 46(1)(a) or (b) [*similar to section 52(2)(a) of the Ordinance*] are met lies on the applicant for revocation. By virtue of section 100, however, the evidential burden of showing what use has been made of the mark lies upon the proprietor. Similarly, by virtue of rule 31(3)(a) [*similar to Rule 37(1) & (2)(a) of the Rules*], if the mark has not been used, the evidential burden of showing what the reasons for non-use are lies upon the proprietor. The evidential burden may shift during the course of the proceedings: if, for example, the applicant for revocation were to accept that the proprietor's evidence showed use of the trade mark but to contend that the use was not genuine because it was purely for the purpose of preserving the registration, then the evidential burden of showing that that was the case would lie upon the applicant (although the applicant might be able to discharge that burden by relying upon the proprietor's own evidence). Finally, once the evidence is complete, the tribunal should not decide whether there has been genuine use, or proper reasons for non-use, purely on the basis that the party bearing the burden of proof has not discharged that burden unless it cannot reasonably make a finding in relation to that issue despite having striven to do so: see *Stevens v Cannon* [2005] EWCA 222 at [46].

29. I accept that the above formulation is the proper approach that should be adopted. In any event, examination of the evidence of use filed by the registered proprietor is of crucial importance, which I shall now turn to.

*Use of the subject mark in Hong Kong*

30. I have summarized the evidence filed by both parties in paragraphs 6 to 22 above, of which paragraphs 11 to 20 relate to the evidence of use filed by the registered proprietor by way of Cipriani's statutory declaration. Relying on the real evidence attached to the statutory declaration, Mr. Cipriani, who is the grandson of the founder of the Cipriani Group and the director of the registered proprietor, purported that the subject mark has been genuinely used in Hong Kong in respect of all the services for which it has been registered, by or with the consent of the registered proprietor. At the hearing, Mr. Clark presented a table as part of the registered proprietor's written submission matching, item by item, those parts of the evidence suggesting use with the specifications of the subject mark to illustrate that the subject mark has been used on all of the registered services.

31. It is in no doubt that all purported use of the subject mark in Hong Kong on or in respect of the registered service, if at all, are either through the services offered at "Cipriani Hong Kong", or via the internet platform constituted by the Cipriani Website and the Hotel Website. "Cipriani Hong Kong" is described by Mr. Cipriani as a private members' club situated in Central, the heart of the city of Hong Kong, offering, inter alia, high-end Italian restaurant services and food and drink products. The brochure of "Cipriani Hong Kong"<sup>1</sup> gives more details about the same, while Mr. Man, the investigator acting for the applicant, described "Cipriani Hong Kong" simply as a restaurant. Whatever kind of institution one might call "Cipriani Hong Kong", it is, after all, not that important; Ms. Michelle Li, Membership Officer of "Cipriani

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<sup>1</sup> The copy displayed at Exhibit 4 to Cipriani's statutory declaration is the same as the Cipriani Brochure exhibited as "MCHE-2" to Man Chi Hung's statutory declaration, except that it also contains the cover page of the brochure on which another mark of the registered proprietor is prominently displaced. It is a known fact of this proceeding that the registered proprietor owns another registered mark which can be referred to as "CIPRIANI & device".

Hong Kong”, just confirmed that it did not offer any services other than restaurant services, nor did it sell any of the products suggested by Mr. Man except “pasta; rice; sauces; pestos; pastes; oil; vinegar”. There is little doubt that “Cipriani Hong Kong” is providing merely restaurant or catering services in Hong Kong.

32. As to the use of the subject mark on the Cipriani Website, Mr. Cipriani stated in his statutory declaration that this is in relation to all the registered services. This has to be discussed in the context of whether use of the subject mark on the website constitutes use of the mark in Hong Kong, as there are implications for issues of jurisdiction. Very often there is a general argument that use of a trade mark on a website constitutes use of the trade mark throughout the world because the website can be accessed throughout the world. Such an argument was rejected by Jacob J. in *I-800 Flowers Inc v. Phonenames Ltd* [2000] FSR 697, where he said,

“For trade mark laws to intrude where a website owner is not intending to address the world but only a local clientele and where anyone seeing the site would so understand him would be absurd. So I think that the mere fact that websites can be accessed anywhere in the world does not mean... that the law should regard them as being used everywhere in the world. It all depends upon the circumstances, particularly the intention of the website owner and what the reader will understand if he accesses the site. In other fields of law publication on a website may well amount to a universal publication, but I am not concerned with that.” (in para.138 of the judgment)

33. Jacob J. had further elaborated this point in another case *Euromarket Designs Inc v Peters* [2001] F.S.R. 20. In that case, a US corporation operated the CRATE & BARREL chain of household goods stores in the US and owned UK registered trade mark consisting of the words CRATE & BARREL for glassware, crockery and other goods in Class 21. The defendant owned a shop in Dublin, Ireland which had been selling furnishings and accessories under the name "Crate & Barrel". The US corporation commenced proceedings for summary judgment for infringement of its UK registration by, among other things, placing of an advertisement for the Dublin shop on the defendant’s website (which bore “ie”, meaning Ireland, in its

address). Jacob J., after recounting the number of ways one can access the defendant's website, said,

“Whether one gets there by a search or by direct use of the address, is it rational to say that the defendants are using the words "Crate & Barrel" in the United Kingdom in the course of trade in goods? If it is, it must follow that the defendants' are using the words in every other country of the world. Miss Vitoria (plaintiff's counsel) says that the internet is accessible to the whole world. So it follows that any (Internet) user will regard any web site as being "for him" absent a reason to doubt the same. She accepted that my Bootle fishmonger example in *1-800 Flowers* is that sort of case but no more. I think it is not as simple as that. In *800 Flowers* I rejected the suggestion that the website owner should be regarded as putting a tentacle onto the user's screen. Mr. Miller (defendant's counsel) here used another analogy. He said using the internet was more like the user focusing a super-telescope into the site concerned; he asked me to imagine such a telescope set up on the Welsh hills overlooking the Irish Sea. I think Mr. Miller's analogy is apt in this case. Via the web you can look into the defendants' shop in Dublin. Indeed the very language of the internet conveys the idea of the user going to the site--"visit" is the word. Other cases would be different--a well-known example, for instance, is Amazon.com. Based in the United States it has actively gone out to seek world-wide trade, not just by use of the name on the internet but by advertising its business here, and offering and operating a real service of supply of books to this country. These defendants have done none of that.”

34. The *1-800 Flowers* case did go to appeal and the judgment of the Court of Appeal (*800-Flowers Trade Mark* [2002] F.S.R. 12) came after the judgment of *Euromarket Designs Inc v Peters*. Nonetheless, Buxton L.J. of the Court of Appeal said something more or less the same:

“...it was a significant part of the applicant's submissions that, for instance, "publication" of statements in a particular jurisdiction by downloading from the Internet according to the rules of the law of defamation or of misrepresentation was of at least strong analogical relevance to whether a trade mark downloaded from the Internet had been "used" in the jurisdiction to which it was downloaded; and, even more directly, that when A placed a mark on the Internet that was downloaded by B, the same criteria should apply in

determining whether A thereby used the mark as determine whether A thereby infringed the same mark in the jurisdiction where B was located.

I would wish to approach these arguments, and particularly the last of them, with caution. There is something inherently unrealistic in saying that A "uses" his mark in the United Kingdom when all that he does is to place the mark on the Internet, from a location outside the United Kingdom, and simply wait in the hope that someone from the United Kingdom will download it and thereby create use on the part of A." (in paras.136 and 137 of the judgment)

35. His Lordship then continued:

"...the very idea of "use" within a certain area would seem to require some active step in that area on the part of the user that goes beyond providing facilities that enable others to bring the mark into the area. Of course, if persons in the United Kingdom seek the mark on the Internet in response to direct encouragement or advertisement by the owner of the mark, the position may be different; but in such a case the advertisement or encouragement in itself is likely to suffice to establish the necessary use." (in para.138 of the judgment)

36. The above quoted passages from the two UK cases are, as pointed out by Lam J. in the local case *Kabushiki Laisha Yakult Honsha & Others v Yakudo Group Holdings Ltd & Another (No 4)* [2004] 2 HKLRD 587, only *obiter*. But Lam J. had not expressed any disagreement with them. For the UK Trade Marks Registry, Mr. A Knight in *Carte Bleue Trade Marks* [2002] R.P.C. 31 (TMR) said, with reference to the *1-800 Flowers* case and the *Euromarket* case, "I am prepared to take from those judgments a cautious approach to the use of website material in determining whether or not a trade mark has been used in the United Kingdom. However, I am not prepared to rule out the use of such material in order to determine whether or not a trade mark has been used within this jurisdiction."

37. I think we should similarly take this cautious approach. It seems the key question is whether use is "aimed and directed" at customers within the jurisdiction. Kitchin J. in *Dearlove v Combs* [2007] EWHC 375 (Ch) summed up the position as follows:-

“I believe it is clear from these authorities that placing a mark on the internet from a location outside the United Kingdom can constitute use of that mark in the United Kingdom. The internet is now a powerful means of advertising and promoting goods and services within the United Kingdom even though the provider himself is based abroad. The fundamental question is whether or not the average consumer of the goods or services in issue within the United Kingdom would regard the advertisement and site as being aimed and directed at him. All material circumstances must be considered and these will include the nature of the goods or services, the appearance of the website, whether it is possible to buy goods or services from the website, whether or not the advertiser has in fact sold goods or services in the United Kingdom through the website or otherwise, and any other evidence of the advertiser's intention.” (para 25)

38. On the side of European case law, it is relevant to note that the Court of Justice of the European Communities (“CJEU”) has similarly held that “the mere fact that a website [advertising or selling the product or service concerned] is accessible from the territory covered by the trade mark is not a sufficient basis for concluding that the offers for sale displayed there are targeted at consumers in that territory” – *L'Oreal SA v eBay International AG* (Case C-324/09) EU:C:2011:474 [2011] ECR I-6011, para 64. The CJEU was there worrying about websites and advertisements which, although obviously targeted solely at consumers in third States, are nevertheless technically accessible from the EU territory and if the aforesaid proposition of the law were otherwise, they would wrongly be subject to EU law. But then it went on to say the following: - it falls to the national courts to assess on a case-by-case basis whether there are any relevant factors on the basis of which it may be concluded that an offer for sale, displayed on an online marketplace accessible from the territory covered by the trade mark, is targeted at consumers in that territory. When the offer for sale is accompanied by details of the geographic areas to which the seller is willing to dispatch the product, that type of detail is of particular importance in the said assessment (para 65).

39. More recently in the local context, Andrew Chung J in *China National Gold Group Corp v HK China Gold Co Ltd* [2013] HKEC 1684 has summarized the state of

the law, citing Kerly's Law of Trade Marks and Trade Names (2011) 15th Ed., to be like this:

- (1) the use of a mark on a website which can be accessed from anywhere in the world does not necessarily constitute use of the mark throughout the world (para 27-059 thereof, p 872);
- (2) the other extreme, that is, such a use only takes place in the country where the web server is situated is also incorrect (para 27-059 thereof, p 873);
- (3) the dividing line is indicated by normal principles. It is ultimately a question of fact to be decided in the circumstances. An important matter is whether the website is "aimed and directed" at customers within the jurisdiction and seeks order for delivery to the jurisdiction (going beyond merely waiting in the hope of custom from within the jurisdiction). The inquiry is an objective one, to be judged from the reasonable user's understanding when looking at the website (para 27-062 and 27-064 thereof);
- (4) what is required is not an established trade within the jurisdiction (although this will be an important factor) but for use of the mark in the course of trade (para 27-062 thereof);
- (5) the quality of the internet users is that they are reasonably robust: they expect an internet search to produce a lot of irrelevant sites, and expects many to be foreign (para 27-063 thereof).

40. Coming back to the present case, Cipriani USA, which owned and operated the Cipriani Website, belonged to the same Cipriani Group which comprised the registered proprietor and others. I don't see much point here in contending that the absence of real evidence of any express consent or licence means that the use of the subject mark on these websites cannot be considered use by or with the consent of the registered proprietor, as Mr. Cipriani in his statutory declaration has expressly said that the registered proprietor authorized Cipriani USA to use the subject mark in relation to all the services concerned and the Cipriani Website expressly stated the copyright of the website is owned by Cipriani USA and its affiliates. Mr. Clark highlighted the fact that the Cipriani Website is in English, a language prevalently

used and understood by the average consumers in Hong Kong, and the Cipriani Website in particular contains a “Hong Kong” specific page which caters to Hong Kong consumers. Mr. Clark submitted that the Cipriani Website was clearly targeted at Hong Kong consumers, as it promoted the club in Hong Kong, viz., the “Cipriani Hong Kong” and specially listed Hong Kong as one of the cities it had a presence.

41. But from the authorities discussed above, I bear in mind that an offer of supply to the world at large which is not targeted at the particular jurisdiction concerned is not, without more, use directed at the user in that jurisdiction. With regard to the various webpages exhibited to Cipriani’s statutory declaration, I have the following observations:

- (i) The Cipriani Website’s home page had Hong Kong listed as one of the ten odd cities over the world at the top right-hand side of the page; the sign on the top left-hand side of the page is the following:-



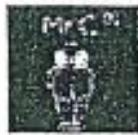
- (ii) The “RESIDENCES” page of the Cipriani Website, which was accessible by clicking on the tab “RESIDENCES” at the bottom of the Cipriani Website, advertises, promotes and/or offers apartments services only in relation to “55 Wall Street” which is located in New York. As seen from the copies at Exhibit 2 to Cipriani’s statutory declaration, indeed on every page that was entitled “RESIDENCES”, the same sign above appeared conspicuously on the top left-hand side of the page, but further down the page, after the text promoting the “55 Wall Street”, there was such a textual caption:-

CIPRIANI RESIDENCES:  
55 WALL STREET — CIPRIANI CLUB RESIDENCES®

Mr. Clark submits that the words “CIPRIANI RESIDENCES” above is the subject mark in use, given the fact that the second word ending in “s” is such

a slight difference that does not alter the distinctive character of the subject mark.

- (iii) The Hong Kong specific page of the Cipriani Website, which was accessible by clicking on the tab “Hong Kong” on the top right-hand side of the home page, referred to the club or restaurant “Cipriani Hong Kong” with an address in Hong Kong at 12/F., Old Bank of China Building, Central, Hong Kong; as seen from the copy at Exhibit 3 to Cipriani’s statutory declaration, the same sign depicted under sub-paragraph (i) above also appeared on the top left-hand side of the “Hong Kong” page.
- (iv) The “RESORTS” page, which was accessible by clicking on the tab “RESORTS” at the bottom of the Cipriani Website and contained a hyperlink which allows a Hong Kong consumer to easily access the Hotel Website at <www.mrchotels.com>, as seen from the copies at Exhibits 5 and 6 to Cipriani’s statutory declaration, did not have a sign or mark that resemble the subject mark, but instead only featured the following signs or marks on the page and on the Hotel Website:-



42. My observation above basically cover all that have been put forth as evidence of use on the basis that the Cipriani Website, as well as the Hotel Website, amounted to use of the subject mark in advertising and promoting in Hong Kong the registered services. I have recorded the observation I have in relation to the evidence of use as far as the Cipriani Website as well as the Hotel Website is concerned. It seems to me that apart from the “Hong Kong” specific page which advertised and promoted the private club or restaurant “Cipriani Hong Kong” in Hong Kong, the only other Hong Kong connection the Cipriani Website had was its home page which had Hong Kong listed as one of the ten odd cities over the world at the top right-hand side

there, and clicking on the “Hong Kong” tab would lead one to the “Hong Kong” specific page.

43. Pages other than the “Hong Kong” specific page, say the “RESORTS” page which allows one to easily access the Hotel Website, did not contain any hints of a Hong Kong connection specifically targeting Hong Kong consumers; the “Online Concierge Form” through which Mr. Cipriani said Hong Kong consumers could request the Hotel’s concierge services was available to anyone who had access to the Internet, hence it is not specifically targeting Hong Kong consumers. In any event, none of the marks appearing on the “RESORTS” pages or on the Hotel Website was the subject mark.

44. As to the “Hong Kong” specific page on the Cipriani Website, all it set out to do was advertising about the club or the restaurant called “Cipriani Hong Kong” by providing the catchy description of the club or restaurant as set out below (which basically can also be found in the Cipriani Brochure), together with an address, a telephone number, a fax number and an email address in Hong Kong:-

“On June 22, 2003 David Tang and Giuseppe Cipriani established Cipriani Hong Kong, a private members' club, to offer a quintessence of the best Italian food and drinks, style and service. In the marvellous history of the Cipriani family who are dedicated to serve, and serve the best, Cipriani Hong Kong continues the same time honored traditions that makes each experience so sought after today.”

45. Looking at all this in the round, when one visits the Cipriani Website at its home page, it seems it was nothing more than a website dedicating to advertising and promoting its goods and services to consumers all over the world, hinting that they had specific interest or establishment to provide their goods and services at those cities or places listed at the top right-hand side of the home page. Up to this point I could see that a Hong Kong consumer might just wonder this website has him or her as one of its targets around the world. But the strength of this Hong Kong target argument would soon wane when one clicks on any of the tabs at the bottom of the home page leading one to, say, the “RESORTS” page which advertised the Hotel situate at

Beverly Hills, California, or the “RESIDENCES” page which advertised the “Cipriani Club Residences at 55 Wall Street”, as all this has nothing at all to do with Hong Kong, nor any services offered seems to be specifically targeting customers coming from or originating from Hong Kong.

46. But if he or she happens to click on the tab “Hong Kong” and be directed to the “Hong Kong” specific page, the situation would be a bit different. What one sees on this “Hong Kong” specific page is an introduction of the “Cipriani Hong Kong”, billed as a private members' club, with its contact details provided. It does not seem that one could order any goods or services directly from this webpage, though one can contact “Cipriani Hong Kong” making use of the contact details. Whilst this page can be said to dedicate to anyone in the world who plans to go or is visiting Hong Kong prompting or encouraging him or her to go to “Cipriani Hong Kong” for a meal, it could also be understood to be targeting local consumers in Hong Kong to invite them to try out the Italian food and drink and enjoy the style and service offered there. Moreover, “Cipriani Hong Kong” presented as a private members' club would have its eye kept on Hong Kong consumers as its potential source of subscription for membership.

47. In a narrow sense, I am prepared to consider that the Cipriani Website is aimed and directed at Hong Kong customers as far as what appeared on the “Hong Kong” specific page was concerned but no more. But this would not help the applicant’s case as neither the home page nor the “Hong Kong” specific page had anything to do with any of the registered services in question, and neither of them featured the subject mark at all.

48. So the internet appearance of the words “CIPRIANI RESIDENCES” on the “RESIDENCES” page of the Cipriani Website, alleged by Mr. Clark to be use of the subject mark, could not assist the registered proprietor’s case as the webpage is not targeting, or “aimed or directed” at, Hong Kong consumers. Mr. Cipriani said in paragraph 16 of his statutory declaration that Hong Kong consumers not only learnt about the registered services in Classes 35, 36 and 37 and accommodation arrangements via the contact details displayed on the Cipriani website, they could also

always make accommodation arrangements through the club in Hong Kong. In my view, Hong Kong consumers did not learn the registered services in Classes 35, 36 and 37 through the Cipriani website as the relevant parts of the website were not “aimed or directed” at them. Moreover, Mr. Cipriani’s saying just confirms that it was indeed not possible to order services from the website, nor could it deliver any services in Hong Kong through the website or otherwise, and this gives away the argument that the webpages were “aimed and directed” at Hong Kong customers.

49. As to the saying that Hong Kong consumers could always make accommodation arrangements through the club in Hong Kong, this is not supported by any real evidence and is contradicted by the investigation of Mr. Man.<sup>2</sup> Moreover, although “Cipriani Hong Kong” is described as a private members’ club, and an Application for Membership form as well as a Membership Structure and Fees incorporating Terms and Conditions can be seen attached to the Cipriani Brochure (as exhibited at “MCHE-2” to Man Chi Hung’s statutory declaration), it has not been shown and cannot be ascertained what other services beyond ordinary restaurant services are on offer by or at this club. The Terms and Conditions incorporated under Membership Structure and Fees spell out nothing more than the fiscal matters of a membership. Whilst a membership might accord its subscribers certain benefits or advantages in using the restaurant services offered by or at “Cipriani Hong Kong” or any other restaurants of the Cipriani Group over the world, it is entirely a speculation stretched by imagination to say that the club in Hong Kong is providing any of the registered services to Hong Kong consumers which they can enjoy locally or overseas. Above all, the sign appearing on the cover page of the Cipriani Brochure and the mark conspicuously appears on the name card of Ms. Michelle Li is just the other registered mark owned by the registered proprietor but not the subject mark.

50. I therefore consider it a fair reading of all the evidence that the registered proprietor has failed to discharge the burden of showing genuine use of the subject mark in Hong Kong for any of the registered services.

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<sup>2</sup> See the discussion of the investigation at paragraphs 8 and 9 above.

## **Revocation**

51. The result is that the registration should be revoked for all of the registered services. Section 52(7) of the Ordinance provides that where the registration of a trade mark is revoked to any extent, the rights of the owner shall be deemed to have ceased to that extent as from-

- (a) the date of the application for revocation; or
- (b) if the Registrar or the court is satisfied that the grounds for revocation existed at an earlier date, that earlier date.

52. The applicant has indicated in the application for revocation that it wishes the revocation to take effect from 21 February 2012 but offers no reason for the choosing of this date, I therefore think this may be a clerical mistake bearing in mind that the filing date of this application is 21 May 2012, and would take the filing date as the date of revocation. As I am satisfied that the subject mark had not been genuinely used in Hong Kong by the registered proprietor or with his consent, in relation to the registered services for which it is registered, for a continuous period of at least 3 years prior to that date, and there are no valid reasons for non-use, registration of the subject mark is to be revoked for all the registered services with effect from 21 May 2012.

## **Costs**

53. The applicant has sought costs. As nothing in the circumstances or conduct of this case warrants a departure from the general rule that the successful party is entitled to his costs, I order that the registered proprietor pays the costs of and incidental to the present proceedings.

54. Subject to any representations, as to the amount of costs or calling for special treatment, which either party makes 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 between the parties.

(Frederick Wong)  
for Registrar of Trade Marks  
25 June 2015