

TRADE MARKS ORDINANCE (CAP. 559)

APPLICATION FOR REVOCATION OF TRADE MARK NO. 301574451

MARK: 捷特佳
J D I

CLASS: 7, 8, 9, 10 & 11

APPLICANT: Kabushiki Kaisha Japan Display (Japan Display Inc.)

REGISTERED OWNER: Blue Ocean Innovation Limited

STATEMENT OF REASONS FOR DECISION

Background

1. On 31 July 2014 (“Revocation Application Date”), Kabushiki Kaisha Japan Display (Japan Display Inc.) (“the Applicant”) filed an application under section 52(2)(a) of the Trade Marks Ordinance (Cap. 559) (“the Ordinance”)¹ to partially revoke the registration of the following mark on the ground of non-use, effective from 9 November 2013 (“the Revocation Application”) in respect of goods under Class 9 -

捷特佳
J D I (“the Mark”).

2. The Revocation Application was filed with a statutory declaration of Man Chi Hung, Edward (“Mr Man”) made on 30 July 2014 (“Man’s SD”) with exhibits.

¹ Unless otherwise stated, “section/s” herein means those under the Ordinance.

3. The Mark is registered as of 29 March 2010, the actual date of registration being 9 November 2010, in respect of the following goods:

Class 7

Machines and machine tools

Class 8

Hand tools and implements (hand operated)

Class 9

Optical, weighing, measuring, signalling, checking (supervision) apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; data processing equipment and computers

Class 10

Medical apparatus and instruments

Class 11

Apparatus for lighting, heating

As at the Revocation Application Date, the Mark remained registered in the name of Blue Ocean Innovation Limited (“the Registered Owner”).

4. On 29 January 2015 the Registered Owner filed a counter-statement (“Counter-statement”)² and on the next day a Statutory Declaration of Choy Che Kwai, Patrick (“Mr Choy”) made on the same date (“Choy’s SD”). On 19 June 2015, the Applicant filed a statutory declaration of Yukihiro Misaka (“Mr Misaka”) made on 11 June 2015 (“Misaka’s SD”) as additional evidence pursuant to rule 38

² The Counter-statement was filed together with two attachments which purported to show certain alleged facts. As the two documents were not adduced in the form of a statutory declaration, they were not considered as part of the Registered Owner’s evidence.

of the Trade Marks Rules (Cap. 559A) (“the Rules”)³.

5. The Revocation Application was listed to be heard on 7 July 2016. The Applicant filed a Form T12 to confirm attendance at the hearing but withdrew it in writing on 6 July 2016. The Registered Owner did not file a Form T12. Pursuant to rule 74(5), both parties were treated as not intending to appear at the hearing. I will now proceed to decide on the subject proceedings without a hearing pursuant to rule 75(b).

Applicant’s evidence

6. The Applicant’s evidence consisted of Man’s SD and Misaka’s SD. Mr Man was an investigator with Focus IPC Limited, a firm specialised in investigations relating to intellectual property rights, engaged by the Applicant in November 2013. Outlined in Man’s SD were findings of investigations, telephone and email enquiries, and market and telephone surveys on the use/non-use of the Mark. Misaka’s SD was made in response to Choy’s SD, evidence for the Registered Owner. Mr Misaka was the Applicant’s Group Manager who said that the Registered Owner has failed to adduce any evidence to prove genuine commercial use of the Mark in Hong Kong or a statement giving reasons for non-use. Man’s SD and Misaka’s SD led the Applicant to a belief that the Mark had not been used by the Registered Owner or with its consent in Hong Kong in relation to any of the Class 9 goods protected by the Mark (“the subject goods”) for a continuous period of at least three years before 9 November 2013.

Registered Owner’s evidence

7. The claim that “JDI Company Limited 捷特佳有限公司” was a going concern affiliated with the Registered Owner and that the Registered Owner

³ Unless otherwise stated, “rule/s” herein means those under the Rules.

“reserve the right of using” the Mark was made in the Counter-statement. Mr Choy, a Senior Manager in Finance and Administration of the Registered Owner since April 2013, followed that up in paragraph 3 of Choy’s SD that:

“Based on my inspection of record, I verily believe that the Registered Owner has an affiliated Company bearing the name of “捷特佳有限公司 JDI Company Limited” is a going concern and genuinely wish to use the [Mark] in the near future.”

8. The paragraph cited above was the only part in the Registered Owner’s evidence that may possibly shed light on any use of the Mark.

Grounds of revocation

9. The pertinent parts of section 52 are as follows -

“(2) The registration of a trade mark may be revoked on any of the following grounds, namely -

(a) that 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 (such as import restrictions on, or other governmental requirements for, goods or services protected by the trade mark);

...

(4) Subject to subsection (5), the registration of a trade mark shall not be revoked on the ground mentioned in subsection (2)(a) if the use described in that subsection is commenced or resumed after the expiry of the 3-year period and before the application for revocation is made.

- (5) Any commencement or resumption of the use described in subsection (2)(a) after the expiry of the 3-year period but within the period of 3 months before the making of the application for revocation shall be disregarded unless preparations for the commencement or resumption began before the owner of the registered trade mark became aware that the application might be made.

...

- (8) 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) (registration).”

10. The Applicant contended that the Mark has not been genuinely used in Hong Kong by the Registered Owner or with its consent, in relation to the subject goods, during a continuous period of no less than 3 years before 9 November 2013 and there are no valid reasons for such non-use. The Applicant sought partial revocation of the Mark respecting Class 9 goods on ground of non-use effective from 9 November 2013. It is therefore necessary to consider whether the Mark has been genuinely used in Hong Kong by the Registered Owner or with its consent in relation to the subject goods during the 3-year period beginning on 9 November 2010 (“the Relevant Period A”).

11. According to section 52(4), genuine use of the Mark after the expiry of the 3-year period ending on 9 November 2013 but before the Revocation Application Date, i.e. between 9 November 2013 and 31 July 2014 (“the Relevant Period B”), may, subject to section 52(5), save the Mark from being revoked. I would thus also consider whether the Mark has been genuinely used in respect of the subject goods in Hong Kong during the Relevant Period B.

Burden of proving use

12. Section 82(1) provides that -

“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.”

Hence the burden of proving genuine use of the Mark in Hong Kong in respect of the subject goods in the Relevant Period A and the Relevant Period B or advancing valid reasons for non-use lies with the Registered Owner.

Genuine use

13. The policy behind the requirement that a trade mark, once registered, should be used in order to justify its continued registration is stated in *Ansul BV v Ajax Brandbeveiliging BV* [2005] Ch 97, paragraph 37. It is that the purpose of a trade mark is to enable its owner to create or preserve a market for goods or services produced or supplied by him. It does so by granting to the owner the exclusive right to use the mark in that market, and the ability to stop others from using the mark in relation to their own goods or services. However, where the mark is not in fact used for this purpose, it ceases to achieve this purpose. There is then no longer any justification for preventing others from using it: *Brands Inc Ltd v Kabushiki Kaisha Regal Corp* [2006] HKEC 2313 (HCMP 754/2006), paragraph 14. Further, as a trade mark and the rights that are conferred by it are essentially territorial in nature, what is relevant for the purpose of deciding whether or not the owner should be entitled to retain the mark and its associated rights is use as a trade mark in the territory in respect of which it is registered: *Brands*, paragraph 15.

14. What constitutes genuine use has been considered in a number of cases including *Ansul, La Mer Technology Inc v Laboratoires Goemar SA* [2004] F.S.R. 38, *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5 and *Brands*, where several guiding principles were deduced.

Use of Mark as gleaned from Registered Owner's evidence

15. Mr Choy's evidence that "*the Registered Owner....wish to use the Mark in the near future*" (paragraph 7 above) was, in my view, tantamount to a tacit admission that the Registered Owner has hitherto *not* put the Mark to use. The lack of evidence to show actual use of the Mark reinforced the admission of non-use.

16. Despite the claim in the Counter-statement that the Registered Owner reserved the right to use the Mark which was echoed in Choy's SD, the Registered Owner has not adduced any evidence to show when and in what manner it planned to use the Mark, through its so-called affiliated company JDI Company Limited. There was no mention of, for instance, any preparatory steps leading to such planned use. More importantly, there was no explanation nor evidence at all on any reasons for non-use of the Mark to date.

17. Having assessed the Registered Owner's evidence and based on its own admission, I am not satisfied that Mark had been used during either the Relevant Period A or the Relevant Period B on the subject goods in accordance with the essential function of a trade mark in order to create or preserve an outlet for them. The Registered Owner has indeed failed to discharge the burden of showing genuine use of the Mark in Hong Kong by itself or with its consent in relation to the subject goods during the two said periods.

18. As the Registered Owner proffered no reasons for non-use, it has none to rely on in order to save the Mark from being revoked.

Conclusion

19. As the Registered Owner has failed to discharge the burden of showing genuine use of the Mark in Hong Kong by itself or with its consent in relation to any of the subject goods during the Relevant Period A and the Relevant Period B and there was no valid reason for non-use, the inevitable result is that the registration of the Mark is, as sought by the Applicant, partially revoked in respect of Class 9 goods effective from 9 November 2013.

Costs

20. The Revocation Application has succeeded, I award the Applicant costs. 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.

(Elsie Tse)
for Registrar of Trade Marks
7 December 2016