

TRADE MARKS ORDINANCE (CAP. 559)
OPPOSITION TO TRADE MARK APPLICATION NO. 302108754

MARK :



CLASS: 25
APPLICANT : WELL BRIGHT ENTERPRISE LIMITED
OPPONENT : THE CARTOON NETWORK, INC.

STATEMENT OF REASONS FOR DECISION

Background

1. On 9 December 2011 (“Application Date”), Well Bright Enterprise Limited (“Applicant”) filed an application for registration (“subject application”) of the following mark under the Trade Marks Ordinance (Cap.559) (“Ordinance”):



(“subject mark”)

The application number assigned by the Registrar of Trade Marks (“Registrar”) to the subject application was 302108754.

2. Registration of the subject mark was sought in respect of the following goods in Class 25:

Clothing, footwear, headgear
(collectively referred to as the “subject goods”).
3. Particulars of the subject application were published on 20 April 2012.

4. On 17 July 2012, The Cartoon Network, Inc. (“Opponent”) filed a Notice of Opposition together with a Statement of Grounds of Opposition under rule 16 of the Trade Marks Rules (Cap. 559A) (“TMR”).
5. Thereafter the following documents were filed by the Applicant and the Opponent respectively:
 - (a) Counter-statement of the Applicant dated 15 October 2012 filed under rule 17 of TMR; and
 - (b) Statutory Declaration dated 12 July 2013 made by Louise S. Sams (“LSS”), the Vice President and Secretary of the Opponent, and filed under rule 18 of TMR (“LSS Declaration”).
6. The opposition was fixed to be heard on 28 January 2015. Neither the Opponent nor the Applicant filed any notice of intention to appear at the hearing (Form T12) within the prescribed period. Pursuant to rule 74(5) of TMR, both parties are treated as not intending to appear at the hearing. I will now proceed to decide the matter without a hearing pursuant to rule 75(b)(i) of TMR.

The Opponent’s evidence

7. The Opponent is a US cable television network. It launched to air animated programmes that were oriented for all age groups in 1992. Later, it broadcasted shows ranging from action to animated comedy, targeting children and teens.
8. “Ben 10” is an animated American media franchise produced by Cartoon Network Studios. It is about a 10 year old boy named Ben Tennyson who acquires a watch-like device attached to his wrist that allows him to turn into alien creatures to fight crime and evil aliens. There are a total of four television series: “Ben 10”, “Ben 10: Alien Force”, “Ben 10: Ultimate Alien” and “Ben 10: Omniverse”. Apart from the above animated series, Made-for-TV movies were also produced. Four TV movies were mentioned in the LSS Declaration, all of which featured the adventures of “Ben 10”. The Opponent claimed that these TV movies were shown in more than 194

countries and many of these animated series and TV movies were nominated for awards.

9. The “Ben 10” television series was first released in late 2005 through Cartoon Network (Southeast Asia) to audiences in Hong Kong, Macau, Southeast Asia and South Korea through iCable. The premiere dates of the original animated series were from December 2005 to March 2012. As for the Made-for-TV movies, they were aired in August and November 2007 and November 2009.
10. The Opponent claimed that due to the popularity of Ben 10, licences were granted to over 100 licensees globally at any one time to manufacture and market a whole range of products including personal care products, phone accessories, bikes, books, stationery, clothing, footwear, games, video games, online games, toys etc. In Hong Kong, “Ben 10” products were manufactured and marketed through a large number of licensees and the products were available for sale in Hong Kong in Toys R Us. Copies of photos adduced by the Opponent showed that the products sold in Toys R Us were toys only.¹

Registered trade marks

11. The Opponent is the owner of the mark “BEN 10” and its variants which are registered in Hong Kong or applications for registration of which were filed with the Registrar. Particulars of such registrations or applications are set out in Annex A and the trade marks therein shall be collectively referred to as the “Opponent’s Marks” and individually as the “Opponent’s Mark”. All the Opponent’s Marks contain “BEN 10” and some of them have also incorporated other words, designs or graphics. The specification covers a wide spectrum of goods and services in Classes 3, 9, 14, 16, 18, 20, 21, 24, 25, 28, 30, 32, 35, 38 and 41 (“Opponent’s registered goods and services”).
12. An extensive list of the Opponent’s trade mark registrations in other countries was also adduced as evidence.²

¹ Exhibit “LSS-7” of the LSS Declaration.

² Exhibit “LSS-9” of the LSS Declaration.

Use and Promotion of the Opponent's Mark

13. The Opponent claimed that its marks have been extensively and continuously used by the Opponent and/or its associated companies and/or its authorised licensees to promote the Opponent's registered goods and services worldwide. As the manufacturing and sales of merchandises were conducted by its licensees, the Opponent was not able to adduce any invoice evidencing such sales.
14. Aside from the regular TV shows, computer and online games of "Ben 10" were also popular in Hong Kong. Copies of advertisements in various newspapers that were in circulation in Hong Kong were produced as evidence. Such advertisements included the launch of the online or computer games "Ben 10 Omniverse – Rise of the Heroes" and "Ben 10 Ultimate Alien" in 2010. The evidence showed that there was a "Ben 10" live stage show at the Kowloon International Trade and Convention Centre in November 2011. Furthermore, the Opponent also participated in the "Toys in Asia Hong Kong Licensing Show" in 2011.³
15. By virtue of the above, the Opponent claimed that it had established substantial goodwill and reputation in the Opponent's registered goods and services provided under the Opponent's Marks.
16. The rest of the evidence consists mainly of submissions. In short, the Opponent considers that the close similarity of the subject mark and the Opponent's Marks would cause confusion to the public or would likely deceive the public.

The Applicant

17. The Applicant is a Hong Kong company. The Counter-statement states that the subject mark consists of a horse device which is running bravely. It symbolizes the hard-working attitude of Hong Kong people who are committed whole-heartedly to achieve their goals. The word "Benten" is adopted because it is close to the Cantonese pronunciation of "奔騰". The

³ Exhibit "LSS-13" of the LSS Declaration.

rest of the Counter-statement consists mainly of submissions that the subject mark does not resemble the Opponent's Marks.

18. The Applicant did not file any evidence in support of the subject application.

Grounds of Opposition

19. The Opponent pleaded various grounds of opposition. They included the absolute grounds in section 11(1)(a), 11(4)(b), 11(5)(a), 11(5)(b) and the relative grounds in section 12(3), 12(4) and 12(5)(a) of the Ordinance. I will start by considering the relative grounds of objection and if necessary, proceed to consider the absolute grounds of objection.

Opposition under section 12(3) of the Ordinance

The relevant law

20. Section 12(3) of the Ordinance is worded as follows:

“(3) 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.”

21. This ground of opposition is based on an “earlier trade mark”, a term defined in section 5 of the Ordinance. The relevant parts of section 5 read as follows:

“(1) In this Ordinance, “earlier trade mark”, in relation to another trade mark, means -

- (a) a registered trade mark which has a date of the 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; or

(b)

22. Section 12(3) of the Ordinance is modeled on section 5(2) of the UK Trade Marks Act 1994,⁴ which in turn implements Article 4(1)(b) of the European Trade Marks Directive.⁵ This being the case, the principles stated by the Court of Justice of the European Union (“CJEU”) (previously known as the European Court of Justice) in *Sabel BV v. Puma AG*,⁶ *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*,⁷ *Lloyd Schuhfabrik Meyer & Co GmbH v. Klijsen Handel B.V.*,⁸ *Marca Mode CV v. Adidas AG and Adidas Benelux BV*⁹ and *Specsavers International Healthcare Ltd. v. Asda Stores Ltd.*¹⁰ on the application of Article 4(1)(b) of the above Directive are relevant to the construction of section 12(3) of the Ordinance. Such principles have been adopted in the main in Hong Kong and most recently by the Court of Appeal in *Tsit Wing (Hong Kong) Co Ltd v TWG Tea Co Pte Ltd.*¹¹ In *Tsit Wing*, Lam VP cited (at paragraph 35) the propositions endorsed by Kitchen LJ in *Specsavers* (at paragraph 52) as follows –

“On the basis of these and other cases the Trade Marks Registry has developed the following useful and accurate summary of key principles sufficient for the determination of many of the disputes coming before it:

(a) the likelihood of confusion must be appreciated globally,

⁴ Section 5(2) of the UK Trade Marks Act 1994 provides as follows –

“(2) A trade mark shall not be registered if because –

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

⁵ Article 4(1)(b) of the European Trade Marks Directive 89/104/EEC of 21 December 1988 provides –

“(1) A trade mark shall not be registered or, if registered, shall be liable to be declared invalid:

.....

(b) if because of its identity with, or similarity to, the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

⁶ [1998] R.P.C. 199.

⁷ [1999] R.P.C. 117.

⁸ [2000] F.S.R. 77.

⁹ [2000] E.T.M.R. 723.

¹⁰ [2012] F.S.R. 19

¹¹ [2014] HKEC 2004.

taking account of all relevant factors;

- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who 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, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;
- (f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.”

23. In essence, section 12(3) of the Ordinance prohibits the registration of a trade mark which would be likely to cause confusion on the part of the public as a result of it being similar to an earlier trade mark and because it is to be registered in respect of goods or services that are the same as or similar to those covered by the earlier trade mark. Furthermore, in assessing whether the use of a trade mark is likely to cause confusion on the part of the public, the Registrar is required, under section 7(1) of the Ordinance, to take into account all factors relevant in the circumstances, including whether the use is likely to be associated with an earlier trade mark.

24. I will bear in mind the above principles and will take into account all factors that are relevant in determining whether the ground of opposition under section 12(3) of the Ordinance has been established in the present case.

Earlier trade marks

25. The Opponent did not specify which of the Opponent’s Marks that it intends to rely on as earlier trade mark(s) in its opposition under section 12(3) of the Ordinance. Some of the Opponent’s Marks are simple word marks and the others are more stylized marks.

(a) Seven of the word marks consist solely of the word “BEN” and the numeral “10” and the other word marks are “BEN 10 OMNIVERSE” and “BEN 10 ULTIMATE ALIEN” respectively; and

(b) The other marks are “BEN 10 ALIEN FORCE” and “BEN 10 OMNIVERSE” in highly stylized forms.

26. Since the date of the application for registration of each of the Opponent’s Marks is earlier than the Application Date, each Opponent’s Mark constitutes an earlier trade mark vis-a-vis the subject mark.

27. For the purpose of considering the objection under section 12(3) of the Ordinance, I will examine in detail the Opponent’s Mark that stands the

highest chance of success under this ground. Such mark is TM registration no. 300481905 (“Prior Mark”) and the detailed particulars are set out in Annex B.

The relevant consumers

28. To determine whether there are similarities between the subject mark and the Prior Mark and whether use of the subject mark by the Applicant is likely to cause confusion, I have to look at the matter from the perspective of the average consumer of the goods. Such consumer is deemed to be reasonably well informed and reasonably observant and circumspect. Very often, his or her level of attention will depend on the nature of the goods in question.
29. The subject goods are common everyday products and the consumers will be members of the public in Hong Kong. Generally speaking, these goods are not highly expensive items and consumers would only exercise reasonable care and attention in selecting the goods.

Distinctiveness of the Prior Mark

30. In principle, the more distinctive an earlier trade mark (whether per se or as a result of the use made of it), the greater will be the likelihood of confusion with the later mark.
31. The Prior Mark consists of the word “BEN” and the numeral “10”. The Opponent submitted in its evidence that “Ben” is a boy’s name and is the nickname for “Benjamin”.¹² In relation to goods such as clothing, footwear and headgear, the Prior Mark is not descriptive of the characteristics of the goods and is distinctive of such goods.
32. I will also need to examine whether the distinctiveness of the Prior Mark has been enhanced through its use in Hong Kong by the Opponent or with its consent. The evidence adduced by the Opponent shows that there has been substantial use of the Prior Mark by the Opponent (and/or its licensees) in relation to the production of cartoon television series, TV movies, live shows and the production and sale of computer and online games, toys and

¹² Paragraph 30 of the LSS Declaration.

playthings, storybooks and publications (“established category of goods and services”), all of which feature the adventures of the cartoon character “BEN 10”.

33. As for clothing, footwear, headgear and other similar goods, LSS deposed that “Ben 10” merchandises were manufactured and marketed in Hong Kong through a large number of licensees and the merchandises were available for sale in Hong Kong in Toys R Us.¹³ The list of licensees adduced by the Opponent¹⁴ contained 17 licensees for different merchandises covering various periods from 2007 to 2012. There are two licensees for “apparel and accessories” and one licensee for “footwear”. However, there is no evidence to show that the above merchandises (i.e. apparel and accessories and footwear) were actually marketed or sold in Hong Kong. On the evidence available, while I am satisfied that the distinctiveness of the Prior Mark has been enhanced through use in relation to the established category of goods and services, I am not convinced that there is any enhancement to its distinctiveness in relation to goods in Class 25.

The subject mark

34. The subject mark consists of (i) a horse device “”; and (ii) the word “Benten”. The graphic component appears to a horse that is galloping or jumping (“horse device”) and the word “Benten” is placed immediately below the horse device.

35. “Benten” does not have any dictionary meaning.

Comparison of marks

36. It was argued in the LSS Declaration that since words speak louder than device, upon seeing the subject mark, consumers would read and refer to it as “Benten”. “Benten” is not a dictionary word. It is a combination of “Ben” (the nickname for Benjamin) and “ten” (the numeral “10”). Given that “Benten” is closely similar to “Ben 10”, the Opponent argued that the two marks are closely similar to each other.

¹³ Paragraph 11 of the LSS Declaration.

¹⁴ Exhibit “LSS-7” of the LSS Declaration.

37. The established principles for comparison of marks have been set out in paragraphs 22 and 23 above. In particular, the average consumer normally perceives a mark as a whole and the visual, aural and conceptual similarities between different marks should be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components. However, it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements.
38. Visually, the Prior Mark is short and simple and is a combination of two elements namely, “BEN” and “10”.
39. The subject mark is a composite mark. The horse device is prominent and distinctive of the subject goods. As for the word “Benten”, the Opponent appears to suggest that it would be seen or perceived as two separate words, namely “Ben” and “ten” and each word has its own meaning. I do not agree. The average consumer will perceive the word “Benten” as a whole and will not proceed to analyse its details by splitting up the word into two words. “Benten” does not have a dictionary meaning and it is also distinctive of the subject goods.
40. I agree with the Opponent that words generally speak louder than device. However, one should also bear in mind that the average consumer perceives a mark as a whole and in this case, since the horse device is prominent and distinctive of the subject goods, it would not be ignored. Looking at the Prior Mark and the subject mark as a whole, it is obvious that the only similarity between the marks lies in the word or the component “Ben”. While the word “BEN” forms a significant part of the Prior Mark, it merely constitutes the frontal element of the word “Benten” in the subject mark.
41. Taking into account the overall impressions of the Prior Mark and the subject mark, I consider that the degree of visual similarity between the two marks is very low.
42. Aurally, the Prior Mark will be pronounced as two separate words, namely “Ben” and “Ten”. As for the subject mark, it will be pronounced as one word “Ben-ten” and the second syllable “ten” is pronounced “tn” as in the second syllable of “gluten”. The emphasis will naturally be placed on the

frontal element of the word (“Ben”). Phonetically, the two marks are similar to a moderate degree.

43. Conceptually, the subject mark conveys the message of a horse. As for the Prior Mark, since it does not have any defined meaning, it would not convey any specific message to the consumers.
44. Having separately assessed the degree of similarities between the Prior Mark and the subject mark from the visual, aural and conceptual perspectives, I will need to evaluate the importance to be attached to the above aspects taking into account the nature of the goods in question and the circumstances in which they are marketed. The subject goods are clothing, footwear and headgear. These goods are generally available in different varieties and colours to suit the style and taste of different consumers and their needs. They are commonly marketed and sold in department stores or shops where the actual goods would be displayed. Nowadays, it is also common for consumers to purchase them through the Internet. Hong Kong is a cosmopolitan city and consumers are generally more fashion conscious. Very often, they would look at the actual goods or at least samples of the goods before they purchase them. Even where the goods are sold online, photographs of the goods and a description of their characteristics would be displayed. Taking into account the mode in which the subject goods are sold and the behaviour of consumers, I consider that the visual aspect plays a more important role in assessing the overall similarity between the Prior Mark and the subject mark. Since the level of visual similarities between the two marks is very low and their overall impressions are very different, I find that there is merely a low degree of similarity between the two marks.

Comparison of goods

45. I now turn to compare the goods in question. The factors that the court will take into account when considering the similarities between goods were discussed in *British Sugar v. Robertson and Sons Ltd.*¹⁵ They are:
 - (a) The respective uses of the goods;
 - (b) The respective users of the goods;
 - (c) The physical nature of the goods;

¹⁵ [1996] R.P.C. 281.

- (d) The respective trade channels through which the goods 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 are competitive. This inquiry may take into account how those in trade classify the goods, for instance whether market research companies, who of course act for industry, put the goods in the same or different sectors.
46. Further, in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*,¹⁶ the court considered that all relevant factors relating to the goods in question should be taken in account. These factors include, *inter alia*, their nature, their end users and their methods of use and whether they are in competition with each other or are complementary.
47. The subject goods are clothing, footwear and headgear in Class 25.
48. As for the Prior Mark, it is registered in respect of goods in Classes 9, 16, 25 and 28.
- (a) The goods in Class 9 include a wide range of electrical and electronic apparatus; video and audio cassettes, compact discs, lens and glasses, swimming and diving apparatus, computer games and software etc.
 - (b) The goods in Class 16 include stationery, packaging materials, printed matter, materials for modeling or molding, writing and drawing etc;
 - (c) The goods in Class 25 consist of a detailed list of items of clothing, footwear and headgear; and
 - (d) The goods in Class 28 include a wide range of games and playthings, ornaments and decorations for Christmas trees, sporting articles (other than clothing) etc.

¹⁶ See footnote 7.

49. It is obvious that the subject goods are identical or highly similar to the goods in Class 25 that are protected by the registration of the Prior Mark. However, the subject goods are not identical or similar to the goods in Classes 9, 16 and 28 above as the respective uses and physical nature of the goods are very different. Further, the subject goods are neither in competition with nor complementary to the goods in Classes 9, 16 and 28.
50. Since section 12(3) of the Ordinance only applies if the subject goods are identical or similar to the goods for which the Prior Mark is protected, I will only consider the goods in Class 25 in respect of which the Prior Mark is registered for the purpose of determining the opposition under this ground.

Likelihood of confusion

51. Under section 12(3) of the Ordinance, 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 them through the eyes of the average consumer of the goods in question. I will also need to bear in mind the principles in paragraphs 22 and 23 above. In particular, I note the general principle that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods in question.
52. The subject goods are everyday items and consumers will exercise an average level of care and attention in selecting the goods. Generally speaking, they will pay more attention and importance to the appearance and visual aspects of the subject goods. The subject goods are identical or highly similar to the goods in Class 25 for which the Prior Mark is protected. As regards comparison between the Prior Mark and the subject mark, there is merely a low degree of similarity between them and the overall impressions of the two marks are very different. Also, the distinctiveness of the Prior Mark has not been enhanced through use in relation to the goods in Class 25. Taking all the above circumstances into account, I do not think that there is a real likelihood of confusion of the origin of the subject goods if the subject mark is used in relation to such goods.

Other Marks of the Opponent

53. As regards the marks set out in Annex A (other than the Prior Mark), they contain words such as “ALIEN FORCE”, “OMNIVERSE” and “ULTIMATE ALIEN” in addition to “BEN 10”. Some of these marks are also stylized and distinctive. The similarity between each of these marks and the subject mark is even lower than that between the Prior Mark and the subject mark. That being the case and taking into account all the relevant circumstances, I do not think that there is a real likelihood of confusion of the origin of the subject goods if the subject mark is used in relation to such goods.
54. For the reasons above, I find that the Opponent has failed to establish its case under section 12(3) of the Ordinance.

Opposition under section 12(4) of the Ordinance

55. Section 12(4) of the Ordinance reads as follows:

“....., a trade mark which is-

- (a) identical or similar to an earlier trade mark; and
- (b) proposed to be registered for goods or services which are not identical or similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark is entitled to protection under the Paris Convention as a well-known trade mark and the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

56. To succeed on the ground of opposition under section 12(4), the Opponent has to show three conditions:-
- (a) the earlier trade mark is entitled to protection under the Paris Convention as a well-known trade mark;
 - (b) the subject mark is identical or similar to the earlier trade mark and on a global appreciation taking into account all the factors relevant

to the circumstances of the case, there is a link between the earlier mark and the subject mark in the minds of the relevant public; and

- (c) the use of the subject mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.

57. The Opponent did not specify which of the Opponent's Marks that it intends to rely on as earlier trade marks to support its opposition under section 12(4) of the Ordinance. The evidence adduced by the Opponent shows that the Opponent's Marks have been used extensively in Hong Kong in relation to the established category of goods and services and the Opponent has built up substantial reputation in those marks. "BEN 10" could be regarded as the house mark of the Opponent since it is present in all the Opponent's Marks and it is the most prominent and distinctive element in such marks. I will consider the opposition under section 12(4) of the Ordinance on the basis that "BEN 10" is the earlier trade mark.

58. I find the following passages from the judgment of the CJEU in *Intel Corporation Inc v CPM United Kingdom Ltd.* [2009] R.P.C. 15 useful in understanding the basis for opposition under section 12(4) of the Ordinance.¹⁷

“27 The types of injury against which Art.4(4)(a) of the Directive ensures such protection for the benefit of trade marks with a reputation are, first, detriment to the distinctive character of the earlier mark, secondly, detriment to the repute of that mark and, thirdly, unfair advantage taken of the distinctive character or the repute of that mark.

28 Just one of those three types of injury suffices for that provision to apply.

29 As regards, in particular, detriment to the distinctive character of the earlier mark, also referred to as ‘dilution’, ‘whittling away’ or

¹⁷ The judgment deals with the interpretation of Article 4(4)(a) of the European Council Directive 89/104 (corresponding to section 5(3) of the UK Trade Marks Act 1994 which is equivalent to section 12(4) of the Ordinance).

'blurring', such detriment is caused when that mark's ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark. That is notably the case when the earlier mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so.

30 *The types of injury referred to in Art.4(4)(a) of the Directive, where they occur, are the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them...*

31 *In the absence of such a link in the mind of the public, the use of the later mark is not likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark.*

32 *However, the existence of such a link is not sufficient, in itself, to establish that there is one of the types of injury referred to in Art.4(4)(a) of the Directive...(emphasis added)*

...

41 *The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case*

42 *Those factors include:*

- the degree of similarity between the conflicting marks;*
- the nature of the goods or services for which the conflicting marks were registered,¹⁸ including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;*
- the strength of the earlier mark's reputation;*

¹⁸ References are made to goods or services "registered" as the *Intel* decision dealt with an application for declaration of invalidity of a registered mark.

- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.¹⁹”

Link between the marks

59. I will first consider whether consumers will form a link with the Opponent’s Mark “BEN 10” when they encounter the subject mark. I have found that although “Ben” is common in “BEN 10” and the subject mark, there is merely a low degree of similarity between the marks and the overall impressions created by the two marks are very different. By virtue of the substantial use of “BEN 10” in respect of the established category of goods and services, the Opponent has built up extensive reputation in such goods and services.

60. The consumers of the established category of goods and services are children and teenagers. The target consumers of the subject goods are members of the public of all age groups. Hence, the two groups of consumers overlap to a certain extent.

61. The nature and purpose of the established category of goods and services and the subject goods are very different. In this respect, I note the following guidance at paragraphs 49 and 50 of the *Intel* case:

“49. Furthermore, even if the relevant section of the public as regards the goods or services for which the conflicting marks are registered is the same or overlaps to some extent, those goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public.

50. Accordingly, the nature of the goods or services for which the conflicting marks are registered must be taken into consideration for the purposes of assessing whether there is a link between those marks.”

62. Considering the matter globally, I am not persuaded that there is a link

¹⁹ The CJEU gave further guidance in relation to these factors at paragraphs 43 to 58 of the *Intel* case.

between the subject mark and “BEN 10” given the low degree of similarity between the two marks and the difference in nature between the established category of goods and services and the subject goods. The fact that “BEN 10” has an extensive reputation in the established category of goods and services does not necessarily imply that there is such link.²⁰

63. As regards the other marks used by the Opponent as set out in Annex A, since the degree of similarity between such marks and the subject mark is even lower, the link required could not be established.
64. For the above reasons, the requirement referred to in paragraph 56(b) above is not satisfied. In view of the absence of a link in the minds of the public, it is not necessary to go on to examine the other requirements for establishing the opposition under section 12(4) of the Ordinance.
65. In any event, as stated in the *Intel* case, even if a link is found to exist, such link is not sufficient, in itself, to establish any of the three types of injury under section 12(4).²¹ Further, detriment to and unfair advantage of distinctive character or repute must be provable by real, as opposed to theoretical, evidence and cannot be merely assumed from the fact that the earlier mark has a substantial reputation (*Creditmaster Trade Mark*²²). The Opponent has not adduced any concrete evidence to show that the use of the subject mark by the Applicant has taken unfair advantage of, or has caused detriment to, the distinctive character or repute of any of the Opponent’s Marks or that the above adverse consequences would be likely to occur in future. Hence, the requirement referred to in paragraph 56(c) above is not satisfied in any event.
66. I find that the ground of opposition under section 12(4) of the Ordinance has not been made out.

²⁰ Paragraph 64 of the *Intel* case.

²¹ Paragraph 37 of the *Intel* case reads “*In order to benefit from the protection ..., the proprietor of the earlier mark must adduce proof that the use of the later mark ‘would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark’.*” Paragraph 68 further states “*...like the existence of a link between the conflicting marks, the existence of one of the types of injury ..., or a serious likelihood that such an injury will occur in the future, must be assessed globally, taking into account all factors relevant to the circumstances of the case, which include the criteria listed in para.42 of this judgment.*”

²² [2005] R.P.C. 21

Opposition under section 12(5)(a) of the Ordinance

67. Section 12(5) of the Ordinance is worded as follows:

“....., a trade mark shall not be registered if, or to the extent that, its use in Hong Kong is liable to be prevented-

(a) by virtue of any rule of law protecting an unregistered trade mark or other sign used in the course of trade or business (in particular, by virtue of the law of passing off); or

(b)

and a person thus entitled to prevent the use of a trade mark is referred to in this Ordinance as the owner of an “earlier right” in relation to the trade mark.”

68. The elements of the law of passing off were set out in the UK House of Lords decision of *Reckitt & Coleman Products Ltd. v. Borden Inc.*²³ and the principles laid down in that case have been adopted by the Hong Kong Court of Final Appeal in the case of *Ping An Securities Limited v. 中國平安保險(集團)股份有限公司*²⁴. In particular, I refer to the following passage in *Reckitt* which was adopted by the Hong Kong Court of Final Appeal in *Ping An*:

“The law of passing off can be summarised in one short general proposition, no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number.

First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services.

²³ [1990] R.P.C. 341

²⁴ (2009) 12 HKCFAR 808

Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name.

Third, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

Goodwill of the Opponent

69. On the evidence adduced by the Opponent, I am satisfied that the cartoon character "Ben 10" is very popular among children and teenagers. Further, the Opponent has built up extensive goodwill in the established category of goods and services provided under the Opponent's Marks.

Misrepresentation

70. Having found that the Opponent has established goodwill in relation to the Opponent's Marks, I need to determine whether use of the subject mark by the Applicant in respect of the subject goods would constitute a misrepresentation to the public likely to lead them to believe that the subject goods are provided by the Opponent or connected to the Opponent.
71. I have made a detailed comparison between "BEN 10" and the subject mark in paragraphs 36 to 44 above and found that on the whole, the two marks have a low degree of similarity. As for other marks used by the Opponent as set out in Annex A, their similarities with the subject mark are even lower.

72. Further, the Opponent's goodwill lies in the established category of goods and services which are very different from the subject goods. It is true that "BEN 10" is a popular cartoon character and the Opponent has in fact granted licences for the production of various merchandises bearing the Opponent's Marks. However, as mentioned earlier, there is no evidence to show that those merchandises (except toys) were available in Hong Kong. On the whole, due to the low level of similarity between the subject mark and each of the Opponent's Marks, I consider that it is unlikely that consumers would be misled into thinking that the subject goods (with the subject mark applied to them) originate from or are authorized by the Opponent. Hence, I consider that use of the subject mark by the Applicant in respect of the subject goods would not constitute a misrepresentation to the public that the subject goods are provided by the Opponent or connected to the Opponent.
73. As the Opponent is unable to prove all the elements required for a passing-off action, the ground of opposition under section 12(5)(a) of the Ordinance could not be established.

Opposition under section 11(1)(a) of the Ordinance

74. The Opponent stated in paragraph 7 of the Notice of Opposition that since the subject mark was closely similar to the Opponent's Marks, the subject mark was not a sign that would be capable of distinguishing the subject goods from the goods of other traders. Hence, the subject mark did not satisfy the requirements of section 3(1) of the Ordinance and its registration would be contrary to section 11(a) of the Ordinance. There is no section 11(a) in the Ordinance and it is likely that the Opponent was referring to section 11(1)(a).
75. Section 11(1)(a) of the Ordinance provides as follows:
- “(1) the following shall not be registered-
- (a) signs which do not satisfy the requirements of section 3(1) (meaning of "trade mark")”
76. Section 3(1) of the Ordinance is worded as follows:

“(1) In this Ordinance, a "trade mark" (商標) means any sign which is capable of distinguishing the goods or services of one undertaking from those of other undertakings and which is capable of being represented graphically”

77. To be free from objection under section 11(1)(a) of the Ordinance, a sign must come within the meaning of “trade mark” in section 3(1) of the Ordinance, that is, it must be (i) capable of distinguishing the goods or services of one undertaking from those of other undertakings and (ii) capable of being represented graphically.
78. Section 11(1)(a) of the Ordinance is an overriding provision that prevents registration of a mark which is so descriptive or so lacking in content capable of performing the function of a trade mark that it cannot be registered. This provision involves merely an assessment of the trade mark and its characteristics and it does not require any comparison between the mark and any earlier marks on the Register of Trade Marks.
79. The subject mark is represented graphically and it is not descriptive or lacking in content such that it is incapable of performing the function of a trade mark. The subject mark therefore satisfies the requirement of section 11(1)(a) of the Ordinance.
80. For the reason above, I find that the ground of opposition under section 11(1)(a) of the Ordinance is not made out.

Opposition under section 11(4)(b) of the Ordinance

81. The Opponent stated in paragraph 9 of the Notice of Opposition that the subject mark was calculated to deceive and cause confusion to the public and it resulted in the mistaken belief that the subject goods were goods provided by the Opponent and/or the Opponent’s group of companies. Hence, it pleaded that registration of the subject mark would be contrary to section 11(4)(b) of the Ordinance.
82. Section 11(4)(b) of the Ordinance provides as follows:

(4) A trademark shall not be registered if it is-

(a) ...

(b) likely to deceive the public”

83. Section 11(4)(b) of the Ordinance is an absolute ground of refusal which is concerned with the deceptiveness inherent in the mark itself. Whether a mark as a whole is deceptive must be considered against the goods and services applied for and in the general context of the relevant trade. If a mark gives rise to an expectation which will not be fulfilled, then registration will be refused. The expectation must be a real one, as opposed to something obscure or fanciful, arising from the mark itself. The relevant public is the consumer who is reasonably observant and circumspect and thus sufficiently alert and sensible such as not to need protection from claims that might only deceive a relatively small number of customers. For this ground of refusal to apply, there must be actual deceit or a sufficiently serious risk that the consumers will be deceived.²⁵

84. The subject mark will be applied to the subject goods (that is, clothing, footwear and headgear). It is not descriptive and it does not indicate any qualities or characteristics or give rise to any expectation that would not be fulfilled.

85. For the above reason, I find that the ground of opposition under section 11(4)(b) of the Ordinance is not made out.

Opposition under section 11(5)(a) of the Ordinance

86. The Opponent stated in paragraph 11 of the Notice of Opposition that use of the subject mark would constitute an act of passing-off and registration of the mark should be prohibited under *inter alia* section 11(5)(a) of the Ordinance.

87. Section 11(5)(a) of the Ordinance is worded as follows:

“(5) A trade mark shall not be registered if, or to the extent that-

²⁵ *Enamuel v Continental Shelf* [2006] E.T.M.R. 56

(a) its use is prohibited in Hong Kong under or by virtue of any law.”

88. This is an absolute ground for refusal and it is concerned with the trade mark itself. For an objection to arise under this subsection, it is necessary for the Opponent to identify a specific provision in the legislation or a specific rule of law which prohibits the use of the subject mark. An objection that use of the subject mark would constitute passing off should be pleaded under section 12(5)(a) of the Ordinance and not section 11(5)(a).

89. Since the Opponent has not identified any specific provision of law apart from passing-off, it has failed to establish the ground of opposition under section 11(5)(a) of the Ordinance..

Opposition under section 11(5)(b) of the Ordinance

90. Section 11(5)(b) of the Ordinance is worded as follows:-

“(5) A trade mark shall not be registered if, or to the extent that-

(a)

(b) the application for registration of the trade mark is made in bad faith.

91. “Bad faith” is not defined in the Ordinance. However, reference could be made to the interpretation given in *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd*²⁶ on a statutory provision in UK that is similar to section 11(5)(b) of the Ordinance.²⁷ The following extract from *Gromax* is of particular relevance:

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behavior observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing

²⁶ [1999] R.P.C. 367 at 379

²⁷ Section 3(6) of the UK Trade Marks Act 1994 provides:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.”

92. Furthermore, in determining whether an application was made in bad faith, the courts have applied a test that involves both subjective and objective elements. The test is summarized in *BRUTT*²⁸ as follows:

“The subjective element of the test means that the tribunal must ascertain what the defendant knew about the transaction or other matters in question. It must then be decided whether in the light of that knowledge, the defendant’s conduct is dishonest judged by ordinary standard of honest people, the defendant’s own standards of honesty being irrelevant to the objective element... ..”

The Opponent’s submissions

93. LSS deposed that information obtained from the Hong Kong Trade Development Council’s website showed that the Applicant has been engaged in the footwear business since 2001 and it has a turnover of US\$5 million to around US\$10 million. Having regard to the scale and nature of the Applicant’s business, LSS considered that it should be alert of the fashion trends and it should be aware of the popularity of “Ben 10” at or around the time it filed the subject application. “Ben” and “ten” is not a usual combination and therefore it is unlikely that the Applicant would have independently created the word “Benten” without knowledge of the cartoon character “Ben 10”. The subject goods are the goods of interest to the Opponent and the use of the subject mark in relation to the subject goods would cause confusion to the public or even deceive the public. For the above reasons, LSS submitted that the similarity between the Opponent’s Marks and the subject mark is more than coincidental and it is obvious that the subject mark was adopted in bad faith.

²⁸ [2007] R.P.C. 19

The Applicant's explanation

94. The Applicant submitted in the Counter-statement that the design of the subject mark originated from a horse which is running bravely. The horse device is chosen to symbolize the attitude of Hong Kong people who are committed whole-heartedly to achieve their goals. The word “Benten” was used because its pronunciation is closely similar to the Chinese term “奔騰”. The Applicant also stated that several rounds of in-depth discussions and meetings with its designer were held. Several animal graphics were produced and the horse device was finally chosen as it was considered to be most representative of the attitude of Hong Kong people. Words like “Benton” and “Bentan” were also considered but the Applicant was of the view that the pronunciation of “Benten” is the closest to “奔騰”. The Applicant did not disclose the identity of the designer of the subject mark and it did not file any declaration or evidence to support its allegations or submissions in the Counter-statement.

Analysis of bad faith allegation

95. To examine whether the Applicant has acted in bad faith, I have to examine the case from the subjective and objective perspectives.
96. The evidence filed by the Opponent showed that it has built up extensive reputation in the established category of goods and services and “BEN 10” is popular among children and teenagers. It appears from the evidence filed by the Opponent that the Applicant is in the shoe business and the goods of interest are clothing, footwear and headgear (without limitation to any age group). I agree with the Opponent that the Applicant should be fashion-conscious and alert of the current trends. Furthermore, I note that the Applicant did not file any evidence to support its submissions on the origin of the subject mark.
97. However, the Opponent and the Applicant are in different lines of business and there is no evidence before me to show that the Applicant was or should be aware of the cartoon character “Ben 10” at the time of filing of the subject application. I also remind myself that bad faith is a serious allegation and the burden is on the Opponent to prove its allegation on balance of probabilities. The following remark made by the judge in the UK decision

of *ROYAL ENFIELD Trade Marks*²⁹ concerning an allegation of bad faith is of relevance here:

“It [bad faith] should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference.”

98. Looking at the evidence before me and considering the matter as a whole, I find that the Opponent has failed to establish the allegation of bad faith on balance of probabilities. Hence the ground of opposition under section 11(5)(b) of the Ordinance is not made out.

Conclusion and costs

99. In view of the analysis above, I find that the Opponent has failed to establish the grounds of opposition pleaded in the Notice of Opposition.
100. The Applicant is not represented by any trade mark agents or legal professionals and it did not file any evidence in these proceedings. Hence, I make no order as to costs.

(Maria K. Ng)
for Registrar of Trade Marks
27 July 2015

²⁹ [2002] R.P.C. 24.

Annex A

The Opponent's Marks

Application/ Trade Mark No.	Trade Mark	Class No.	Type	Filing Date
300802683AA	BEN 10	14, 18, 21, 24, 30	Application	24.1.2007
300802683AB	BEN 10	14, 30	Application	24.1.2007
300403578	BEN 10	35, 38, 41	Registered TM	15.4.2005
300481905	BEN 10	9, 16, 25, 28	Registered TM	23.8.2005
300802683AA	BEN 10	18, 21, 24	Registered TM	24.1.2007
300802683AC	BEN 10	14, 30	Registered TM	24.1.2007
300802683AD	BEN 10	30	Registered TM	24.1.2007
300995356		9, 41	Registered TM	17.11.2007
301038519		16	Registered TM	24.1.2008
301390644		3, 14, 18, 20, 21, 24, 25, 28, 30, 32	Registered TM	23.7.2009
301422422	BEN 10 OMNIVERSE	38, 41	Registered TM	8.9.2009

301465443	BEN 10 ULTIMATE ALIEN	9, 14, 16, 18, 20, 21, 24, 25, 28, 41	Registered TM	4.11.2009
302221352		9, 14, 16, 18, 20, 21, 24, 25, 28, 41	Registered TM	13.4.2012

Annex B

<u>TM registration no. 300481905</u>	
Trade mark	BEN 10
Date of registration	23 August 2005
Class nos. and specification	<p><u>Class 9</u> Electrical and electronic apparatus; series of pre-recorded video cassettes featuring cartoons; series of pre-recorded audio cassettes and compact discs featuring soundtracks, music of cartoon theme songs and other sound recordings; apparatus for recording, producing and projecting sound and visual images, motion pictures, photographic slides; eyeglasses, sunglasses, anti-glare glasses, protective and safety glasses and lenses, frames and cases therefor; radios, televisions, transceivers, telephones; thermometers, compasses, rulers, measuring tapes, telescopes, microscopes, periscopes, binoculars, magnifying glasses, calculators; computers, computer software and computer peripheral apparatus, computer game joysticks; alarms, signaling bells, signal and warning lights and devices, reflecting discs and strips for wear, warning triangle and other vehicle breakdown signs, life jackets, protective helmets and clothing, water diving apparatus, snorkel tubes, swim masks, swim goggles; cameras, film, slide projectors, batteries, flashlights and lanterns, flash lighting apparatus for cameras; electronic games (computer game cartridges, computer game cassettes, computer game discs, computer game programs, computer game software, video game cartridges, video game discs, video game joysticks, video game interactive remote control units, video game interactive hand held remote controls for playing electronic games, video game software, video game tape cassettes); magnets, magnetic boards, mouse pads and decorative refrigerator magnets.</p> <p><u>Class 16</u> Stationery, boxed and individual sheets, memo boards, bulletin boards, folders, files, packaging materials, namely</p>

containers, boxes, bags, advertising materials and adhesives, adhesives for stationery and household use, sticker sheets of letters, numerals, signs and figures, printed periodicals, photographs, posters, transfers (decalcomanias), printed matter, printed reproductions, namely lithograph prints, pictures, paintings, painting canvas, books, annuals, catalogues, calendars, display albums, diaries, bookbinding materials, artist's materials, namely crayons, paint brushes, materials for modeling or molding, writing and drawing instruments, namely pens, pencils, markers, erasers, printing blocks, printers' type and clichés, stencils, instructional and teaching materials, namely books, pamphlets, brochures; gift tags, invitations; gift-wrap, labels and stickers, clipboards, memo or note pads, greeting cards, envelopes, seals and correcting fluids, books to color and sew, paint sets, coloring books, coloring postcards, displays and/or paperboard for use in retailing and sale promotion, paper napkins, paper tablecloths; bookmarks; pencil boxes; pen cases; paper cake decorations; bumper stickers; paper banners.

Class 25

Clothing; suits, hosiery, socks, stockings, articles of underclothing, shorts, shirts, blouses, tops, slacks, trousers, skirts, dresses, jackets, coats, raincoats, capes, slickers, overalls, waistcoats, pantyhose, knitted articles of clothing, scarves, mufflers, caps, hats, sun visors, dressing gowns, bathrobes, children's and infants' clothing, bibs; formal wear, articles of sports clothing; active wear; leisurewear; sleeping garments; sweaters, cardigans, vests, belts, aprons, tights, jeans, ties, swimwear, wristbands, footwear, sandals, boots, sneakers, shoes, gloves, neckwear, headwear; wristbands, headbands, panties.

Class 28

Games and playthings, in particular toys, dolls, plush toys, games, balloons, spinning tops, jigsaw puzzles; toy masks, card games, including ordinary playing cards, board games, electronic games; toy building blocks; ornaments and decorations (other than candles or lamps), all for Christmas trees; doll's houses; toy motor vehicles, ride-on vehicles for children, pedal powered and battery powered vehicles for children; sporting articles (other than

	clothing), roller skates, ice skates, surfboards (not motorized), swimming flippers; horseshoe games; swings; strings and nets for sporting goods, games and rackets; rackets for playing tennis, squash, paddleball; archery equipment; track and field equipment; balls, gloves, pads, bats, sticks, clubs, markers and tees used for games of sport; masks and protective guards for the body and equipment for sporting activities; horse riding, mountain climbing, archery, fencing, gymnastic, boxing equipment, weights, bars and mechanically operated exercise equipment; fishing rods, lines, hooks, baits, lures, floats, sinkers and reels; skis, ski boots, ski poles; jump ropes; puppets, sandbox toys, swings; tossing disc toys.
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