

TRADE MARKS ORDINANCE (Cap. 559)

APPLICATION NO.: 302169063

MARK: BLACK CROCO

CLASS: 14

APPLICANT: FMTM Distribution Ltd

STATEMENT OF REASONS FOR DECISION

Background

1. On 23 February 2012, FMTM Distribution Ltd (“the applicant”) applied, pursuant to the provisions of the Trade Marks Ordinance (Cap. 559) (“the Ordinance”), to register the mark **BLACK CROCO** (“subject mark”) in Class 14.

2. The goods for which registration is sought under Class 14 (“applied for goods”) are as follows:

“Precious metals and their alloys and goods made of or coated with these materials not included in other classes; Horological instruments, namely watches, wrist watches; Chronometric instruments, namely chronographs (watches), chronometers, apparatus for sports timing (stopwatches); Straps for wristwatches, watch cases (fitted), movements for clocks and watches, watch springs, watch casings, faces for watches, dials (clock and watchmaking), hands for clocks and watches, watch glasses, watch crowns and watch buckles; Parts and fittings for timepieces; Caskets and cases for timepieces; Presentation boxes and cases for timepieces; Precious stones and semi-precious stones; Diamonds; Cameo jewellery; Jewellery; Semi-precious articles of bijouterie; Jewellery items and ornaments; Caskets and cases for jewellery; Presentation boxes and cases for jewellery and articles of bijouterie; Cases of precious metal; Jewellery boxes of precious metal; Key fobs of precious metal; Tie pins; Cuff links.”

3. At the examination stage, an objection was taken under section 12(3) of the Ordinance on the ground that the subject mark is considered to be similar to the following earlier registered trade mark (collectively “cited marks”) and the applied for goods similar to the goods and/or services of the cited marks (namely, those in

classes 14, 35 and 42) such that use of the subject mark in relation to the applied for goods is likely to cause confusion on the part of the public :

Cited marks

Cited mark A: **CROCO KIDS**
Registration no.: 199403306
Class no.: **42**
Date of Registration: 9 April 1992

Cited mark B: **CROCO**ladies
Registration no.: 300919396
Class no.: **9, 14, 18, 25, 35**
Date of Registration: 24 July 2007

Cited mark C: **CROCO**
Registration no.: 300919404
Class no.: **9, 14, 18, 25, 35**
Date of Registration: 24 July 2007

Cited mark D: **CROCO**
Registration no.: 300944163
Class no.: **16, 30, 32, 35, 43**
Date of Registration: 30 August 2007

4. All the cited marks are owned by Crocodile Garments Limited. Details of the goods and/or services covered by the registration of each of the cited marks are set out in Annex A.
5. Despite submissions made on behalf of the applicant, the objection was maintained by the Registrar. The applicant requested a hearing on the registrability of the subject mark. The hearing took place before me on 28 July 2015, at which Mr. Wilson Lung of ONC Lawyers appeared on behalf of the applicant. I reserved my decision at the end of the hearing.
6. The applicant did not file any evidence by way of statutory declaration to establish

the case of honest concurrent use of the subject mark and any of the cited marks for the purpose of section 13(1) of the Ordinance. I therefore have only the prima facie case to consider.

Trade Marks Ordinance

7. The main provisions of the Ordinance relevant for my consideration of the subject application are as follows: -

Section 12 of the Ordinance

“(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.”

An “earlier trade mark”, as referred to in section 12(3) of the Ordinance, is defined in section 5 of the Ordinance:

“(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 ...”

And section 7(1) of the Ordinance throws light on how sub-section (c) of section 12(3) is to be interpreted. Section 7(1) provides that:

“For greater certainty, in determining for the purposes of this Ordinance whether the use of a trade mark is likely to cause confusion on the part of the public, the Registrar or the court may take into account all factors relevant in the circumstances, including whether the use is likely to be associated with an earlier trade mark.”

Decision

8. In this application, the cited marks, which have a date of registration earlier than that of the subject mark, are “earlier trade marks” in relation to the subject mark within the definition of section 5(1)(a) of the Ordinance.
9. I have to determine whether the subject application should be refused under section 12(3) of the Ordinance based on the cited marks. The relevant date for considering the issue is the date on which the subject application was made, namely, 23 February 2012.

Section 12(3) of the Ordinance

10. Section 12(3) of the Ordinance is in similar terms to Article 4(1)(b) of the European Trade Marks Directive 89/104/EEC of 21 December 1988 (“the Directive”), which provides that:

“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.”
11. In interpreting Article 4(1)(b) of the Directive, the European Court of Justice (“ECJ”) has formulated the “global appreciation” test, the principles of which can be found in the ECJ decisions of *Sabel BV v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [1999] E.T.M.R. 690 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 561. It is decided in these cases that:
 - (a) the likelihood of confusion on the part of the public must be assessed globally, taking into account all relevant factors (*Sabel BV v Puma AG* at para. 22) (“*Sabel*”);
 - (b) the matter must be judged through the eyes of the average consumer of the goods

or services in question (*Sabel* at para. 23), 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 the level of attention may vary according to the category of goods or services in question (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* at para. 26) (“*Lloyd*”);

- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel* at para. 23);
- (d) the visual, aural or conceptual similarity of the marks must be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components (*Sabel* at para. 23);
- (e) the global assessment implies some interdependence between the factors taken into account: a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods or services, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* at para. 17) (“*Canon*”);
- (f) the more distinctive the earlier trade mark, either per se or because of the use that has been made of it, the greater will be the likelihood of confusion (*Sabel* at para. 24);
- (g) to assess the degree of similarity between the marks concerned, the court or tribunal must determine the degree of visual, aural or conceptual similarity between them and, where appropriate, evaluate the importance to be attached to those different elements taking account of the category of goods or services at issue and the circumstances in which they are marketed (*Lloyd* at para. 27);
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for concluding there is a likelihood of confusion (*Sabel* at para. 26);
- (i) further, 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 (*Marca Mode CV v Adidas AG* at para. 41);
- (j) but 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 within the meaning of the section (*Canon* at para. 29).

12. As indicated from the above, under the “global appreciation” test, an assessment on the likelihood of confusion involves a consideration on the net effect of the similarities between the marks and the goods or services from the perspective of the average consumer. This test has been adopted by the U.K. Trade Marks Registry and the U.K. courts in the interpretation of section 5(2) of the Trade Marks Act 1994, which implements Article 4(1)(b) of the Directive and is similar to section 12(3) of the Ordinance.
13. Section 12(3)(c) of the Ordinance refers to “the use of the trade mark in relation to those goods or services is likely to cause confusion on the part of the public”. Hence, the similarity of marks and the similarity of goods or services covered by the marks should be taken together in deciding whether or not the use of the mark in question in relation to the applied for goods or services is likely to cause confusion under section 12(3).
14. Further, section 7(1) of the Ordinance stipulates that the Registrar may take into account all factors relevant in the circumstances in assessing the likelihood of confusion under the Ordinance. This is also in line with the principles of the “global appreciation” test formulated by the ECJ, under which all relevant factors will be taken into account in the assessment of the likelihood of confusion under Article 4(1)(b) of the Directive.
15. I therefore consider that the principles of the “global appreciation” test are consistent with section 12(3) of the Ordinance and are a useful guide to the determination of an objection under this section.
16. In assessing the likelihood of confusion, Mr. Lung emphasized that the mark is not to be considered stripped of its context and the court must take into account all the circumstances of the use of the sign that are likely to operate in the average consumer’s mind and the impression it is likely to make on him (*Specsavers International Healthcare Ltd v Asda Stores Ltd*. [2012] ETMR 17). He added that due regard should also be paid to commercial realities of the market place (*Dr. Ing. h.c. F. Porsche AG v Intertext Hobby, S.A.* Case R77/2003-3).

Comparison of marks

17. In comparing the marks, I must assess the visual, aural or conceptual similarity of the marks by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components. The matter must be judged through the eyes of the average consumer of the applied for goods who are deemed to be reasonably well-informed, reasonably circumspect and observant.
18. The applied for goods relate to precious metals, watches, precious stones and jewellery etc., which could come in a wide range of prices for both the luxury and mass markets, I consider that the relevant consumers are members of the general public in Hong Kong who will pay an average or higher level of attention when purchasing such goods, depending on their prices. As the applied for goods also include watch springs, watch glasses, etc., I consider that the relevant consumers include the manufacturers of watches who will pay a normal level of attention when purchasing those goods.
19. Each of the cited marks must be considered in turn for the purpose of determining whether it prevents acceptance of the subject application for registration under section 12(3) of the Ordinance (*Torrema Trade Mark* [2003] R.P.C. 4).
20. The subject mark “BLACK CROCO” comprises the words “BLACK” and “CROCO” in plain capital letters. The word “CROCO” is not a word with any dictionary meaning but it may be commonly perceived as referring to “crocodile”. The word “BLACK” seems simply to indicate the colour of the crocodile, so the dominant element of the subject mark is the word “CROCO”. That being said, it is to be remembered that the average consumer will perceive the mark as a whole so the word “BLACK” will not be ignored from my analysis. The subject mark as a whole simply refers to a crocodile in black colour. In my view, the subject mark is not descriptive of the applied for goods and is therefore considered to be inherently distinctive.
21. All the cited marks start with the same word “CROCO”. The word “CROCO” is not descriptive of the goods and/or services registered under the cited marks and is therefore considered to be inherently distinctive.
22. The cited mark A comprises the words “CROCO” and “KIDS” in plain capital letters. The word “KIDS”, when seen on the services registered in class 42 means that the

goods offered by the retail store are suitable for kids. I therefore consider that the word “KIDS” is indistinctive and the frontal part “CROCO” is the dominant and distinctive element of the cited mark A.

23. The cited mark B is a conjunction of the words “CROCO” and “ladies”. Given that “CROCO” is in upper case and “ladies” in lower case, the average consumer will simply perceive the mark as “CROCO ladies”. As the word “ladies” conveys a message that the relevant goods and services are made or offered for women and is therefore indistinctive of the goods and services registered in classes 14 and 35, the frontal component “CROCO” constitutes the dominant and distinctive element of the cited mark B.
24. The cited mark C consists of the word “CROCO” in plain capital letters, and the word “kids” in lower case with each of its letters in reverse white against a black geometrical shape. The geometrical shapes however do not alter the meaning of the word “kids” that the relevant goods and services are made or offered for kids. I therefore consider it indistinctive of the goods and services registered in classes 14 and 35 and the word “CROCO” remains the dominant and distinctive element of the cited mark C.
25. The cited mark D has the word “CROCO” only in plain block letters and is distinctive of the services in class 35 registered under the mark.
26. Accordingly, all the cited marks share the same dominant and distinctive element “CROCO”.
27. Visually, Mr. Lung contended that both words in the subject mark are dominant and distinctive and the first word of a mark has a primary impact, the average consumer would therefore place emphasis on the word “BLACK” in the subject mark as opposed to the word “CROCO” in each of the cited marks. Aurally, he submitted that the first word of the subject mark, namely “BLACK” (/blak/), with only one syllable pronounces very differently from the first or only word of the cited marks, namely “CROCO” (/ˈkrəkəʊ/), of two syllables in English. He considered the subject mark and cited marks are therefore visually and aurally different due to the different first impressions given by the respective first word in the subject mark and cited marks. Conceptually, Mr. Lung said that the existence of crocodile in black colour is rare and unknown to the general public. It is the applicant’s submission that the subject mark gives an impression of something legendary and iconic that features only in myths and is therefore distinguishable from the cited marks.

28. Mr. Lung disagreed that the consumer would focus on the common element “CROCO” of the subject mark and cited marks. By citing *Re Golden Tiger Case O/445/99*, he argued that both marks, namely “TIGER BRAND” and “GOLDEN TIGER”, in that case contained the common element TIGER, one as the first and the other as the second element, and it was held that the other element of both marks (namely, the words BRAND and GOLDEN respectively) were likely to enable customers to differentiate between the marks (despite the fact that each of these elements on its own lacked distinctive character). However, I note that that case was in fact decided upon the ground of passing off rather than the equivalence of our section 12(3). More importantly, the word TIGER was considered to be descriptive of the goods at issue, namely prawns, such that in the circumstances the other elements of the marks were found likely to enable customers to differentiate between the marks. I do not think the present circumstances are comparable with that of the case.
29. Further, Mr. Lung submitted that the objective conditions and actual use of the subject mark and cited marks must be taken into consideration. He added that the court must have regard to the category of goods or services in question and the circumstances in which they are marketed as well as to how the marks would be seen in actual use and to all the circumstances of the trade in which the marks in question are employed (*Lloyd; Re Sun’s Jewellery Co* [2000] 2 HKC 210).
30. By explaining how the subject mark is actually used on the applied for goods, it is Mr. Lung’s submission that the subject mark and the unprecedented design applied on the goods are a perfect and subtle fusion of design and indication of trade origin and that the average consumer would only associate the mark with the applicant only and the subject mark is therefore highly distinctive. He stated that the goods of cited marks are only available at their own retail outlets bearing conspicuously their house mark “CROCODILE” and/or crocodile device, and it is impossible for an average consumer picking up a product in the store of the cited marks to be mistaken that it has any association with the applicant.
31. With regard to the applicant’s submission on the conditions and actual use of the subject mark and cited marks, I note that the Court of Justice of the European Union (CJEU) has stated in *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited Case C-533/06*, at paragraph 66, that “once a mark has been registered its proprietor has the right to use it as he sees fit so that, for the purposes of assessing

whether the application for registration falls within the ground for refusal laid down in that provision, it is necessary to ascertain whether there is a likelihood of confusion with the opponent's earlier mark in all the circumstances in which the mark applied for might be used if it were to be registered.”

32. Consequently, I must consider the normal and fair use of the subject mark and the cited marks in relation to the goods and services in question. And I must not restrict my consideration to the ways in which the subject mark and cited marks have been used so far.
33. Visually, the subject mark and cited marks share the identical component “CROCO” in plain block letters. While it is the frontal element of the cited marks A to C and the only element in the cited mark D, it forms the rear part of the subject mark. Considering the different position of the word “CROCO” and the other elements in the subject mark and cited marks A to C, I find the subject mark is similar to a medium degree to each of the cited marks A to C. For the cited mark D which consists only of the word “CROCO”, I also consider it visually similar to the subject mark to a medium degree.
34. The identical component “CROCO” (/ˈkrɒkə/) has the same pronunciation in the subject mark and cited marks, and to that extent, the marks are aurally identical. In view of its different position and the different pronunciation of the other elements in the subject mark, namely “BLACK” (/blæk/), and cited marks, namely “kids” (/kɪdz/) in the cited marks A and C and “ladies” (/ˈlɑːdɪz/) in the cited mark B, I consider the subject mark and the cited marks A to C are similar to a medium degree aurally. For the cited mark D which consists only of the word “CROCO”, I also consider it to be moderately similar to the subject mark aurally.
35. Conceptually, the subject mark refers specifically to a black-coloured crocodile while the cited marks refer to a crocodile in general. I do not agree with the applicant that a crocodile in black colour rarely exists and the subject mark is thus distinguishable from the cited marks. To the contrary, given that the subject mark and each of the cited marks also convey the idea of “crocodile”, I consider that they are considerably similar conceptually notwithstanding the descriptive parts of “kids” in the cited marks A and C and “ladies” in the cited mark B.
36. Having regard to their visual, aural and conceptual similarities and the marks as

wholes in normal and fair use, I find the subject mark is moderately similar to each of the cited marks.

Comparison of goods

37. Section 12(3)(b) of the Ordinance stipulates clearly that the relevant comparison is to be made between the goods or services for which the subject application is made and those for which the cited marks are registered.

38. Guidance on the approach to be adopted in comparing goods and services can be found in *British Sugar v James Robertson and Sons Ltd* [1996] R.P.C. 281, in which Mr. Justice Jacob considered at page 296 the following factors to be relevant in determining whether or not there is similarity:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves; and
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

39. Similar factors are also referred to in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, at paragraph 23:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Government and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account.

Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary.”

40. The applied for goods in class 14 of the applicant and the goods and services of the cited marks (namely, those in classes 14, 35 and 42) that are considered to be identical or similar are set out in the following table: -

Applicant’s goods	Cited Mark A’s services	Cited Mark B’s goods and services
<p><u>Class 14</u> Precious metals and their alloys and goods made of or coated with these materials not included in other classes; Horological instruments, namely watches, wrist watches; Chronometric instruments, namely chronographs (watches), chronometers, apparatus for sports timing (stopwatches); Straps for wristwatches, watch cases (fitted), movements for clocks and watches, watch springs, watch casings, faces for watches, dials (clock and watchmaking), hands for clocks and watches, watch glasses, watch crowns and watch buckles; Parts and fittings for timepieces; Caskets and cases for timepieces; Presentation boxes and cases for timepieces; Precious stones and semi-precious stones;</p>		<p><u>Class 14</u> Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.</p>

<p>Diamonds; Cameo jewellery; Jewellery; Semi-precious articles of bijouterie; Jewellery items and ornaments; Caskets and cases for jewellery; Presentation boxes and cases for jewellery and articles of bijouterie; Cases of precious metal; Jewellery boxes of precious metal; Key fobs of precious metal; Tie pins; Cuff links.</p>	<p><u>Class 42</u> retail store services relating to clothing, footwear, headgear, luggage, trunks and watches; all included in Class 42.</p>	<p><u>Class 35</u> Distributorship, wholesaling, retailing and online retailing services relating to scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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, magnetic data carriers, recording discs, automatic vending machines and</p>
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		mechanisms for coin-operated apparatus, cash registers, calculating machines, data processing equipment and computers, fire-extinguishing apparatus, sunglasses, spectacles, spectacle glasses, spectacle cases, not being made of crocodile skin, spectacle frames, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, horological and chronometric instruments, leather, leather articles and imitations thereof, and goods made of these materials, animal skins, hides, trunks, school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols, walking sticks, harness and saddlery, clothing, T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing, headgear, hats and caps, footwear, boots, shoes and slippers.
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Applicant's goods	Cited Mark C's goods and services	Cited Mark D's services
<p><u>Class 14</u> Precious metals and their alloys and goods made of or coated with these materials not included in other classes; Horological instruments, namely watches, wrist watches; Chronometric instruments, namely chronographs (watches), chronometers, apparatus for sports timing (stopwatches); Straps for wristwatches, watch cases (fitted), movements for clocks and watches, watch springs, watch casings, faces for watches, dials (clock and watchmaking), hands for clocks and watches, watch glasses, watch crowns and watch buckles; Parts and fittings for timepieces; Caskets and cases for timepieces; Presentation boxes and cases for timepieces; Precious stones and semi-precious stones; Diamonds; Cameo jewellery; Jewellery; Semi-precious articles of bijouterie; Jewellery items and ornaments; Caskets and cases for jewellery; Presentation boxes and</p>	<p><u>Class 14</u> Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.</p>	

<p>cases for jewellery and articles of bijouterie; Cases of precious metal; Jewellery boxes of precious metal; Key fobs of precious metal; Tie pins; Cuff links.</p>	<p><u>Class 35</u> Distributorship, wholesaling, retailing and online retailing services relating to scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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, magnetic data carriers, recording discs, automatic vending machines and mechanisms for coin-operated apparatus, cash registers, calculating machines, data processing equipment and computers, fire-extinguishing apparatus, sunglasses, spectacles, spectacles glasses, spectacle</p>	<p><u>Class 35</u> Distributorship, wholesaling, retailing and online retailing services relating to scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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, magnetic data carriers, recording discs, automatic vending machines and mechanisms for coin-operated apparatus, cash registers, calculating machines, data processing equipment and computers, fire-extinguishing apparatus, sunglasses, spectacles, spectacles glasses, spectacle</p>
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	<p>cases, not being made of crocodile skin, spectacle frames, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, horological and chronometric instruments, leather, leather articles and imitations thereof, and goods made of these materials, animal skins, hides, trunks, school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols, walking sticks, harness and saddlery, clothing, T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing, headgear, hats and caps, footwear, boots, shoes and slippers.</p>	<p>cases, not being made of crocodile skin, spectacle frames, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, horological and chronometric instruments, leather, leather articles and imitations thereof, and goods made of these materials, animal skins, hides, trunks, school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols, walking sticks, harness and saddlery, clothing, T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing, headgear, hats and caps, footwear, boots, shoes and slippers, food, drinks, coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee, flour and preparations made from cereals, bread, pastry and confectionery, ices, honey, treacle, yeast, baking-powder, salt, mustard, vinegar, sauces (condiments), spices, ice, beers, mineral and aerated waters and other non-alcoholic drinks, fruit</p>
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		drinks and fruit juices, syrups and other preparations for making beverages, toys, games and playthings, sporting articles.
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41. The “Precious metals and their alloys and goods made of or coated with these materials not included in other classes; Horological instruments, namely watches, wrist watches; Chronometric instruments, namely chronographs (watches), chronometers, apparatus for sports timing (stopwatches); Precious stones and semi-precious stones; Diamonds; Cameo jewellery; Jewellery; Semi-precious articles of bijouterie; Jewellery items and ornaments; Key fobs of precious metals” in class 14 of the subject mark are identical or effectively covered by “Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments” in class 14 of the cited marks B and C. As the other class 14 goods of the subject mark, namely “Straps for wristwatches, watch cases (fitted), movements for clocks and watches, watch springs, watch casings, faces for watches, dials (clock and watchmaking), hands for clocks and watches, watch glasses, watch crowns and watch buckles; Parts and fittings for timepieces; Caskets and cases for timepieces; Presentation boxes and cases for timepieces” are parts or containers for watches and timepieces and “Caskets and cases for jewellery; Presentation boxes and cases for jewellery and articles of bijouterie; Cases of precious metal; Jewellery boxes of precious metal; Tie pins; Cuff links” are containers for jewellery or precious metals or products that could be made of precious metals, I find they are similar to a medium degree to “horological and chronometric instruments” and “precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones” in class 14 of the cited marks B and C.

42. Further, as the “retail store services relating to watches” in class 42 of the cited mark A and “Distributorship, wholesaling, retailing and online retailing services relating to precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, horological and chronometric instruments” in class 35 of the cited marks B, C and D relate to goods that are covered by the applied for goods in class 14 of the subject mark, there is a complementary relationship between the said services and goods and they are likely to target at the same customers and be provided through the same trade channels (see *Praktiker Bau-und Heimwerkermarkte*

AG (Case C-418/02 of ECJ) and *Oakley, Inc. v OHIM* (Case T-116/06)). Therefore, I consider the applied for goods are similar to the services under cited marks A to D to some degree.

43. Despite the fact that some of the goods and/or services registered under the cited marks actually overlap with the applied for goods, Mr. Lung argued that the applied for goods are luxury hand-made horological and chronometric instruments while the goods of the cited marks are affordable machine made products intended for different users. He submitted that the applied for goods and goods under the cited marks are of different nature and for different uses. He added that the applied for goods are intended for luxury market and only available at the official retailers which deal in luxury jewellery and watches, while the goods under the cited marks are sold at affordable prices for general public and available at the retail outlets of the cited marks owner with its conspicuous house mark “CROCODILE” and/or crocodile device. He contended that the applied for goods and goods under the cited marks would not be available in the same trade channels or placed in proximity to each other, and they are not competitive in nature as their markets and target customers do not overlap at all.

44. However, Mr. Lung’s arguments could not stand as a matter of law. For the purposes of this application, I must consider the notional and fair use of the subject mark and cited marks. The concept of notional use was explained by Laddie J. in *Compass Publishing BV v Compass Logistics Ltd.* [2004] RPC 41:

“22. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer’s use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place.”

45. The Court of Appeal in *Roger Maier and Assos v ASOS* [2015] EWCA Civ 220 has endorsed the approach that it is necessary to consider not just the actual use of the

mark concerned but also a notional and fair use of the mark in respect of all the goods falling within the scope of the specification, and on a scale and in circumstances such that direct competition between the goods of the mark owner and those of the alleged infringer could more readily take place. It is stated at paragraphs 78 and 114:

“78. Second, the court must then consider a notional and fair use of that mark in relation to all of the goods or services in respect of which it is registered. ... But it may not have been used at all, or it may only have been used in relation to some of the goods or services falling within the specification, and such use may have been on a small scale. In such a case the proprietor is still entitled to protection against the use of a similar sign in relation to similar goods if the use is such as to give rise to a likelihood of confusion.

...

114. ... It is necessary to consider not just the actual use that Assos has made of its mark but also a notional and fair use of the mark in respect of all of the goods falling within the scope of the specification. It is here that I am satisfied the judge has fallen into error for, in focusing as she did upon the actual use made by Assos of its mark, she has given no proper regard to the fact that its sales of casual wear have been very small and made only through the outlets for its specialized cycle wear. It seems to me that, just as Laddie J explained in the *Compass* case, she was required to consider a notional and fair use of the mark on casual wear and, following the cutting down of the specification, particular items of casual wear on a scale and in circumstances such that direct competition between these goods and those of Asos could more readily take place, for example on the internet and in ordinary retail outlets....”

46. In the circumstances, where the applied for goods and goods and/or services under the cited marks are essentially identical or similar, as in the present case, I consider it irrelevant that the applicant and cited marks owner have so far actually targeted at different market segments.

Likelihood of confusion

47. Confusion in the context of section 12(3) of the Ordinance refers to confusion on the part of the public as to origin of the goods and services at issue. This is a matter of global appreciation taking into account all relevant factors and judging through the

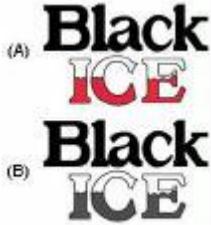
eyes of the average consumer of the applied for goods. That consumer is to be taken to be reasonably well informed and reasonably circumspect and observant, but he may have to rely upon an imperfect picture or recollection of the marks.

48. As stated in paragraph 18 above, the relevant consumers include members of the general public in Hong Kong who will pay an average or higher level of attention when purchasing the applied for goods such as watches and jewellery etc., and the manufacturers of watches who will pay a normal level of attention when purchasing the relevant goods, such as watch springs and watch glasses etc.
49. Mr. Lung submitted that the applicant's goods are intended for luxury and high-end market, for long term usage, and to be embraced for its craftsmanship, artistic and aesthetic or even investment value, and the relevant consumers would pay a higher degree of attention when purchasing the goods. He said that the applicant's goods are only available at the authorized dealers and that people buying luxurious items such as watches and jewellery are less likely to be confused by similar marks as consumers would purchase these items after time and thought rather than casually or on impulse and the purchase is often assisted by explanations from salespersons with extensive knowledge of the trade origin of the products (*Re Sun's Jewellery Co* [2000] 2 HKC 210; *Montres Tudor SA v Concord Watch Co SA (No. 1)* [2001] 3 HKC 349 and *Montres Tudor SA v Concord Watch Co SA (No. 2)* [2001] 3 HKC 358). He therefore submitted that the likelihood of confusion between the subject mark and cited marks is very low.
50. However, as explained in para. 44 to 45 above, I must consider all notional and fair use of the subject mark and cited marks across the full width of the specification and market for the relevant goods and/or services. And a notional and fair use of the marks extends beyond the manners in which they have been used thus far. As a matter of law, the level of protection afforded to a registered trade mark should not be affected or restricted by the particular and specific market segment in which the mark has so far been traded. I am required to consider the use of the subject mark and each of the cited marks on a scale and in circumstances where they could compete with each other. In other words, I must include consideration of the likelihood of confusion if they trade in the same segment of the market. The fact that the applicant and cited marks owner have been targeting at different market segments is immaterial, where the goods and/or services in question are essentially identical or similar, as in the present case.

51. As I have found above, the subject mark is moderately similar to each of the cited marks. I also found that the applied for goods are identical or moderately similar to the goods in class 14 and similar to some degree to the services in class 35 under both the cited marks B and C. Even if I were to accept that a higher level of care and attention can be expected of the average consumer when dealing with more expensive items, in view of the similarity between the subject mark and cited marks and the identity or similarity of the applied for goods and the goods and services under both the cited marks B and C, I am of the view that the average consumer is likely to regard the subject mark as a variant of the cited marks and be confused into believing that the applied for goods under the subject mark originate from the same or economically linked undertakings of the cited marks B and C respectively.
52. Having found that the subject mark is precluded from registration by section 12(3) of the Ordinance on the basis of the cited marks B and C respectively, it is not necessary for me to consider separately the other cited marks. In any event, given that the applied for goods are also found to be similar to some degree to some of the services in class 42 of the cited mark A and those in class 35 under the cited mark D, I consider there is as well a likelihood of confusion that the average consumer is likely to believe that the applied for goods come from the same or economically linked undertakings of the cited marks A and D respectively.

Reference to other registered marks on the register and foreign registrations

53. Mr. Lung referred to some examples of co-existence of other similar marks on the register, namely (i) "SILVER WING" in class 9 (Trade mark no. 199902381), (ii) "WING" in classes 9, 35 and 36 (Trade mark no. 301173401), (iii) "Yes Silver" in class 16 (Trade mark no. 2003B15812), (iv) "Yes" in class 16 (Trade mark no. 302466135), (v) "SPIRIT" in class 9 (Trade mark no. 199916983), (vi) "SILVER SPIRIT" in class 9 (Trade mark no. 300406395), (vii) "DESERT" in class 25 (Trade mark no. 199907274 and (viii) "Silver Desert" in class 25 (Trade mark no. 300410958). He contended that these marks, with or without the word "SILVER", remain co-existent in respect of identical or similar goods on the register.
54. The applicant has also by its letter of 17 July 2013 and 21 January 2014 put forward some examples of co-existence of other similar marks on the register, namely (i) "ICE" (Trade Marks no. 199711714 and 301591236) co-exist with



“**Black ICE**” (Trade Mark no. 301802781) in classes 18 and 25, (ii) “**Sugar**” (Trade Mark no. 19893206) co-exists with “BLACK SUGAR” (Trade Mark no. 301615130) in class 25, (iii) “Black Shark” (Trade Mark no. 300411182)



and “White Shark” (Trade Mark no. 300411173) co-exist with “**SHARK**” (Trade Mark no. 200112397) in class 14, (iv) RED DRAGON” (Trade Mark no. 200204677) co-exists with “SEA DRAGON” (Trade Mark no. 300237843) in class 14 and (v) “BLACK HAWK” (Trade Mark no. 300654480) co-exists with “SEA HAWK” (Trade Mark no. 302511729) in class 14. The applicant argued that the incorporation of the word “BLACK” in front of an earlier mark would render the later mark sufficiently distinctive from the earlier mark and as such, the subject application should likewise be accepted for registration.

55. I fail to see how the co-existence of these marks could have any bearings on the instant case. It is well established that each case must be considered on its own merits and not by reference to other registered marks. In *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 at 305, Jacob J said that “It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see *e.g. MADAME Trade Mark* and the same must be true under the 1994 Act. I disregard the state of the register evidence.” I therefore do not find the quoted marks relevant or of assistance to the applicant.

56. Mr. Lung also referred to the co-existence of “**CROCO KIDS**”, “**CROCO KIDS**”,



“CROCO”,  and “croco” as national trade marks in the Federal Republic of Germany and submitted that the German Patent and Trade Mark Office did not consider the said marks similar.

57. I note that none of the said national marks in Germany are identical to the subject mark. In any event, national trade mark rights are territorially limited and granted

independently of each other. The Registrar has an obligation to make independent assessment on the registrability of a mark submitted for registration. The bare fact of registration in other jurisdictions is not sufficient to establish that a sign is eligible for registration here, where there are valid grounds for refusal under the Ordinance.

Conclusion

58. I have considered all the documents filed and submissions made by the applicant in respect of the application. For the reasons stated above, I find that the mark is precluded from registration by section 12(3) of the Ordinance based on the cited marks. The subject application is accordingly refused under section 42(4)(b) of the Ordinance.

Connie Law
for Registrar of Trade Marks

20 October 2015

Cited Mark A

Trade Mark no.: 199403306

Trade Mark: **CROCO KIDS**

Class(es) no(s): 42

Specification(s): Class 42

retail store services relating to clothing, footwear, headgear, luggage, trunks and watches; all included in Class 42.

Date of registration: 9 April 1992

Cited Mark B

Trade Mark no.: 300919396

Trade Mark: **CROCO**ladies

Class(es) no(s): 9, 14, 18, 25, 35

Specification(s): Class 9

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus; sunglasses, spectacles, spectacles glasses, spectacle cases, not being made of crocodile skin, spectacle frames.

Class 14

Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.

Class 18

Leather, leather articles and imitations thereof, and goods made of these materials and not included in other classes, animal skins, hides; trunks; school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols; walking sticks, harness and saddlery; all included in class 18.

Class 25

Clothing and articles of clothing not included in other classes; T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing; headgear; hats and caps; footwear; boots, shoes and slippers; all included in Class 25.

Class 35

Distributorship, wholesaling, retailing and online retailing services relating to scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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, magnetic data carriers, recording discs, automatic vending machines and mechanisms for coin-operated apparatus, cash registers, calculating machines, data processing equipment and computers, fire-extinguishing apparatus, sunglasses, spectacles, spectacle glasses, spectacle cases, not being made of crocodile skin, spectacle frames, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, horological and chronometric instruments, leather, leather articles and imitations thereof, and goods made of these materials, animal skins, hides, trunks, school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols, walking sticks, harness and saddlery, clothing, T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing, headgear, hats and caps, footwear, boots, shoes and slippers.

Date of registration: 24 July 2007

Cited Mark C

Trade Mark no.: 300919404

Trade Mark: **CROCO**

Class(es) no(s): 9, 14, 18, 25, 35

Specification(s): Class 9

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus; sunglasses, spectacles, spectacle glasses, spectacle cases, not being made of crocodile skin, spectacle frames.

Class 14

Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.

Class 18

Leather, leather articles and imitations thereof, and goods made of these materials and not included in other classes, animal skins, hides; trunks; school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols; walking sticks, harness and saddlery; all included in class 18.

Class 25

Clothing and articles of clothing not included in other classes; T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing; headgear; hats and caps; footwear; boots, shoes and slippers; all included in Class 25.

Class 35

Distributorship, wholesaling, retailing and online retailing services relating to scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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, magnetic data carriers, recording discs, automatic vending machines and mechanisms for coin-operated apparatus, cash registers, calculating machines, data processing equipment and computers, fire-extinguishing apparatus, sunglasses, spectacles, spectacle glasses, spectacle cases, not being made of crocodile skin, spectacle frames, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, horological and chronometric instruments, leather, leather articles and imitations thereof, and goods made of these materials, animal skins, hides, trunks, school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols, walking sticks, harness and saddlery, clothing, T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing, headgear, hats and caps, footwear, boots, shoes and slippers.

Date of registration: 24 July 2007

Cited Mark D

Trade Mark no.: 300944163

Trade Mark: **CROCO**

Class(es) no(s): 16, 30, 32, 35, 43

Specification(s): Class 16

Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and

teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.

Class 30

Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice.

Class 32

Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

Class 35

Distributorship, wholesaling, retailing and online retailing services relating to scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching 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, magnetic data carriers, recording discs, automatic vending machines and mechanisms for coin-operated apparatus, cash registers, calculating machines, data processing equipment and computers, fire-extinguishing apparatus, sunglasses, spectacles, spectacle glasses, spectacle cases, not being made of crocodile skin, spectacle frames, precious metals and their alloys and goods in precious metals or coated therewith, jewellery, precious stones, horological and chronometric instruments, leather, leather articles and imitations thereof, and goods made of these materials, animal skins, hides, trunks, school bags, handbags, suitcases, travelling bags, purses, umbrellas, parasols, walking sticks, harness and saddlery, clothing, T-shirts, belts, scarves, jackets, suits, pants, skirts, socks, panty stockings, neckties, gloves, sweaters, dresses, shirts, underclothing, headgear, hats and caps, footwear, boots, shoes and slippers, food, drinks, coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee, flour and preparations made from

cereals, bread, pastry and confectionery, ices, honey, treacle, yeast, baking-powder, salt, mustard, vinegar, sauces (condiments), spices, ice, beers, mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages, toys, games and playthings, sporting articles.

Class 43

Services for providing food and drink; temporary accommodation.

Date of registration: 30 August 2007