

TRADE MARKS ORDINANCE (CAP. 559)

APPLICATION NO. : 302378700
MARK : **FlexWorkflow**
APPLICANT : FlexWorkflow Limited
CLASS : 9

STATEMENT OF REASONS FOR DECISION

Background

1. On 14 September 2012, Flex-Logic Limited filed an application for registration of the mark shown below (the “Subject Mark”) under the Trade Marks Ordinance (Cap. 559) (the “Ordinance”).

FlexWorkflow

2. The Subject Mark is sought to be registered in respect of “computer software, recorded; computer programs [downloadable software]; DVD-RAMs (Random Access Memories) for computer software programs; application software; 3D graphic software; computer peripheral devices; optical discs; integrated circuit cards [smart cards]; audio and video recordings, downloadable publications and software supplied on-line from a computer databases or the Internet; computer software and manual in electronic form sold therewith” in Class 9 (the “Applied-for Goods”).
3. On 13 September 2013, a request to change the name of the applicant from “Flex-Logic Limited” to “FlexWorkflow Limited” (the “Applicant”) was accepted.
4. At the examination stage, objections were raised under section 11(1)(b) and section 11(1)(c) of the Ordinance on the basis that when the Subject Mark is used in relation to the Applied-for Goods, it simply describes that the goods are designed to improve the flow or scheduling of electronic documents or computer jobs with flexibility, or it conveys the message that the Applied-for Goods enable users to streamline the progress of work with flexibility in an office network. The Subject Mark consists exclusively of a sign which may serve in trade to designate the characteristics of the Applied-for Goods. It is equally applicable to similar goods provided by other undertakings and is therefore devoid of any distinctive character. Despite submissions made on behalf of the Applicant, the objections were maintained by the Registrar.

5. The Applicant requested a hearing on the registrability of the Subject Mark. The hearing took place before me on 9 March 2015, at which Mr. Allen Wong, authorized representative of the Applicant, appeared at the hearing. I reserved my decision at the end of the hearing.
6. In support of the subject application, the Applicant had filed a Statutory Declaration of Yeung Chuen Sing dated 21 January 2014 (the “Statutory Declaration”) with a view to showing that the Subject Mark had in fact acquired a distinctive character as a result of the use made of it for the purpose of section 11(2) of the Ordinance.

The Ordinance

7. The absolute grounds for refusal of an application for registration are contained in section 11 of the Ordinance. The relevant provisions under section 11 read as follows:-

“(1) Subject to subsection (2), the following shall not be registered –

- (a)
- (b) trade marks which are devoid of any distinctive character;
- (c) trade marks which consist exclusively of signs which may serve, in trade or business, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services, or other characteristics of goods or services; and
- (d)

(2) A trade mark shall not be refused registration by virtue of subsection (1)(b), (c) or (d) if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

Decision

Inherent Distinctiveness

Section 11(1)(c) of the Ordinance

8. Section 11(1)(c) of the Ordinance precludes from registration trade marks which consist exclusively of signs that are descriptive of the goods or services in respect of which registration is sought or some characteristics of them.

9. In *Wm. Wrigley Jr. Company v OHIM* (Case-191/01P) [2004] R.P.C. 18 (the “*DOUBLEMINT*” case), the European Court of Justice discussed the approach to Article 7(1)(c) of the Council Regulation (EC) No. 40/94 of 20 December 1993 on the Community Trade Mark (“Regulation No 40/94”), which is broadly similar to section 11(1)(c) of the Ordinance, and stated the relevant principles as follows (paras. 29–32):

“29. Article 7(1)(c) of Regulation No 40/94 provides that trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the service, or other characteristics of the goods or service are not to be registered.

30. Accordingly, signs and indications which may serve in trade to designate the characteristics of the goods or service in respect of which registration is sought are, by virtue of Regulation No 40/94, deemed incapable, by their very nature, of fulfilling the indication-of-origin function of the trade mark, without prejudice to the possibility of their acquiring distinctive character through use under Article 7(3) of Regulation No 40/94.

31. By prohibiting the registration as Community trade marks of such signs and indications, Article 7(1)(c) of Regulation No 40/94 pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all. That provision accordingly prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks (see, *inter alia*, in relation to the identical provisions of Article 3(1)(c) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), *Windsurfing Chiemsee*, paragraph 25, and Joined Cases C-53/01 to C-55/01 *Linde and Others* [2003] ECR I-3161, paragraph 73).

32. In order for OHIM to refuse to register a trade mark under Article 7(1)(c) of Regulation No 40/94, it is not necessary that the signs and indications composing the mark that are referred to in that article actually be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that provision itself indicates, that such signs and indications could be used for such purposes. A sign must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned.”

10. According to the legal principles laid down above, for a mark to be precluded from registration under section 11(1)(c) of the Ordinance, it does not need to be in use at the time of the application for registration in a way that is descriptive of the goods or services. It is sufficient if it can be used for such purpose.
11. The Subject Mark consists of the term “FlexWorkflow” presented in an ordinary typeface. It does not contain any other elements or components. The term “FlexWorkflow” is formed by conjoining two English words “Flex” and “Workflow”. Given that they are both ordinary dictionary words, with the first letter of each word capitalized, it is likely that upon seeing the Subject Mark, the average consumer will simply perceive the Subject Mark as “Flex Workflow”.
12. Although “Flex” is a dictionary word and has its own meaning, as pointed out to the Applicant at the examination stage and in the hearing notice, the word “Flex” could be perceived to carry the dictionary meaning of “flexible” (Random House Webster’s Unabridged Dictionary) or “flexibility” (<http://www.collinsdictionary.com>) whereas the word “Workflow” refers to “a software designed to improve the flow of electronic documents around an office network, from user to user” (Macmillan Dictionary) or “the sequence of industrial, administrative, or other processes through which a piece of work passes from initiation to completion” (<http://www.oxforddictionaries.com>).
13. At the hearing, Mr. Wong conceded that the Subject Mark is descriptive of the Applied-for Goods. Indeed, in my view, when used in relation to the Applied-for Goods, the Subject Mark simply indicates that those goods can be used to improve the flexibility of the flow of electronic documents within an office network, or that those goods can enable users to make the sequence of processes through which a piece of work passes from initiation to completion, or simply the workflow of the business, more flexible. In light of this, I am satisfied that the Subject Mark consists exclusively of a sign which may serve, in trade or business, to designate the intended purpose and characteristics of the Applied-for Goods. Accordingly, the Subject Mark is precluded from registration in respect of the Applied-for Goods under section 11(1)(c) of the Ordinance.
14. Having found that the Subject Mark is debarred from registration by section 11(1)(c) of the Ordinance, it is not necessary for me to consider other grounds of refusal under the Ordinance. However, for completeness, I will go on to consider the application under section 11(1)(b) of the Ordinance. The objection under section 11(1)(b) of the Ordinance operates as a ground for refusal separate and independent from that under section 11(1)(c) of the Ordinance.

Section 11(1)(b) of the Ordinance

15. Section 11(1)(b) of the Ordinance precludes from registration trade marks which are devoid of any distinctive character.
16. In *Host Hotels & Resorts, L.P. v Registrar of Trade Marks* [2010] 1 HKLRD 541, the Hon Sakhrani J cited with approval the following cases at Paragraphs 17–18:

“17. In *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 Jacob J (as he then was) said at page 306 :

“What does *devoid of any distinctive character* mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark?”

18. In *Nestle SA’s Trade Mark Application (Have A Break)* [2004] FSR 2 Sir Andrew Morritt VC (as he then was) said at paragraph 23 :

“The distinctiveness to be considered is that which identifies a product as originating from a particular undertaking. Such distinctiveness is to be considered by reference to goods of the class for which registration is sought and consumers of those goods. In relation to the consumers of those goods the court is required to consider the presumed expectations of reasonably well informed, and circumspect consumers. For my part I would particularly emphasise that the relevant distinctiveness is that which identifies a product as originating from a particular undertaking.....”

17. Applying the above legal principles, for the Subject Mark to possess distinctive character, it must serve to identify the Applied-for Goods as originating from a particular undertaking and therefore distinguish such goods from those of the other traders. In assessing the distinctiveness of the Subject Mark, I must take into account the Applied-for Goods as well as the perception of the average consumer of those goods, who is presumed to be reasonably well informed and circumspect.
18. The Applied-for Goods, namely “computer software, recorded; computer programs [downloadable software]; DVD-RAMs (Random Access Memories) for computer software programs; application software; 3D graphic software; computer peripheral devices; optical discs; integrated circuit cards [smart cards]; audio and video recordings, downloadable publications and software supplied on-line from a computer databases or the Internet; computer software and manual in electronic form sold therewith”, are widely used consumer goods. The relevant consumers are therefore ordinary members of the general public.

19. At the hearing, Mr. Wong conceded that the word “Workflow” is often used to refer to “business process management (BMP) solution” in the information technology industry and is, therefore, common to the trade. However, he argued that the word “Flex” is unique to the Applicant as it was derived from the name of the FlexSystem Group of which the Applicant is a member. He submitted that the word “Flex” is adopted in other trade marks owned by companies within the FlexSystem Group,



including prior registered trade marks “” (Trade Mark No. 2002B00441) and “**FlexAccount**” (Trade Mark No. 301638171), both registered in the name of FlexSystem Limited. In light of this, the Subject Mark as a whole should be regarded as sufficiently distinctive to be accepted for registration.

20. The Subject Mark is formed by the English words “Flex” and “Workflow” conjoined together. Although the word “Flex” could be viewed as a derivative from the name of the FlexSystem Group, given the descriptive nature of the Subject Mark when applied to the Applied-for Goods as explained in paragraph 13 above, the relevant consumer, without first being educated, would not recognize or notice the link between the word “Flex” and the name of the Applicant or that of the FlexSystem Group. Instead, the relevant consumer would only perceive the Subject Mark as referring to the intended purpose and characteristics of the Applied-for Goods, namely that those goods can be used to improve the flexibility of the flow of electronic documents within an office network, or that those goods can enable users to make the sequence of processes through which a piece of work passes from initiation to completion, or simply the workflow of the business, more flexible. In the mind of the relevant consumer, the impression triggered by the Subject Mark as a whole would be origin neutral, rather than origin specific.
21. For the reasons stated above, I find that it is unlikely that the Subject Mark will be recognized as a badge of trade origin from a particular undertaking. Unless educated otherwise, the relevant consumer is likely to regard the Subject Mark as a sign which does nothing more than indicating the intended purpose and characteristics of the Applied-for Goods. The Subject Mark is devoid of any distinctive character and is precluded from registration under section 11(1)(b) of the Ordinance.

Acquired distinctiveness

22. Although I have found that the Subject Mark is not registrable under section 11(1)(b) and section 11(1)(c) of the Ordinance in respect of the Applied-for Goods, if the Subject Mark has in fact acquired a distinctive character as a result of the use made of it in respect of those goods for the purpose of section 11(2) of the Ordinance, the application for registration should not be refused. I shall therefore proceed to consider whether the Subject Mark has in fact acquired a distinctive character in respect of the Applied-for Goods with reference to the evidence of use filed by way of the Statutory Declaration.

23. In *Windsurfing Chiemsee Produktions-und Vertriebs GmbH (WSC) v. Boots-und Segelzubehör Walter Huber and Another* [1999] E.T.M.R. 585 (Joined Cases C-108/97 and C-109/97), the European Court of Justice laid down its interpretation of Article 3(3) of the First Council Directive 89/104/EEC of 21 December 1988 (now replaced by Directive 2008/95/EC of 22 October 2008), which is broadly similar to section 11(2) of the Ordinance, at Paragraphs 49, 51–52 & 54:

“49. In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings.

50.

51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied ...

53.

54. ... a trade mark acquires distinctive character following the use which has been made of it where the mark has come to identify the product in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product from goods of other undertakings ...”

24. Under section 11(2) of the Ordinance, the Applicant needs to prove that the Subject Mark has in fact acquired a distinctive character as a result of the use made of it in respect of the Applied-for Goods in Hong Kong before the date of filing of the subject application, i.e. 14 September 2012.
25. From the evidence filed, I am satisfied that the Subject Mark has in fact acquired a distinctive character in respect of “computer software, recorded; computer programs [downloadable software]; DVD-RAMs (Random Access Memories) for computer software programs; application software; downloadable software supplied on-line from a computer databases or the Internet; computer software and

manual in electronic form sold therewith” (the “Acceptable Goods”) as a result of the use made of it under section 11(2) of the Ordinance. Subject to meeting the requirements stipulated in paragraph 40 below, the Subject Mark may, insofar as it is in respect of the Acceptable Goods, proceed to registration.

26. As to the goods of “3D graphic software; computer peripheral devices; optical discs; integrated circuit cards [smart cards]; audio and video recordings, downloadable publications supplied on-line from a computer databases or the Internet” (the “Objectionable Goods”), I do not find the evidence is sufficient to support that the Subject Mark has acquired a distinctive character on them.
27. Before I proceed to analyse the Statutory Declaration, I would like to point out that some materials submitted under the Statutory Declaration bear a date after the date of filing of the subject application. Amongst those that are dated before the date of filing of the subject application, some of the materials submitted under “Exhibit C”, “Exhibit D”, “Exhibit F” and “Exhibit G” as well as the vast majority of materials submitted under “Exhibit E” do not bear the Subject Mark and/or do not relate to Hong Kong market. Such materials are of little relevance, if any, to this application.
28. According to the Statutory Declaration and Mr. Wong’s submission at the hearing, the Applicant is a member of the FlexSystem Group. The FlexSystem Group also consists of FlexSystem Holdings Limited and other subsidiary companies.
29. It was claimed in paragraph 4 of the Statutory Declaration that the Subject Mark was co-devised by Mr. Wai-Man Lok, founder of FlexSystem Holdings Limited, and the deponent in July 2001 by combining the words “Flex” and “Workflow”. The word “Flex” was derived from the name of the FlexSystem Group; whereas the word “Workflow” was chosen to refer to the goods and services developed, manufactured and provided by the Applicant. The Subject Mark adopted a similar structure as that of a prior registered trade mark “**FlexAccount**”, which is registered under Trade Mark No. 301638171 in the name of FLEXSYSTEM LIMITED, a subsidiary company of the FlexSystem Group.
30. According to paragraphs 5 and 6 of the Statutory Declaration, the Subject Mark has since September 2001 been continuously used in respect of “BPM solution with implementation and consultation service for optimizing daily business operations” in Hong Kong. Copies of catalogues were submitted under “Exhibit B” to the Statutory Declaration. However, none of them show use of the Subject Mark on the Objectionable Goods.
31. Sales revenue of the Applicant from 2009 to 2013 was provided in paragraph 8 of the Statutory Declaration, supported by copies of sales quotations, sales agreements, technical service agreements, maintenance agreements, variation orders, service/maintenance job sheets and internal agreements submitted under “Exhibit C” to the Statutory Declaration. Nonetheless, the sales revenue provided in paragraph 8 of the Statutory Declaration do not only cover sale of some of the Applied-for Goods but also sale of other goods and services. In the absence of a breakdown of the sales revenue, I cannot ascertain the extent of use of the Subject

Mark by the Applicant on the Objectionable Goods in Hong Kong. Further, none of the materials submitted under “Exhibit C” reflect use of the Subject Mark on the Objectionable Goods.

32. Advertising expenditure relating to promotion of the Applicant’s goods and services in Hong Kong from 2009 to 2013 was provided in paragraph 10 of the Statutory Declaration. Neither the copies of extracts from magazines nor the copies of invoices relating to promotion of the Applicant’s goods and services submitted under “Exhibit D” and “Exhibit E” to the Statutory Declaration respectively mention the Objectionable Goods. Without a breakdown showing the proportion attributable to advertising and promoting the Objectionable Goods in connection with the Subject Mark in Hong Kong by the Applicant, it is difficult, if not impossible, for me to determine the amount of effort spent by the Applicant on advertising and promoting such goods under the Subject Mark in Hong Kong.
33. Although according to paragraph 13 of the Statutory Declaration products provided under the Subject Mark has won a lot of awards and copies of certificates or copies of photos of awards were submitted under “Exhibit F” to the Statutory Declaration, most of the certificates or photos of awards submitted do not bear the Subject Mark and/or do not concern Hong Kong market and are, therefore, of little relevance to this application. Regarding those that depict the Subject Mark and concern Hong Kong market, they do not relate to the Objectionable Goods and cannot, therefore, demonstrate that the relevant consumers in Hong Kong have been educated of the trade mark significance of the Subject Mark in relation to the Objectionable Goods.
34. Two copies of letters of recognition issued by Mr. Gregory So Kam-leung, GBS, JP and one copy of letter of recognition issued by Dr. Hon Elizabeth Quat, JP were submitted under “Exhibit G” to the Statutory Declaration. Only one of them was issued before the date of filing of the subject application. However, that letter is not useful to this application as it does not depict the Subject Mark.
35. Copies of customer testimonials from three customers were submitted under “Exhibit H” to the Statutory Declaration. Such customer testimonials do not reflect use of the Subject Mark on the Objectionable Goods and are of little assistance to this application.
36. Based on the evidence presented and for the reasons discussed in Paragraphs 27 to 35 above, I cannot conclude that the relevant consumers have been adequately educated to recognize that the Subject Mark functions as a trade mark in relation to the Objectionable Goods. I therefore find the Applicant has failed to overcome the objection raised under section 11(1)(b) and section 11(1)(c) of the Ordinance in respect of those goods.

Reference to a prior registered trade mark on the register

37. At the hearing, Mr. Wong referred to a prior registration of the mark “ **FlexAccount** ” registered under Trade Mark No. 301638171 in respect of goods in Class 9. He contested that in light of the prior registered mark, which consists of the English word “Flex”, the Subject Mark should also be considered distinctive and acceptable

for registration.

38. I have considered the prior mark referred to but I do not find it of assistance to the Applicant in overcoming the objections in the present application. It is a well-established principle that each case has to be assessed on the basis of its own merits and comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration. In *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 at 305, Jacob J (as he then was) 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.” Although there is a prior registration of a trade mark consisting of the word “Flex”, as there are valid grounds for refusal in the subject application, I am not prepared to accept the Subject Mark for registration solely on the basis of this prior registered mark.

Conclusion

39. I have carefully considered all the documents filed by the Applicant together with all the oral and written submissions made in respect of the subject application. For the reasons given, I find that the Subject Mark is precluded from registration in respect of the Applied-for Goods under section 11(1)(b) and section 11(1)(c) of the Ordinance. I also find that the Applicant has failed to establish that the Subject Mark can be accepted for registration in respect of the Objectionable Goods listed in paragraph 26 above on the ground of acquired distinctiveness through use under section 11(2) of the Ordinance. The subject application is accordingly refused under section 42(4)(b) of the Ordinance in respect of the Objectionable Goods.
40. As I have found that the Subject Mark can be accepted for registration in respect of the Acceptable Goods indicated in paragraph 25 above on the ground of acquired distinctiveness through use under section 11(2) of the Ordinance, the application for registration in respect of such goods can proceed to publication, provided that the Applicant files, on or before 21 September 2015, a Form T5A to restrict the specification by deleting the Objectionable Goods. If the Applicant fails to do so on or before 21 September 2015, it will be deemed to have abandoned the application.

Janette SHAM

for Registrar of Trade Marks

21 August 2015