

File Ref. No. 71/71

IN THE MATTER of the Trade Marks Ordinance

AND

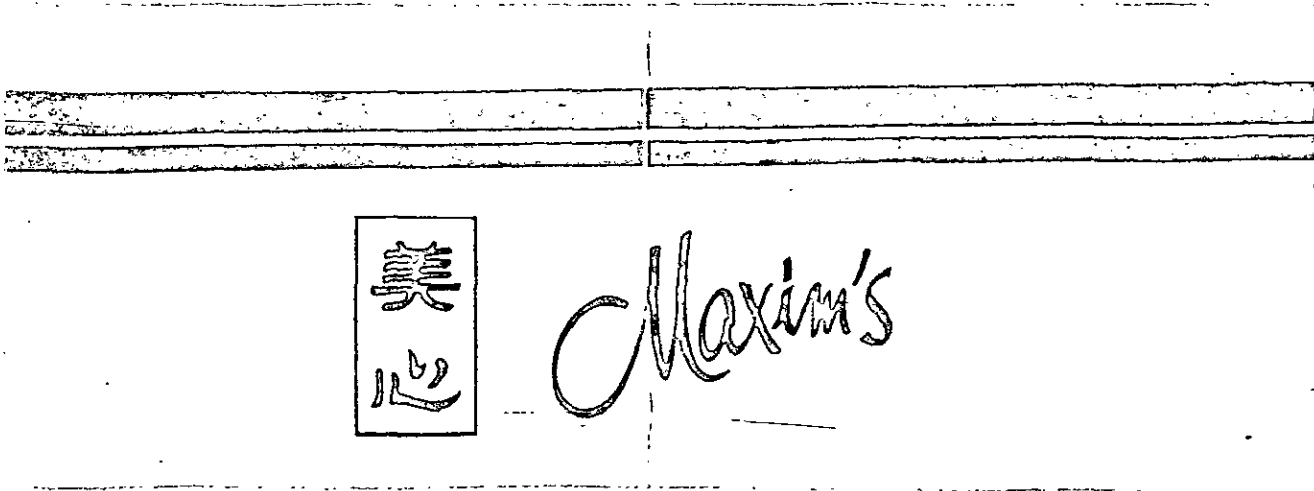
IN THE MATTER of an Application by Hong Kong Caterers Limited for the registration of trade mark "MAXIM'S 美心" (Label) in Class 30 in respect of cakes, bread and confectioneries

AND

IN THE MATTER of an Opposition to the said Application by Maxim's Limited

DECISION

On 20th January 1971 Hong Kong Caterers Limited (the Applicants), a company incorporated in Hong Kong, applied to register the mark "MAXIM'S 美心" (Label) in Part B of the Register and in Class 30 in respect of cakes, bread and confectioneries. A representation of the mark appears hereunder :



The application is opposed by Maxim's Limited (the Opponents), a British company on the grounds that use of the applicants' mark would be likely to deceive having regard to the close resemblance of the applied-for mark and the Opponents' trade mark and to the Opponents' long and extensive

use of their trade mark in Hong Kong with respect to frozen food dishes and wines, and throughout the world. The Opponents allege that the mark applied for so nearly resembles as to be calculated to deceive or cause confusion the Opponents' trade marks registered in France in respect of the same goods or description of goods and that the Opponents' goods originate from France. The Opponents further allege that the Applicants have acted in bad faith in misappropriating the Opponents' world-famous name and trade mark. The Opponents also ask that the application be refused in the exercise of the Registrar's discretion.

While not disputing the Opponents' claim of long and extensive use of their trade mark throughout the world (except Hong Kong), the Applicants deny all grounds of the opposition.

The case came on for hearing on 17th, 18th and 19th February 1981 when the Opponents were represented by Mr. A.G. Rogers of Counsel, instructed by Hastings & Company, Solicitors and the Applicants were represented by Mr. A. Liao of Counsel, instructed by Johnson, Stokes & Master, Solicitors.

In support of their case the Opponents have filed three statutory declarations, two by Mr. Louis Vaudable, Chairman of the Opponents, and one by Mr. Peter Li, the Opponents' solicitor. The Applicants' evidence consists of a statutory declaration by Mr. James Tak Wu, a director of the Applicants.

The arguments against allowing the application for registration to proceed are advanced by the Opponents under four broad heads : (1) that registration of the Applicants' mark in Hong Kong was prohibited by section 12(1) of the Trade Marks Ordinance, Cap. 43; (2) that the Applicants are not the true proprietors of the mark applied for, under section 13(1) of the Trade

Marks Ordinance; (3) that the Registrar should, under section 23 of the Trade Marks Ordinance, refuse registration of the mark applied for because of the prior registration of the Opponents' marks in the country of origin; and (4) that, in the exercise of his discretion whether or not to register the mark applied for, the Registrar should refuse registration.

Section 12(1)

Mr. Liao raised the point on the interpretation of section 12(1). He referred to the decision of Mr. P. Murphy in the application for rectification of the Register for the removal of "Crown Brand & Device" Trade Mark (No. 766 of 1976) on this point and suggested that for the purpose of the present Hearing the same interpretation should be adopted. Mr. Rogers submitted that in section 12(1), inter alia, "would be likely to deceive" and "would be disentitled to protection in a court of justice" were alternatives for refusing registration, but in section 11 of the Trade Marks Act 1938, "disentitled to protection" hinged on "by reason of its being likely to deceive or cause confusion". I take the view that for the purpose of this decision, there is no compelling reason for me to depart from Mr. Murphy's interpretation of section 12(1) (which is that section 12(1) is in effect the same as section 11 of the Trade Marks Act 1938) and therefore I could regard United Kingdom decisions on section 11 as being suitable precedents to follow.

Mr. Liao submitted that the test to be applied was set out in the "Hovis" case as qualified by the "Bali" case :

"Having regard to the user of the Opponents' mark "MAXIM'S", is the Registrar satisfied that the mark applied for, if used in a normal and fair manner in connection with any goods covered by the registration proposed, will not be reasonably likely to cause deception and confusion among a substantial number of persons?"

Mr. Liao said that there must be evidence of actual use in Hong Kong of the Opponents' mark to establish reputation before the question of whether the use of the mark applied for would be likely to deceive. In support he referred to a number of authorities, the more relevant cases include "Bali" T.M. (1969) R.P.C. 472 (H.L.), "GE" T.M. (1970) R.P.C. 339 and "NOVA" T.M. (1968) R.P.C. 357. Mr. Liao also submitted that a reputation abroad that did not extend to Hong Kong was not relevant. I agree. It is stated in Kerly's Law of Trade Marks and Trade Names, Tenth Edition (hereinafter referred to as "Kerly") at 10-10, page 181 :

"Under section 11, also, it is possible deception in the markets of this country that must be considered; thus a reputation abroad, that does not extend to this country, will not found an opposition under the section."

It is well settled that the onus is on the Applicant to satisfy the court that there is no reasonable probability of confusion and that the rights of the parties are to be determined as at the date of the application for registration (hereinafter referred to as the "relevant date"). The relevant date in this case is 20th January 1971.

Kerly states at 10-05 :

"It should be noted that under section 11, consideration must be given to the extent and character of the reputation belonging to the earlier mark. Before the section can be applied at all, it must be established that the Opponents' mark is known to a substantial number of persons in the United Kingdom."

Mr. James Tak Wu stated in his statutory declaration made on 24th January 1978 (inter alia and so far as it relates to the period immediately prior to the relevant date) that the Applicants first used the mark applied for in Hong Kong in relation to "cakes, breads and confectionery" in 1967 and that the sale of the said goods were as follows :

<u>Year</u>	<u>Approx. Annual Total Sales of the said Goods in Hong Kong</u>
1967/68	HK\$234,960
1968/69	599,025
1969/70	913,584
1970/71(March)	1,266,829

Mr. Louis Vaudable stated in his statutory declaration made on 31st January 1977 that the Opponents organised a gastronomic festival in Hong Kong in December 1965 at the Mandarin Hotel, at which the Opponents' food and wine products bearing the trade mark "MAXIM'S" were sold, that since 1950 the Opponents had been supplying pre-cooked frozen meals and wines to Pan American World Airways which were served to passengers aboard their planes and those meals were shipped to 17 different countries, including Hong Kong, to which Pan America World Airways flew daily, and that the Opponents had sold their wines in Hong Kong for many years and at least continuously since 1966. He exhibited the price list for the wines sold by the Peninsula Hotel and Catering Group in which the Opponents' trade mark "MAXIM'S" was recorded against some 15 such wines. But Mr. Vaudable did not adduce further evidence to indicate the quantity or amount of sales of food, wines and pre-cooked frozen meals sold at the gastronomic festival, aboard Pan American World Airways planes or by the Peninsular Hotel and Catering Group. In the absence of such evidence of sales I cannot draw the conclusion that the sales were substantial. In my view any attempt to draw any conclusion in the circumstances would be sheer speculation

on which I cannot act. Mr. Vaudable also stated that articles had been written about the Opponents and their restaurant in Paris in many magazines and periodicals throughout the world and he exhibited a bundles of copies of such articles. He further stated that he believed that the following magazines had subscribers or could be purchased in Hong Kong, namely the Saturday Evening Post, Paris Life, Blue Trout and Black Truffles, Sunday Mirror Magazine, Holiday, Readers' Digest, Realities, Life Magazine, Esquire, Time, Women's Wear Daily, Town & Country, Travelog and Epicurean. Of these magazines, copies of the Women's Wear Daily, Town & Country, Travelog and Epicurean exhibited were published on various dates after the relevant date. Of the remaining magazines exhibited, there is no evidence to show they were in fact sold or available in Hong Kong and how widely they were circulated or sold in Hong Kong at the relevant times. Again, in the absence of such evidence I cannot draw any conclusion as to the extent of circulation or sale of these magazines in Hong Kong.

In his statutory declaration made on 29th March 1979, Mr. Peter Li stated, inter alia and so far as the events and things he stated occurred or were available in Hong Kong prior to the relevant date, that Maxim's restaurant had featured in a number of full length films and he verily believed that such films as Moulin Rouge, Holiday in Paris, and Gigi were shown in Hong Kong. But no dates were given to indicate that these films were shown in Hong Kong prior to the relevant date.

The evidence of the Opponents is such that I cannot satisfy myself that the Opponents user and reputation was by the relevant date known to a substantial number of persons in Hong Kong, although I find that the evidence is sufficient to support a claim that the Opponents' user and reputation was known to some persons in Hong Kong at the relevant date. Mr. Rogers submitted that for the purpose of section 12(1) user in Hong Kong was not necessary; it was reputation

that was relevant. But even on reputation alone, I am not satisfied that on the evidence before me the Opponents' reputation was by the relevant date known to a substantial number of persons in Hong Kong as to make it likely that use of the Applicants' mark in the manner that would be permitted by their registration of it would lead to confusion or deception. The opposition under section 12(1) must accordingly fail.

I think I must also consider the opposition under section 12(1) on the basis that Mr. Rogers' views on the interpretation of the section are correct. At the Hearing Mr. Rogers referred to *Pioneer Hi-Bred Corn Co. v. Hy-Line Chicks Pty. Ltd.* (1979) RPC 410, in which it was held that the test to be applied when deciding whether use in New Zealand of the Applicant's mark was likely to deceive or cause confusion was not based on the use of the American mark in New Zealand but on the awareness in the relevant New Zealand market of that mark. It was also held in that case that the manner in and the source from which that knowledge had been acquired was immaterial and that advertising need not be associated with actual use in order to establish reputation.

Mr. Rogers submitted that section 16 of the New Zealand Trade Marks Act 1953 was similar to section 12(1) of the Trade Marks Ordinance. Section 16 of the 1953 Act reads as follows :

"It shall not be lawful to register as a trade mark or part of a trade mark any scandalous matter or any matter the use of which would be likely to deceive or cause confusion or would be contrary to law or morality or would otherwise be disentitled to protection in a court of justice."

In the Pioneer case, Richmond P. stated at p. 412 of the judgment :

"At this point it is convenient to note that section 16 is worded in a different way from its statutory predecessors, the last of which was section 13 of the Patents, Designs, and Trade Marks Amendment Act 1939. That section, in common with section 11 of the United Kingdom Act of 1938, prohibited registration of any matter the use of which would "by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice". The effect of that particular form of language was discussed by their Lordships in *Bali Trade Mark* (1969) RPC 472; (1969) 2 All ER 812 and in *GE Trade Mark* (1973) RPC 297; (1972) 2 All ER 507. It is however clear that in 1953 the legislature in New Zealand deliberately departed from the previous wording as found in section 13 of the 1939 Amendment Act. The result is that in this country the words "the use of which would be likely to deceive or cause confusion" are no longer governed by the words "would otherwise, be disentitled to protection in a court of justice". They should accordingly be given effect in accordance with their ordinary and natural meaning."

And at p. 413 he stated :

"It can however be said quite accurately that the effect of section 16 is to declare by statute that "any matter the use of which would be likely to deceive or cause confusion" is inso jure something which is disentitled to protection in a court of justice. The only importance of the point is to emphasise that the latter words do not add some additional qualification or refinement."

In the same case, Woodhouse, J. stated at page 417, line 17, as follows :

"There can be no doubt, by reason of the very close similarity of the two marks, that if the American mark had acquired a reputation in New Zealand at the relevant time there would certainly be a likely risk of deception and confusion. In the circumstances only two questions require consideration. The first is whether foreign advertising alone can be relied upon for the purpose of establishing a reputation. If that be so the second question is whether advertising in this particular case has had the effect of bringing the American mark to the notice of a sufficient number of persons to meet the test laid down in such a case as Smith Hayden & Co. Ltd.'s Application (1945) 63 R.P.C. 97, 101 :

"Having regard to the reputation acquired by (the Opponent's mark), is the court satisfied that the mark applied for, if used in a normal and fair manner will not be reasonably likely to cause deception and confusion amongst a substantial number of persons".

Also in the same case, Richardson, J. said at page 424, line 39 :

"For myself I prefer to use a more neutral term such as "awareness" or "cognizance" or "knowledge" and on the basis to ask : having regard to the awareness of the Opponent's mark in the New Zealand market for goods covered by the registration proposed, would the use of the Applicant's mark be likely to deceive or cause confusion to persons in that market".

On the evidence of the Opponents I cannot satisfy myself that the unspecified quantity or amount of sales of frozen food, wines and meals and the unascertained extent of circulation or sale of the magazines, in Hong Kong by the relevant date would result in bringing the Opponents' mark to the notice of a substantial number of persons in Hong Kong or would result in a substantial

number of persons in Hong Kong being aware of the Opponents' mark by the relevant date. Therefore even if Mr. Rogers' views on the interpretation of section 12(1) are correct I am not satisfied on the evidence that the Opponents reputation was known to a sufficient number of persons in Hong Kong by the relevant date as to make it likely that the use of the Applicants' mark in the manner that would be permitted by their registration of it would lead to confusion or deception. The opposition under section 12(1) and based on Mr. Rogers' interpretation must also fail.

Section 13(1)

The Opponents allege that the Applicants, who have misappropriated the Opponents' mark, are not entitled to claim to be the proprietors of the mark applied for.

Section 13(1) of the Trade Marks Ordinance (corresponding to section 17(1) of the Trade Marks Act 1938) reads as follows :

"Any person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it must apply in writing to the Registrar in the prescribed manner for registration either in Part A or in Part B of the register."

Kerly states at 4-03 :

"Provided, however, that the claim of proprietorship is made in good faith, and is not rebuttable on the ground that in fact someone else was the proprietor, it is difficult to see how it can be objected to, notwithstanding that the application (or a registration based on it) may later be held open to some objection. In particular, it is difficult to see what objection there can be to a claim to proprietor-

ship of a mark which is not in use and has no reputation in this country, whoever makes it, provided at least that he genuinely means to use it. There has, nevertheless, been a tendency in recent years to disqualify on this ground applications for the registration in the United Kingdom of marks which do have a reputation (in some other proprietor) elsewhere. With the revival of international trade and the growth of international publicity, it may well be that our law ought to make greater provision than it does for safeguarding the rights of the owners of foreign marks. It does not follow, however, that section 17(1) is the right tool for the purpose."

Mr. Louis Vaudable, Chairman of the Opponents stated in his statutory declaration made on 31st January 1977 that the Opponents were incorporated as a limited company in England on 27th November 1907 and had since been carrying on business as inter alia, restaurateurs, caterers, food and wine merchants, and that in or about 1893 the Opponents' predecessor being the sole proprietorship of Maxime Gaillard started a restaurant in Paris, France under the name "MAXIM'S". It is stated in the brochure entitled "MAXIM'S de Paris", which was exhibited to the statutory declaration, that Mr. Maxime Gillard bought the business at 3 Rue Royale, Paris from an Italian ice cream vendor named Imoda on 11th April 1893 and "owing to the vogue for things English at that time, he dropped the "E" from his name, and on May 21 of that year, after spending nearly \$20,000 on redecoration, opened Maxim's." The evidence filed by the Opponents shows that the Opponents are the registered proprietors of the following trade marks registered in France :

<u>Trade Mark</u>	<u>Trade Mark No.</u>	<u>Original Trade Mark No.</u>	<u>Specification of Goods</u>
"MAXIM'S"	873282	No. 104604 registered on 14th March 1958	Classes 1, 2, 4, 6, 8, 10, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 26, 27, 28 and 34. 12/...

"MAXIM'S"	926256	No. 700839 registered on 1st September 1965	Class 42
"MAXIM'S"	943395	No. 160220 registered on 3rd March 1961	Classes 3, 5, 7, 9, 11, 12, 22, 25, 29, 30, 31, 32 and 33.

On 27th June 1972 the Opponents filed with the Registrar three applications for registration of their trade marks as follows :

<u>Trade Mark</u>	<u>Application No.</u>	<u>Class</u>
"MAXIM'S Label"	836 of 1972	29
"MAXIM'S Label"	836A of 1972	30
"LES CANES MAX- IM'S Label"	836B of 1972	33

It would appear that the Opponents' trade mark "MAXIM'S" was derived from the name of their restaurant, the Maxim's Restaurant in Paris, which was first opened in 1893.

Mr. James Tak Wu, a director of the Applicants, stated in his statutory declaration made on 24th January 1978 that the Applicants had been actively using the name "MAXIM'S" in respect of its restaurants in Hong Kong since 1968, that the Applicants first used the denomination "MAXIM'S" in relation to their restaurants business in 1956 and that the Applicants adopted and first used the said trade mark in Hong Kong in relation to "cakes, breads and confectionery" in 1967. It would appear that the mark applied for was derived from the name of the Applicants' restaurants, the Maxim's restaurants in Hong Kong.

In paragraph 5 of the Notice of Opposition, the Opponents alleged that the Applicants had acted in bad faith in misappropriating the Opponents' world-famous name and trade mark. The Applicants did not reply to this allegation in their Counter-Statement. The Applicants have not attempted elsewhere in the

evidence filed to deny the allegation or to explain how the Applicants first chose "MAXIM'S" for the name of their restaurants or for their trade mark. At the Hearing Mr. Liao submitted that the Applicants first used the name "MAXIM'S" in 1956 the proposed registration of their mark was to further what had been established by the Applicants over the years, and that the Opponents, who had no use or insufficient use of their mark as at the date of the application to register, had no prior claim to proprietorship up to 1971. He further submitted that if the mark applied for was the extension of use of the Applicants' business name, it was legitimate for the Applicants to claim to be proprietors of the mark applied for.

Mr. Rogers commented at the Hearing that the origin of the Applicants' use of the name "MAXIM'S" in 1956 was obscure and that there was no explanation from Mr. James Tak Wu as to where the Applicants picked up the name "MAXIM'S" with the apostrophe "S". Mr. Rogers submitted that it was not for the Opponents to establish by evidence that the Applicants had copied the Opponents' mark. In Brown Shoe Company's Application (1959) 29 Wynn-Parry J. said at page 33, lines 40 to 49 :

"Here it is true two words are involved - "Naturalizer" and "Naturalizet". The Assistant-Comptroller disposed of this part of the case by saying that on the question of discretion he found nothing in the evidence to establish that the Respondents had copied the Appellants' mark. With all respect to him, that can hardly be a satisfactory way of dealing with the problem. No evidence by the Appellants on such a point could be expected. It must to my mind be a question of res ipsa loquitur or nothing. I find it impossible to treat the case as one of coincidence and to take the view that in evolving the word "Naturalizet" as a Trade Mark in relation to ladies' shoes the Respondents had no regard to the Appellants' mark "Naturalizer"."

The Applicants have not thought fit to submit evidence to refute the Opponents' allegation, although they had the opportunity to do so. In the absence of any evidence or explanation from the Applicants on how the Applicants chose "MAXIM'S" for the name of their restaurants or for their trade mark and in view of the long history of the Opponents' Maxim's restaurant in Paris I have to take the view that the Applicants copied the Opponents' name "MAXIM'S" for the Applicants' restaurant in 1956 and since then had used this name for all the Applicants' restaurants and also for their trade mark since 1967.

In Vitamins Ltd.'s Application (1956) RPC 1 it was held that the Applicants, having copied the Opponents' mark improperly claimed to be proprietors of the mark. In Brown Shoe Company's Application (1959) RPC 29 it was also held that on evidence the Respondents had copied the Appellants' mark and therefore the Respondents were not, in truth, proprietors of the mark applied for. The facts in these two cases are different from the present case. It was found by the court on evidence in each of those two cases that the Opponents (or the Appellants) had previously asserted his proprietorship of the mark in the United Kingdom. In the present case, there is no evidence that the Opponents had asserted their proprietorship of the mark before the date of the application to register. In the Brown Shoe case, Wynn-Parry, J. said at page 33, line 25 :

"If there is an owner of a similar trade mark who has made an earlier assertion of proprietorship and who has not abandoned that claim, then the claim of the Applicant is not well founded and the application should not be allowed to go forward."

In my view, notwithstanding that the Applicants have copied the Opponents' mark, in the absence of any evidence that the Opponents have previously asserted their proprietorship of the mark in Hong Kong, the Applicants could properly claim to be the proprietors of the trade mark applied for for the

purpose of section 13(1) of the Trade Marks Ordinance. Accordingly the opposition under section 13(1) must fail.

Section 23

Section 23 which has no counterpart in the Trade Marks Act 1938, reads as follows :

"The Registrar may refuse to register any trade mark if it is proved to his satisfaction by the person opposing the application for registration that such mark is identical with, or so nearly resembles as to be calculated to deceive or cause confusion, a trade mark which is already registered in respect of the same goods or description of goods in a country or place from which such goods originate :

Provided that no application to register shall be refused under this section :

- (a) if the applicant proves that he or his predecessors in business have in Hong Kong, in relation to such goods, continuously used the trade mark for the registration of which he has made application from a date anterior to the date of the registration of the other mark in such country or place of origin; or
- (b) if the opponent does not given an undertaking to the satisfaction of the Registrar that he will, within three months from the giving of the notice of opposition, apply for registration in Hong Kong of the trade mark so registered in the country or place of origin, and will take all necessary steps to complete such registration."

Opponents' goods originated from France and the words "originate from" implied that (a) the Opponents had used their marks registered in France on goods in France and (b) those goods must have come to Hong Kong. He further submitted that since there was no evidence that goods covered by the marks registered in France were supplied to Hong Kong, section 23 would not apply and that in any event the Registrar had a discretion under section 23 in not refusing the application. I accept Mr. Rogers' submission that the words to the effect that the Opponents' goods must have come to Hong Kong were not in section 23 and it was dangerous to read into statute words which were not there. However, I agree with Mr. Liao that section 23 is discretionary. Mr. Rogers also seemed to agree. I therefore take the view that section 23 applies if all the conditions therein are met.

I shall deal with the proviso in section 23. In their Counter-Statement the Applicants alleged (in relation to proviso (a)) that the effective dates of registration of the Opponents' three trade marks in France fell subsequent to the date of first use of the word and or characters "MAXIM'S" and/or "美心" in Hong Kong in 1956. The Opponents' three trade marks were registered in France in 1958, 1961, and 1965 respectively. Proviso (a) refers to use of the applied-for trade mark and not to use of a word or words otherwise than as a trade mark. In fact the Applicants stated in the same Counter-Statement at paragraph (1) that they had been using the mark "MAXIM'S" extensively and the Chinese characters "美心" in relation to their goods, namely, "cakes, bread and confectioneries" since June 1967, and at paragraph (3) that sales of their goods bearing their said trade mark had totalled many hundred thousand dollars per annum ever since 1967. The Applicants have not filed any evidence to show that they had used "MAXIM'S" and/or "美心", as a trade mark in Hong Kong prior to June 1967. In the absence of such evidence and in view of the Opponents' registration in France of their marks in 1958, 1961 and 1965 respectively I am

satisfied that the Applicants have not proved their case under proviso (a).

On 27th June 1972 the Opponents filed with the Registrar three applications for registration of their trade marks "MAXIM'S". So in fact the Opponents filed their applications to register their trade marks before they filed the Notice of Opposition on 5th July 1972. I do not consider that it is necessary in the circumstances, or indeed possible, for the Opponents to give the undertaking that the Opponents will within three months from the giving of notice of opposition apply for registration in Hong Kong of the Opponents marks registered in France. That leaves the undertaking that the Opponent will take all necessary steps to complete the registration.

It seems obvious to me that the Opponents, who have made application to register their mark before they filed the Notice of Opposition and who have relied, inter alia, on section 23 to oppose the application, must be prepared to give the undertaking. In my view, the undertaking is required simply to evidence the Opponents' good faith and in this case there is no evidence to indicate that the Opponents' good faith is in question. Accordingly, it is possible by a liberal construction of the proviso to regard what the Opponents have done as complying with it and that construction should be adopted. Neither the Applicants nor Mr. Liao at the Hearing, had alleged that proviso (b) had not been complied with. Accordingly, I shall proceed to consider the opposition under section 23 on the basis that the proviso to section 23 has been complied with.

The first point for my consideration under section 23 is whether the relevant goods of the Applicants and of the Opponents are the same goods or description of goods. The Applicants' specification of goods are "cakes, bread and confectioneries". The Opponents' specification of goods covered by Trade

Mark "MAXIM'S", No. 943395 and registered in France on 3rd March 1961, include "gateaux" (cakes), "pain" (bread) and "pâtisserie et confiserie" (pastries and confectioneries). I have little difficulty in arriving at the conclusion that the Applicants' goods and some of the Opponents' goods are the same goods or description of goods.

The next point for my consideration is whether the Applicants' mark is identical with or so nearly resembles the Opponents' mark as to be calculated to deceive or cause confusion. The Applicants' mark is "MAXIM'S, 美心". It appears to me that "美心" is the Chinese transliteration of "MAXIM'S". The Opponents' marks are either the word "MAXIM'S" or "MAXIM'S and Label". In my view the Applicants' mark is identical with or so nearly resembles the Opponents' mark as to be calculated to deceive or cause confusion, having regard to the fact that the goods are the same goods or description of goods.

Having regard to the view I have reached above, I am satisfied that for the purpose of section 23 the mark applied for is identical with or so nearly resembles as to be calculated to deceive or cause confusion ^{with} the Opponents' mark "MAXIM'S" which is already registered in respect of the same goods or description of goods in France from which such goods originate.

All the conditions in section 23 having been complied with, it is now open to me under section 23 to refuse to register the mark applied for. It is agreed that I have a discretion in the matter. In exercising my discretion I think I have to consider the source of supply of the goods, the extent of the user, if any, of the Opponents' mark and the Applicants' mark respectively in Hong Kong by the relevant date and whether the Applicants have copied the Opponents mark.

said at page 12, lines 24 to 40, in relation to section 23 :

"It is true, as Mr. Bernacchi pointed out, that since there are thousands of trade marks throughout the world closely resembling each other, the section cannot mean that merely by giving the undertaking required by proviso (b) a foreign manufacturer can step in and gain priority over a proposed registration in respect of goods originating in Hong Kong for sale in Hong Kong. The section certainly does not say that; what it does say is that the Registrar may refuse registration in such a case. This "may", being contrasted with the "shall" of the proviso, obviously confers a discretion on the Registrar, which he might exercise in favour of the applicant in a case where the goods in question are such as have in the normal course of trade no particular source of supply as e.g. neckties, and against the applicant where the goods are normally imported from one particular country or a limited group of countries as e.g. cultured pearls."

I agree with Mr. Thomson's view. It seems to me that the goods in this case are such as have in the normal course of trade no particular source of supply. But I am not saying that on this point I would exercise my discretion in favour of the Applicants. I must also consider the other matters, particularly the matter of whether the mark applied for was copied from the Opponents' mark.

The Applicants' evidence shows that the mark applied for was first used in Hong Kong in 1967 and their user had been fairly substantial by the relevant date. I have already reached the view on the evidence that the Opponents' mark had some user and was known to some persons in Hong Kong by the relevant date.

On the matter of whether the mark applied for is copied from the Opponents' mark I have already reached the view that the Applicants have copied "MAXIM'S" from

the Opponents. I consider that "美心" is the Chinese transliteration of the word "MAXIM'S" and therefore the mark applied for is essentially "MAXIM'S". Accordingly I am of the view that the mark applied for is copied from the Opponents.

The intention of section 23 is, in my view, to protect marks registered in their country of origin from being copied or imitated in Hong Kong. Having regard to the views I have taken that the mark applied for is copied from the Opponents and that the Opponents' mark or name was by the relevant date used to some extent or known to some persons, in Hong Kong and to all the circumstances of this case I think the Opponents are entitled to the protection afforded by section 23. Accordingly, I would exercise my discretion to refuse the registration of the mark applied for.

The opposition under section 23 having succeeded, it is not necessary for me to consider whether I should exercise my general discretion under section 13(2) to refuse the application. However, I may add that if section 23 did not apply I would have exercised my discretion under section 13(2) to refuse the application for similar reasons for which I have refused the application under section 23, having regard to all the circumstances of the case.

I find the Opponents are entitled to an award of costs, that any representations which either party may wish to make as to the amount of these costs will be considered if received within one month from the date of this decision and that failing such representation or subject to any representations calling for special treatment, costs will be calculated on the usual scale.



(L. S. Shum)

Deputy Principal Solicitor

30th June 1982