

**TRADE MARKS ORDINANCE (Cap. 559)**

**APPLICATION FOR REVOCATION OF TRADE MARK NO.: 199708576**

**MARK: 龍騰苑**

**CLASS: 43**

**APPLICANT: MELCO CROWN ENTERTAINMENT LIMITED**

**REGISTERED OWNER: LUEN TAI CATERING ENTERPRISES LIMITED**

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**STATEMENT OF REASONS FOR DECISION**

**Background**

1. On 28 July 2009 (“Revocation Application Date”), MELCO CROWN ENTERTAINMENT LIMITED (“Applicant”) made an application (“Revocation Application”) under section 52(2)(a) of the Trade Marks Ordinance (Cap. 559) (“Ordinance”) to revoke the registration of the following mark (“subject mark”) on the ground of non-use, with effect from 12 July 2006:

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2. The subject mark is registered as of 25 March 1996 in the name of LUEN TAI CATERING ENTERPRISES LIMITED (“Registered Owner”) in respect of “restaurant services; catering services; self service restaurants; snack bar, cafes, cafeterias and canteen services; all included in Class 43” (“subject services”). The actual date of registration of the subject mark is 26 August 1997.
3. A letter dated 3 August 2009 was sent to the Applicant by the Registrar of Trade Marks (“Registrar”) informing the Applicant that the application for revocation on ground of non-use shall be accompanied by a statement of the grounds on which the application is made and evidence in support of the application. The said letter copied to the Registered Owner was returned to the Registrar with

remarks marked by the Post Office as “Moved, redirection services not arranged”. The Registrar therefore considered that the Registered Owner no longer had a valid address for service in Hong Kong and a notice was sent to the Registered Owner under rule 107(1) of the Trade Marks Rules (Cap. 559, sub. leg.) (“Rules”) requesting it to file an address for service in Hong Kong within two months. The Registered Owner did not respond within the specified two months and pursuant to rule 107(3) of the Rules, it was deemed to have withdrawn from the revocation proceedings.

4. The hearing is scheduled to be held before me on 18 October 2012. The Applicant did not file a notice of intention to appear at the hearing. Pursuant to rule 74(5) of the Rules, the Applicant is treated as not intending to appear at the hearing. I now proceed to decide the matter without a hearing under rule 75 of the Rules.

#### **Grounds of revocation**

5. The relevant parts of section 52 of the Ordinance are set out below:

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

...

*(a) that the trade mark has not been genuinely used in Hong Kong by the owner or with his consent, in relation to the goods or services for which it is registered, for a continuous period of at least 3 years, and there are no valid reasons for non-use (such as import restrictions on, or other governmental requirements for, goods or services protected by the trade mark);*

...

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

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

...

*(8) For the purposes of subsection (2)(a), the 3-year period may begin at any time on or after the actual date on which particulars of the trade mark were entered in the register under section 47(1) (registration)."*

6. By its Revocation Application filed on 28 July 2009, the Applicant seeks revocation of the subject mark on ground of non-use with effect from 12 July 2006. However, the Applicant only contends in the statement of grounds that the subject mark has not been genuinely used in Hong Kong for at least the past three years and will not be used by the Registered Owner again as the Registered Owner ceased to exist since 12 July 2006. Accordingly, the relevant period of non-use actually put in issue by the Applicant is the three-year period beginning on 12 July 2006 ("relevant period") and the date from which the revocation shall take effect is therefore 12 July 2009 instead of 12 July 2006.
7. In order to decide whether the Revocation Application should be granted, it is necessary for the Registrar to consider whether the subject mark has been genuinely used in Hong Kong by the Registered Owner or with its consent in relation to the subject services during the relevant period.

### **Burden of proving use**

8. Section 82(1) of the Ordinance provides that:

*"If, in any civil proceedings under this Ordinance in which the owner of a registered trade mark is a party, a question arises as to the use to which the trade mark has been put, the burden of proving that use shall lie with the owner."*

9. Accordingly, the burden of proving genuine use of the subject mark in Hong Kong in relation to the subject services during the relevant period lies with the Registered Owner.

### **Evidence of the Applicant**

10. The Applicant's evidence consists of a statutory declaration of Ms. Peggy Cheung Po Yee, a solicitor acting on behalf of the Applicant for the Revocation Application, declared on 20 August 2009. In the declaration, Ms. Cheung says it is revealed from their investigations that the Registered Owner was dissolved by members' voluntary winding up on 12 July 2006. A relevant printout from the Company Registry is said to be adduced at Exhibit PCPY-1. Accordingly, it is their belief that the subject mark has not been used in Hong Kong for a continuous period of at least three years.

### **Evidence of the Registered Owner**

11. The Registered Owner did not file any counter-statement and evidence of use or statement giving reasons for non-use.

### **Decision**

12. A statement about the policy of providing for the revocation of a registered trade mark on ground of non-use can be found in the case of *Brands Inc Ltd. Kabushiki Kaisha Regal Corp* [2006] HKEC 2313. After considering various decisions of the European Court of Justice and the UK courts, Barma J stated (at paragraph 14):

*“The policy behind the requirement that a trade mark, once registered, should be used in order to justify its continued registration is stated in *Ansul*<sup>1</sup>, at paragraph 37 of the judgment. It is that the purpose of trade*

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<sup>1</sup> *Ansul BV v Ajax Brandbeveiliging BV* [2005] Ch 97

*mark is to enable its owner to create or preserve a market for goods or services produced or supplied by him. It does so by granting to the owner the exclusive right to use the mark in that market, and the ability to stop others from using the mark in respect of their own goods or services. However, where the mark is not in fact used for this purpose, it ceases to achieve this purpose. There is then no longer any justification for preventing others from using it.”*

13. In this case, the relevant period of non-use is the three-year period beginning on 12 July 2006. Without filing any evidence of use of the subject mark by the Registered Owner or with its consent, the Registered Owner has failed to discharge the burden of showing genuine use of the subject mark in Hong Kong in relation to any of the subject services during the relevant period. Under section 52(2)(a) of the Ordinance, non-use is not fatal if the Registered Owner has valid reasons for not putting the mark to use. However, the Registered Owner did not give any reason for non-use. In the circumstances, the result is that the registration of the subject mark is revoked from 12 July 2009.

### **Costs**

14. As the Revocation Application has succeeded, I award the Applicant costs. Subject to any representations, as to the amount of costs or calling for special treatment, which either party makes within one month from the date of this decision, costs will be calculated with reference to the usual scale in Part I of the First Schedule to Order 62 of the Rules of the High Court (Cap. 4A) as applied to trade mark matters, unless otherwise agreed between the parties.

(Connie Law)

for Registrar of Trade Marks

25 October 2012