

Application No. 18425 of 1999

IN THE MATTER of the Trade Marks  
Ordinance (Cap. 43)

AND

IN THE MATTER of an application by Seiko  
Kabushiki Kaisha (Seiko Corporation) to  
register the mark

ROOX

in Part A of the Register in Class 14

AND

IN THE MATTER of an opposition thereto by  
Montres Rolex S.A.

**DECISION  
OF**

Ms. Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after a hearing on 16 March  
2004.

Appearing : Mr. Ling Chun Wai instructed by Messrs. Baker & McKenzie for the applicant.

Mr. Paul Stephenson instructed by Messrs. Deacons for the opponent.

## **Application for Registration**

1. On 14 December 1999 (“the application date”), Seiko Kabushiki Kaisha (Seiko Corporation) (“the applicant”) applied to register, pursuant to the provisions of the Trade Marks Ordinance Cap. 43 (“the Ordinance”), in Part A of the register in Class 14, the trade mark, a representation of which appears below :

**ROOX**

(“the suit mark”).

2. The goods intended to be covered by the registration were “watches, clocks, stop watches, horological and chronometric apparatus and instruments; boxes specifically adapted for watches; cases specifically adapted for all the aforesaid goods; parts and fittings for all the aforesaid goods; all included in Class 14” (“the specified goods”). The Registrar of Trade Marks (“the Registrar”) accepted the mark for registration in Part A of the register. The application was advertised in the Government of the Hong Kong Special Administrative Region Gazette on 24 March 2000.

## **Pleadings and Evidence**

3. On 24 July 2000, Montres Rolex S.A. (“the opponent”) filed a notice of opposition to the application. The grounds of opposition state, *inter alia*, that the opponent is a societe anonyme organised and existing under the laws of Switzerland. The opponent is the registered proprietor in Hong Kong of a number of trade marks including the word “ROLEX” or its Chinese characters equivalent in different classes. By reason of the goodwill and reputation which has accrued to the opponent through the use and registration of the “ROLEX” marks in Hong Kong, the “ROLEX” marks have become and are distinctive of the opponent’s business. The opponent asserts that the suit mark closely resembles the “ROLEX” marks. The specified goods are identical or closely associated with the goods and services covered by the “ROLEX” marks registered in Hong Kong. As such, the goods provided by the applicant under the suit mark are very likely to be mistakenly perceived by consumers as being provided by or connected with the opponent. The grounds of opposition comprise sections 2, 9, 10, 12, 13, 20 and 21 of the Ordinance.

4. In the applicant’s counter-statement, save and except that the applicant’s own application for registration of the suit mark is admitted, the applicant does not admit or denies each and every allegation in the notice of opposition. The applicant avers that the suit mark is visually, phonetically and conceptually distinguishable from the mark “ROLEX”. Use and registration of the suit mark is unlikely to deceive or cause any public confusion. The applicant further alleges that the suit mark is inherently distinctive. It was devised by a senior manager

of the marketing department of the applicant in August 1999. It is a coined mark which carries no ordinary meaning. The choice, use and registration of the suit mark by the applicant is *bona fide* and will not unfairly prejudice the legitimate business interests of the opponent.

5. The opponent's Trade Marks Rule/s, Cap. 43, Sub. Leg. ("Rule/s") 25 evidence comprises a statutory declaration dated 14 June 2001 from Robert Boehringer, the manager of the opponent, together with exhibits ("Boehringer's 1<sup>st</sup> statutory declaration"). The applicant's evidence consists of a statutory declaration dated 18 March 2002 from Takamitsu Muto, the executive director of the applicant, together with exhibits filed pursuant to Rule 26. In accordance with Rule 27, the opponent filed a statutory declaration dated 16 December 2002 from the same Robert Boehringer, together with exhibits ("Boehringer's 2<sup>nd</sup> statutory declaration") and a statutory declaration dated 24 March 2003 from Joseph Hung Hin Wai, a professor in the Department of English at the Chinese University of Hong Kong, together with exhibits.

6. Prior to the hearing, the agent for the applicant applied for leave to file a statutory declaration of Robin David Corcos dated 3 February 2004, a statutory declaration of Ryoichi Kishi dated 20 February 2004 and a statutory declaration of Yoshinobu Nakamura dated 2 March 2004 as further evidence under Rule 28. A provisional determination was made to refuse leave for filing the statutory declarations of Robin David Corcos and Yoshinobu Nakamura and grant leave for filing the statutory declaration of Ryoichi Kishi for the reasons as set out in the Registrar's letter dated 8 March 2004. At the beginning of the hearing on 16 March 2004, both counsel for the applicant and the opponent indicated that they were satisfied with my provisional determination and would not make any submissions in relation thereto. As a result, the provisional determination became final and leave was granted to the applicant to file a statutory declaration of Ryoichi Kishi dated 20 February 2004 ("Kishi's statutory declaration") under Rule 28.

## **Decision**

7. Though, by 16 March 2004, the date the matter was heard, the Trade Marks Ordinance Cap. 559 had come into operation, by virtue of section 10(2) of Schedule 5, oppositions to registrations still pending as of 4 April 2003 are to be determined under the provisions of the repealed Ordinance, Cap. 43.

8. Although a number of grounds were pleaded in the grounds of opposition, Mr. Stephenson for the opponent only made submissions in relation to the grounds of opposition under sections 12, 13 and 20 of the Ordinance at the hearing.

### Under section 12(1)

9. Before an opponent can invoke section 12(1), it must establish a certain degree of reputation in Hong Kong of its marks. At its very highest, it is a question of a substantial proportion of the interested public being aware of its marks, and at its very lowest, the question

relates to the significance of the numbers in relation to the market for particular goods. In any event, the reputation of the opponent must be something more than *de minimis* (*Re Da Vinci Trade Mark [1980] RPC 237*).

10. Mr. Ling indicated on behalf of the applicant that there is no dispute that the opponent has a sufficient reputation for its various “ROLEX” marks in respect of watches and other goods covered by the subject specification in Hong Kong for the purpose of satisfying the initial threshold under 12(1) of the Ordinance.

11. However, Mr. Ling submitted that the suit mark and the “ROLEX” marks are markedly different. The comparison here is between the opponent’s “ROLEX” marks in actual use and the suit mark in notional fair use. Aurally, the suit mark “ROOX” is monosyllabic, the vowel being pronounced as “rule” which is a long sound. “ROLEX” contains two distinct syllables each of which begins with a “hard” consonant. “O” is pronounced as “o” in “roll”. The letter “o” is pronounced differently in the two words. There is little room for confusing the two.

12. Conceptually, Mr. Ling contended that both “ROOX” and “ROLEX” have no dictionary meaning in English. In order to highlight the image projected by the suit mark, Mr. Ling referred me to the part of the applicant’s evidence as to how it came upon the suit mark. According to Kishi’s statutory declaration, he was previously employed as an assistant general manager of Pulsar, Lorus and Alba Division, Merchandising Department of Seiko Logistics Hong Kong Limited. Seiko Logistics Hong Kong Limited was merged into Seiko Hong Kong Limited on 1 April 2002 which is a wholly owned subsidiary of Seiko Watch Corporation. Seiko Watch Corporation was established on 1 July 2001 as a subsidiary of the opponent. In paragraphs two and three of his statutory declaration, Mr. Kishi declared how he came upon the suit mark as follows:

- ‘2. I designed the trade mark “ROOX” around August 1999. The word “ROOX” consists of the following aspects each of which represents certain image as follows:
  - “R” represents an image such as rapid, rhythmic/rhythmical, speed, in lively motion, radiance, ray, and so on
  - “OO” connotes “∞” (infinity), infinite future possibility/potentiality and eternity
  - “X” suggests something new
  - “OO” also serves as a function of jointing “R” and “X”. The total image of the combined word derived from the structure “R-oo-X” would be “something rapid and/plus new”.

3. Moreover, the letter “R” represents the initial letter of my first name “Ryoichi” and the “X” is similar in appearance to “K” which is the initial letter of my last name “Kishi”.

13. Based on the evidence of Mr. Kishi, Mr. Ling argued that the image projected by “ROOX” is something modern, vibrant and sporty. Turning to the image built up by the “ROLEX” mark, Mr. Ling submitted that over the years, there have been advertisements and numerous efforts made by the opponent to create an image that the “ROLEX” watches are “extremely elegant”, “utterly indestructible” and “more than just a watch” (Bundle B, pages 205 and 234). Mr. Ling then concluded that the images projected by the respective marks are entirely different.

14. Visually, Mr. Ling submitted that “ROOX” contains a highly distinctive pair of Os “OO” in the middle of the word to give a modern, sporty and vibrant look. Their size and prominence are exactly the same as the other two letters “R” and “X” in the suit mark. Mr. Ling argued that the suit mark does not look alike the opponent’s mark.

15. By reason of the foregoing, Mr. Ling submitted that the respective marks “ROOX” and “ROLEX” as they stand alone do not resemble one another conceptually, visually and aurally. Mr. Ling did not stop here. He went on to point out that, in actual use, the “ROLEX” mark almost invariably appears on the opponent’s watches in conjunction with the well-known crown device (Bundle B, pages 234-325, 733-803, 835-859). The applicant does not use the suit mark in this way (Bundle B, pages 223-230, 805-811). In any event any such hypothetical use would probably not be regarded as notional fair use on its part. When “ROOX” is compared with “ROLEX” plus the crown device, the risk of confusion would be even less.

16. Mr. Ling further submitted that the exceptionally strong reputation and well-entrenched image of the “ROLEX” brand is such that relatively small differences will be readily spotted by consumers, even taking into account the impact of imperfect recollection.

17. Mr. Ling continued to consider the likely purchasers and markets of the “ROOX” and “ROLEX” watches. It is not and cannot be disputed, Mr. Ling argued, that the opponent’s watches are luxury or even collectors’ items sold at the top end of the market. Likewise, the sales channels are high-end outlets such as jewellery shops (Bundle A, page 15, paragraph 12). In the circumstances, Mr. Ling submitted that buyers of “ROLEX” watches are likely to be sophisticated persons who are unlikely to spend a fortune without taking the greatest possible care in their choice of products and more importantly brand name. In contrast, the applicant’s watches are clearly aimed at the mass market. They are likely to be bought because of their fashionable appearance and for the purpose of casual wearing.

18. Mr. Stephenson for the opponent submitted that the onus is on the applicant to satisfy the Registrar that the trade mark applied for is not reasonably likely to deceive or cause confusion. A refusal to register does not involve the conclusion that the resemblance is such that either an infringement action or a passing-off would succeed. In cases in which a tribunal considers that there is doubt as to whether deception is likely the application should be refused.

It is sufficient if the result of the registration of the suit mark will be that a number of persons will be caused to wonder whether it might not be the case that the two products come from the same source. It is enough if the ordinary person entertains a reasonable doubt (*Kerly's Law Trade Marks and Trade Names*, 12<sup>th</sup> edition, paragraph 17-03).

19. Mr. Stephenson contended that the thrust of the case depends on the personal knowledge and experience of the Chinese purchasing public in Hong Kong. He pointed out that a sizeable population in Hong Kong in particular those inhabitants or visitors from Mainland China are very poor in English. Both "ROOX" and "ROLEX" are written in Latin characters. The fact that "ROLEX" watches are expensive does not mean that all the purchasers would necessarily be sophisticated or sophisticated in the use of language. Mr Stephenson submitted that the applicant's case is predicated on the basis that the people in Hong Kong are very well-versed in English which must be wrong. In fact, the majority public in Hong Kong are not good in English and they will easily be confused between "ROOX" and "ROLEX".

20. Regarding the so-called modern and sporty connotation of the "ROOX" mark pointed out by Mr Kishi, Mr. Stephenson submitted that such a connotation is not inherent or apparent on the face of the mark "ROOX" itself and would thus not be understood by the lay purchasers at all.

21. Phonetically, Mr. Stephenson submitted that there is no evidence that the "ROOX" mark would be pronounced by the Chinese public as "Rule-X" being a monosyllabic word which is purely a way of pronunciation from a "western English perspective". Instead, Mr. Stephenson contended, the Chinese public in Hong Kong would pronounce "ROOX" as a two-syllabled word as "RO-OX" or "RO-X". For either pronunciation, the suit mark "ROOX" would sound very similar to the opponent's mark "ROLEX" which would likely to be referred to by the public as "RO-EX". Mr. Stephenson said the letter "L" in "ROLEX" is likely to be dropped when pronounced by the Chinese public in Hong Kong who is not well-versed in English.

22. As to the proposition put forward by Mr. Ling that the difference in the number of syllables would assist to distinguish between "ROOX" and "ROLEX", Mr Stephenson argued that it is of little weight as it is not profitable to indulge in minute analysis of letters and syllables, a process indeed notoriously productive of confusion in regard to words (*Accutron Trade Mark* [1996] RPC 152 at 157). He submitted that trade marks are not to be dissected in order to assess confusion. One has to look at the words as a whole and to see whether, assuming imperfect recollection, assuming imperfect pronunciation and the other fallabilites of the human shopper, there is in truth a likelihood of confusion (*Accutron Trade Mark*, supra, at 156).

23. In addition, Mr. Stephenson referred me to the following passage in *Accutron Trade Mark* (supra, at 154):

“For the purpose of deciding on which side of the line this case falls, it seems to me that having regard to the principles that have been established in other cases I have got, first of all, to assume that the opponents are making fair and normal use of their registered marks in respect of the classes of goods to which the registrations relate. I have then to consider whether, in the ordinary course of commercial life, members of the public with imperfect recollection of those marks or of the proposed marks that the applicants seek to register, would be likely to be confused as to the origin of goods which they seek to register, watches, as to whether they are products of the applicants or the opponents. Having regard to the fact that anyone seeking to buy any of those products in the ordinary way might well have an imperfect recollection of one mark and no knowledge of the others I have to consider whether such person would be likely to be confused. A further point is made by Mr. Whitford for the opponents that even if the supposed purchaser were to appreciate that there was a difference between the one mark and the other, in the case of marks such as I am concerned with here, the purchaser might well suppose that there was a common identity of origin because of the fact that the opponents have got already two marks registered of this kind and shape, and anyone buying goods marked with the proposed mark of the applicants might well suppose that they came from the same source. However, that is a rather separate point.”

Relying on that passage, Mr. Stephenson contended that, similarly, in the present case, the opponent is making fair and normal use of the registered “ROLEX” marks in respect of the class of goods to which the application for the suit mark relates. The purchasers would think that the “ROOX” mark emanates from “ROLEX” being a derivative from “ROLEX”.

24. Lastly, Mr. Stephenson argued that in actual use, the two marks “ROOX” and “ROLEX” are used in the same formulation. Both the marks “ROOX” and “ROLEX” always appear towards the top central of the faces of the watches. The positioning of the hands of both the applicant’s and opponent’s watches as depicted in the advertising materials is set at ten past ten. Certain letters making up the word “ROOX” appearing on the watch faces may from time to time be eclipsed by the moving hands.

25. In reply, Mr. Ling contended that even though people in Hong Kong do not speak English as their first language, it is a fanciful proposition that the “ROOX” mark would be pronounced by the purchasing public in Hong Kong as “RO-X” or “RO-OX” dropping the “rule” sound. Mr. Ling pointed out that on the one hand, Mr. Stephenson attacked that there is no evidence of accepted pronunciation of the word “ROOX” submitted by the applicant. On the other hand, he made some suggestions himself as to how a Chinese speaking person would pronounce the word “ROOX”. Mr. Ling further submitted that the question whether one mark so nearly resembles another as to be likely to deceive is a question for the tribunal and is not a matter for a witness. Thus where the case turns on phonetic resemblance, once the evidence has established how the marks are pronounced in use, the judicial ear has the final say (*Kerly’s, supra*, at paragraph 17-25).

26. Turning to the possibility that a consumer might perceive “ROOX” as a derivative of “ROLEX” or as a play or parody on it, Mr. Ling submitted that the possibility is fanciful especially for such a strong trade mark “ROLEX”.

27. As to the opponent's argument that confusion may arise from the fact that certain letters making up the word "ROOX" appearing on the dial of the applicant's watches may from time to time be eclipsed by the moving hands, Mr. Ling contended that this argument is patently unsound as it assumes that the purchaser is going to pay no more than (literally) a second of attention and there are no other distinguishing marks on the face or other part of the applicant's watch, such as "ALBA".

28. In my judgment, as Mr. Ling for the applicant conceded that the opponent has established sufficient reputation in its various "ROLEX" marks in respect of the specified goods in Hong Kong for the purpose of satisfying the initial threshold under section 12(1), the onus then shifts to the applicant to satisfy the tribunal that there is no reasonable likelihood of deception arising among a substantial number of persons if the suit mark proceeds to registration – *Eno v. Dunn* [1890] 15 App case 252 at 261.

29. It is well established that the test to be used in applying section 12(1) is that stated by Evershed J. in *Smith Hayden & Co's Application* (1946) 63 R.P.C. 97 at 101. The test under section 12(1), adapted to this application, is as follows :

Having regard to the reputation of "ROLEX" in respect of the specified goods, is the Registrar satisfied that the suit mark, if used in a normal and fair manner in respect of the specified goods will not be reasonably likely to cause deception and confusion amongst a substantial number of persons? May a number of people be caused to wonder whether the goods under the respective marks come from the same source? Is there a real tangible danger of confusion if the applied for mark is put on the Register?"

30. Mr. Ling rightly submitted that the comparison under section 12(1) is between the opponent's mark in actual use and the suit mark in fair and notional use. He pointed out that in actual use, the opponent's "ROLEX" mark almost invariably appears on the opponent's watches in conjunction with the well-known crown device. I do not overlook that there are some instances of use of the word "ROLEX" alone without the crown device on the watch faces as shown in exhibits "B" and "C" to Boehringer's 2<sup>nd</sup> statutory declaration which contain two brochures. However, in my view, they are isolated examples only as the two exhibited brochures together with the other produced evidence show a lot more instances of use of "ROLEX" in conjunction with the crown device which is the predominant use. I therefore accept, on the evidence, that the opponent's "ROLEX" mark, in actual use on the watch face or in the advertising materials, is usually accompanied by the crown device. The comparison is therefore between "ROOX" on the one hand and "ROLEX" plus crown device on the other. It is trite law that words speak louder than devices. Although both "ROOX" and "ROLEX" are in block capitals starting with the letters "RO" and ending with the letter "X", on first impression, the suit mark does not look similar to the opponent's mark even if I take into account the principle of imperfect recollection. The two words "ROOX" and "ROLEX" are of different length. Their spellings are substantially different which contribute to a different visual impact of the suit mark from the opponent's mark. The visual impression of the double "Os" in the middle of "ROOX" is markedly different from that of the letters "OLE" in the centre of "ROLEX". When "ROOX" is compared with "ROLEX" as a whole, the two marks do not look alike.

31. So far as the ideas of the two marks are concerned, although I accept the submissions of Mr. Ling that both of them have no dictionary meaning, I am not convinced that the images projected by them are entirely different in the way as described by him. In that aspect, I prefer the submissions of Mr. Stephenson that the so-called modern, vibrant and sporty look of “ROOX” and the well-entrenched image of “ROLEX” are not something that are inherent or apparent on the face of the marks themselves which could readily be understood by the lay purchasers. Though, generally speaking, invented words may be more likely to be confused with one another, I am of the opinion that the marks “ROOX” and “ROLEX” are sufficiently different by the distinct visual impressions conveyed by them. In actual use, the “ROLEX” mark is accompanied by the crown device which makes the possibility of confusion even less likely.

32. As to the derivative point made by Mr. Stephenson, I do not see that there is any semantic or otherwise connection between “ROOX” and “ROLEX” which serves to convince me that “ROOX” is somehow derived from “ROLEX” sharing a common origin. Substituting myself as one who might be a potential customer of the specified goods, if I come across the suit mark, I would not call to mind the opponent’s “ROLEX” mark.

33. Turning to the question of phonetic resemblance, to me, the members of the public in Hong Kong are likely to pronounce “ROOX” as “Rule-S(X)” being its natural pronunciation. I agree with Mr. Ling that Mr. Stephenson’s proposition that “ROOX” would be pronounced as a two-syllabled word “RO-X” or “RO-OX” is fanciful and imaginary. As I see, it is both not practicable and spontaneous for the Chinese public in Hong Kong to dissect the word “ROOX” into two separate syllables as suggested by Mr. Stephenson in the oral reference of the mark. With respect to the opponent’s mark, it would likely to be referred to as “RO-LEX”. The suggestion of Mr. Stephenson that the word would be pronounced as “RO-EX” dropping the “L” sound is again fanciful. “RULE-S(X)” does not sound alike to “RO-LEX” even if I take into account the possibility of careless pronunciation and slurring. The suit mark consists of one syllable whereas the opponent’s mark comprises two. The difference in the number of syllables further assists in distinguishing between the two. On the whole, I find that the suit mark does not sound similar to the opponent’s mark.

34. Mr. Stephenson has identified some similarities concerning the overall appearance of the watch faces between the watches bearing the “ROOX” and “ROLEX” marks. However, I am not here concerned with the overall appearance of a particular watch face but solely with the question of deceptive resemblance of marks as applied to the specified goods in a generic sense. Even if I have to deal with the similarities in the overall appearance of the watch faces, the similarities identified by Mr. Stephenson are common to most watch brands, not just the applicant’s. The applicant has filed evidence to prove that many watch manufacturers position their brand names in the same position as “ROLEX” and virtually all position the watch hands at ten past ten in the advertising materials. I shall return to that point in greater details when I deal with the opposition under section 13(2) below.

35. I must also consider the goods and trade channels. Mr. Ling submitted that the opponent’s watches are luxury or even collectors’ items sold at the top end of the market whereas the applicant’s watches are clearly aimed at the mass market. Nevertheless, I must

assume that the suit mark would be used in a normal and fair manner for all the goods covered by the application in question. This would include use of the suit mark in respect of the specified goods which are aimed at the upper end of the market. The present application has to be considered on the basis that the parties may meet in the same market and have the same channels (*Mini-lift* [1995] R.P.C. 128 at 137). The applicant may not at present offer goods under the suit mark in direct competition with the opponent's present goods, but that is not the issue for there is nothing in its specification that would preclude it from rightfully doing so in the future. As the goods of the parties overlap, it follows that the nature and kind of purchasers likely to buy the parties' goods are the same. However, watches in the upper end market are not a casual purchase. Whilst many may select solely on the physical appeal of a watch design, as many would purchase on the basis of brand loyalty or as a result of advertising or recommendations. Sufficient care would be exercised in the purchase of these watches. Coupled with the considerable visual and aural differences between the suit mark and the opponent's mark, I consider that there is no real tangible risk that the purchasing public would be confused into believing the goods of the parties come from the same source or wondering whether or not that might be so.

36. In the result the opponent fails under the section 12(1) opposition.

Under section 20(1)

37. For the purpose of section 20(1), the opponent relies on the mark "ROLEX" registered under trade mark registration no. 1358 of 1990 which is essentially the same mark relied upon by it under section 12(1). I have already found that the suit mark and the opponent's mark "ROLEX" in actual use are not confusingly and deceptively similar under section 12(1) of the Ordinance. The level of deception and confusion required for section 12(1) is the same as that required for section 20(1). It follows that the opponent also fails in its opposition under section 20(1) of the Ordinance.

Under section 13(2)

38. A discretion arises under this section when the suit mark is accepted for registration under section 9 or 10 of the Ordinance and any opposition to the registration has been defeated.

39. Mr. Stephenson submitted that the reasons for coinage of the mark "ROOX" on the part of the applicant do not admit of a favourable construction. The burden is on the applicant to show good faith before the Registrar. The question of bad faith has a very liberal meaning. It could very well be the case that the applicant coined the trade mark "ROOX" thinking that it is not completely similar but a little bit close to the "ROLEX" mark. The applicant had a desire and intention to approach to the opponent's trade mark as nearly as it possibly could. For such desire and intention no motive can be suggested, except that of getting some part of the benefit of the goodwill and reputation of the opponent's trade (*R. Johnson & Co. v. Archibald Ou Ewing & Co.* 1882 App. Case 219 at 226). Mr. Stephenson

contended that when a trade mark is devised de novo by a trader like the applicant, considerable care should be taken of other famous trade marks to ensure that there is no possibility of risk of confusion.

40. In reply, Mr. Ling submitted that if the Registrar comes to the view that the marks are not confusingly similar under sections 12 and 20 of the Ordinance, it is hard to think of any valid or rational reason why registration should nevertheless be refused. As evidence of general “copying”, Mr. Ling pointed out that the opponent relies on the applicant’s choice of “Model” watches in the applicant’s brochures in which the positioning of the hands is set at ten past ten (Bundle A, page 16, paragraph 17) and choice of font and lettering of the suit mark as it appears on the dial (Bundle A, page 16, paragraph 18). Mr. Ling argued that the short answer to this misguided argument is that many of the alleged similarities are not even there, such as font, the position of the mark and the hands (Bundle B, pages 223, 225 and 228). All of the alleged similarities are superficial similarities and, in any event, they are common in the industry (Bundle A, page 20, paragraphs 5.3, 5.4 and 5.8). By reason of the foregoing, Mr Ling concluded that short of a making a charge of deliberate copying which is not pleaded but appears for the first time in the opponent’s counsel’s skeleton argument, that is, bad faith, the point loses its force.

41. Mr. Ling argued that if Mr. Stephenson’s submissions on “bad faith” are right, it would tantamount to accepting that, even if the marks are not confusingly similar, there may be cases where the trade marks are close enough to justify an adverse exercise of discretion. Mr. Ling considered that this is completely illogical. To accept Mr. Stephenson’s submissions, Mr. Ling contended, would have the effect of extending the concept of deceptive resemblance beyond legal boundaries accepted by the cases.

42. Furthermore, Mr. Ling pointed out that the applicant has filed evidence of independent creation of the suit mark by Kishi’s statutory declaration. In the circumstances, Mr. Ling contended that a finding of bad faith on the part of the applicant cannot be made in the absence of cross-examination of the designer, unless it is an “irresistible inference” (*decision of K. S. Kripas* dated 8 September 2003, unreported, paragraphs 52 and 56). Mr. Ling further submitted that if there are no deceptive similarities between the respective marks, it would be illogical to find an intention to trade off the opponent’s goodwill as no purchasers are likely to connect the two.

43. I am convinced by Mr. Ling that there is evidence of independent creation of the suit mark from the designer, Mr. Kishi. Up to the date of the hearing, no application was made by the opponent for leave to cross-examine Mr. Kishi. In the absence of cross-examination of the designer, I am unable to make a finding of bad faith in all the circumstances of the present case. I also agree with Mr. Ling that as I have found no deceptive similarities between the respective marks, it would be illogical for me to find an intention to trade off the opponent’s goodwill on the part of the applicant as no purchasers are likely to connect the “ROOX” mark with the “ROLEX” mark.

44. I remind myself that the register has been created by the Ordinance for the purpose of enabling marks to be entered therein. If no proper reason can be advanced as to why a registration should be refused for a qualifying mark, the exercise of discretion should not be adverse to the applicant. I therefore decline to exercise my discretion adversely to the applicant.

### **Costs**

45. The applicant has sought costs and there is nothing in the circumstances or conduct of this case which would warrant a departure from the general rule that the successful party is entitled to his costs. I accordingly order that the opponent pays the costs of these proceedings.

46. 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 1 of the First Schedule to Order 62 of the Rules of the High Court (Cap. 4) as applied to trade mark matters, with one counsel certified unless otherwise agreed between the parties.

(Ms Fanny S. F. Pang)  
p. Registrar of Trade Marks  
4 August 2004