

Application No. 840 of 2000

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

AND

IN THE MATTER of an application by Cycletek Investments Limited to register the mark



in Part A of the Register in Class 38

AND

IN THE MATTER of an opposition by Last Minute Network Limited

**DECISION
OF**

Ms. Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after a hearing on 12 August 2004.

Appearing : Mr. Gary Kwan instructed by Messrs. Deacons for the applicant.

Mr. Colin Shipp instructed by Messrs. Bird & Bird for the opponent.

Application for Registration

1. On 14 January 2000 (“the application date”), Cycletek Investments Limited (“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 38, the trade mark, a representation of which appears below :



(“the suit mark”).

2. The services intended to be covered by the registration were “telecommunications; all included in class 38” (“the specified services”). 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 31 March 2000.

Pleadings and Evidence

3. On 29 May 2000, Last Minute Network Limited (“the opponent”) filed a notice of opposition to the application. The grounds of opposition state that the opponent is a limited liability company organised and existing under the laws of the United Kingdom. The opponent alleges that it is a well-known internet company, providing a variety of entertainment and travel services at discounted prices from its internet website www.lastminute.com. The opponent has used the trade marks “LAST MINUTE” and “lastminute.com” (“the opponent’s marks”) worldwide on the internet since the launch of its website www.lastminute.com in October 1998. Although the opponent’s services are provided primarily from the United Kingdom, the opponent has been using the opponent’s marks in numerous countries including Hong Kong through accessibility of the opponent’s website to users worldwide. As a result, it acquired substantial goodwill and reputation in its marks throughout the world including Hong Kong. It is the opponent’s case that the suit mark is phonetically identical and visually and conceptually confusingly similar to the opponent’s marks. Furthermore, it is pleaded, *inter alia*, that the applicant’s representatives approached the opponent to discuss the possibility of extending the opponent’s services under the opponent’s marks to Asia. Discussions and meetings were held between the parties which did not lead to fruition. The opponent asserts that the applicant, in applying to register the suit mark in Hong Kong, is unfairly seeking to

take advantage of the opponent's substantial reputation in the opponent's marks and misappropriate the opponent's marks. The grounds of opposition comprise sections 9, 10, 12(1), 13(1), 13(2) 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 grounds of opposition. The applicant avers that the various websites referred to by the opponent are not intended or configured for the Hong Kong market and/or are presented in foreign languages unknown or rarely known to the public of Hong Kong. Mere accessibility from Hong Kong to these websites is by reason of the nature of the internet rather than the design of the opponent. It is denied that the opponent acquired substantial goodwill and reputation in its marks throughout the world including Hong Kong as a result of its websites or at all. As to the similarities between the suit mark and opponent's marks, the applicant asserts that the words "LAST MINUTE" in the suit mark are in a special form of lettering and there is a prominent "hour-glass device". Moreover, the suit mark has been used in Hong Kong in respect of, amongst others, "telecommunications" since at least July 1999.

5. With respect to the discussions between the parties referred to in the grounds of opposition, the applicant avers that various discussions and meetings took place between the applicant and the opponent in the period from October 1999 to March 2000 to explore the possibility that the applicant's website www.lastminute.com.hk might be used as an expansion vehicle for the opponent into Asia. The applicant alleges that well before the parties' first meeting in October 1999, the applicant had already been using the trade name and trade mark "Last Minute" and operated a website at www.lastminute.com.hk. The applicant further pleads that during all the meetings and contacts, the applicant's proprietary rights in respect of its website and use of "Last Minute" were well asserted. At no time had the opponent raised any query or concern. It was also at all times clearly made known to the opponent that the applicant's website was already in operation and would continue to be improved and developed. It is therefore specifically denied that the applicant is unfairly taking advantage of the opponent's substantial reputation and is seeking to misappropriate the opponent's marks. The applicant prays that the Registrar should dismiss the opposition with costs.

6. The opponent's Trade Marks Rule/s, Cap. 43, Sub. Leg. ("Rule/s") 25 evidence comprises a statutory declaration dated 30 May 2001 from Brent Hoberman, the director of the opponent, together with exhibits ("Hoberman's 1st statutory declaration"). Under Rule 26, the applicant's evidence consists of a statutory declaration dated 11 March 2002 from David Gary Stewart, the legal assistant of Messrs. Stephenson Harwood and Lo, the former agent for the applicant, together with exhibits; a statutory declaration dated 11 February 2002 from Lam Andy Siu Wing, the director of IT Star Limited, together with exhibits ("Andy Lam's statutory declaration"); and a statutory declaration dated 11 March 2002 from Lam Woo Chung, the director of Lastminute.com (Hong Kong) Limited, together with exhibits ("Lam Woo Chung's statutory declaration"). A statutory declaration dated 6 September 2002 from the same Brent Hoberman, together with exhibits ("Hoberman's 2nd statutory declaration"), was filed pursuant to Rule 27.

Decision

7. Though, by 12 August 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 are pleaded in the grounds of opposition, Mr. Shipp for the opponent only made submissions in relation to the grounds of opposition under sections 13(1) and 13(2) of the Ordinance at the hearing. As to the ground of opposition under section 12(1), Mr. Shipp abandoned opposition under this section having heard Mr. Kwan's first round of submissions made at the hearing.

Under section 13(1)

9. Mr. Shipp for the opponent submitted that the applicant has not adduced any evidence of intention to use the suit mark in respect of the specified services in future. This ground of objection, in my view, can be quickly disposed of as the opponent has never pleaded nor addressed in its pleadings or evidence the lack of intention on the part of the applicant to use the suit mark. This ground of objection was only raised for the first time by Mr. Shipp for the opponent in the course of the hearing. It was not even mentioned in the outline of submissions of Mr. Shipp submitted to me at the beginning of the hearing. To me, it would be highly unsatisfactory and most unjust to allow the opponent to raise this new argument at the hearing.

10. Instead, what has been pleaded as a ground of opposition under section 13(1) of the Ordinance by the opponent is that the applicant is not entitled to claim to be the proprietor of the suit mark. It is not in dispute by Mr. Kwan and Mr. Shipp that for section 13(1) of the Ordinance to apply (on the question of proprietorship), the respective marks must be identical or virtually identical (*Re Wowi & Device Trade Mark* [1998] 3 HKC 221 at 236G).

11. The suit mark is a composite mark consisting of the words "LAST MINUTE" and an hour glass device. The opponent's marks "lastminute.com" and "LAST MINUTE" are purely word marks. Mr. Kwan submitted that the respective marks are not identical or virtually identical. He referred me to the case of *Vamuta Pty Ltd (t/a SOGO Jewellers) v SOGO Co Ltd* (1995) IPR 557. In this case, the opponent filed a notice of opposition to acceptance of an application made by the applicant to register a mark which combined the word "Sogo" with a logo. The opponent argued that it had used the SOGO trade mark in Australia since 1988, approximately 3 to 8 months before the date of the application. It was held that the composite mark SOGO with a device was sufficiently different from any mark used by the opponent as to entitle the applicant to claim to be the author of it. Applying the same reasoning, Mr. Kwan contended that the suit mark is sufficiently different from the opponent's marks as to entitle the applicant to claim to be the proprietor of the suit mark. Apart from the hour glass device, Mr. Kwan pointed out that the words "LAST MINUTE" in the suit mark are presented in a stylised

script. The letter “T” is specially integrated with the hour glass device releasing the sand to the lower compartment of the hour glass; and one side of the letter “M” is gently sloping to conform and match the outline of the upper compartment of the hour glass. To conclude, Mr. Kwan submitted that the hour glass device coupled with the overall configuration and arrangement of the suit mark are significantly different from the opponent’s marks.

12. In reply, Mr. Shipp rightly submitted that the comparison of marks for the purpose of section 13(1) of the Ordinance is to be made side by side (*Re Wowi & Device Trade Mark*, supra, at 229H). Mr Shipp argued that while the presence of definite articles such as “the” does not help to distinguish marks, the addition of meaningless words does. The test on similarity is to have the similarities and differences of the marks noted and the importance of these assessed with regard to the essential features of the marks. The comparison in this case, Mr. Shipp contended, is between the opponent’s marks “lastminute.com”, “LAST MINUTE” and the suit mark “LAST MINUTE” with an hour glass device. Mr. Shipp said that the “.com” is purely generic and the absence of it in the suit mark does not create an important difference. The slanting “M” and the tail in “T” in the suit mark again do not create a significantly different essential feature. The overall impression of the marks is the same, that is, a sense of urgency conveyed by the words “last minute”.

13. So far as the additional device in the suit mark is concerned, Mr. Shipp argued that the presence of the hour glass device does not create an important difference regarding the essential features of the marks. The device is not distinctive when it is considered in conjunction with the words “last minute”. It does not create a distinguishing impression but merely reinforces the words “last minute”. In a sense, it is purely descriptive. It gives an impression that time is running out and there is no or little time left. A sense of urgency is conveyed (there is no sand in the top half of the hour glass). Mr. Shipp then referred me to an unreported decision of the Registrar dated 24 May 2002 in *Timber Creek TM Application* at paragraph 40. Mr. Shipp appreciated that the discussion there concerned section 12(1) of the Ordinance and the hearing officer felt that no answer needed to be given regarding the questions posed; but Mr. Shipp said it is instructive to note that she felt that the presence of trees in the marks in that case only reinforces the ideas present in both marks that they are wood and country marks. Similarly, in the present case, the presence of the device does the same and cannot be an important difference regarding the essential feature of the mark, that is, a sense of urgency.

14. The well-established test that should be applied by me in determining whether the two marks are virtually identical can be found on page 229 of *Re Wowi & Device Trade Mark* (supra) :

“However, for the question of proprietorship to arise at all the parties must be claiming the same mark or at least marks which are so nearly identical as to be virtually the same mark : *Kendall Co v. Mulsyn Paint and Chemicals* (1963) 109 CLR 300; *Tavefar Pty Ltd v Life Savers (Australia) Ltd* (1988) 12 IPR 159. The question is not whether the mark are so alike as to be deceptively similar, which is obviously a relevant consideration under sections 28 and 33. In deciding whether the marks are substantially identical I think I am entitled to compare the marks side by side. This would seem to follow from what the High Court has said in relation to the question whether conflicting marks are substantially identical in terms of section 33 : *Shell*

Co (Aust) Ltd v Esso Standard Oil (Aust) Ltd (1963) 109 CLR 407. I think it is clear when the applicant's and opponent's marks are compared side by side that there are very obvious differences to the extent that it cannot be said that they are the same mark or so similar as to be in effect the same mark."

15. In my opinion, it may be true that the essential ideas conveyed by the respective marks are the same as submitted by Mr. Shipp, that is, a sense of urgency. It may also be correct to say that the hour glass device in the suit mark is not distinctive when it is considered in conjunction with the words "last minute" and merely reinforces the words "last minute". However, I am here not concerned with the question whether the marks are so alike as to be deceptively similar, which is obviously a relevant consideration under section 12(1) of the Ordinance. In deciding whether the marks are virtually identical under section 13(1) of the Ordinance, I have to compare the marks side by side. I think it is apparent when the suit mark and the opponent's marks are compared side by side, there are differences that it cannot be said they are the same mark or so similar as to be in effect the same mark. It seems clear to me that, where the suit mark can be confused with the opponent's marks, they are essentially different marks. Ownership of one should not preclude a claim to ownership of others.

16. I find that the respective marks are not virtually identical. It follows that the opposition under section 13(1) is defeated.

Under section 13(2)

17. The opponent has asked the Registrar to exercise his overriding discretion to refuse registration. The discretion arises when the opponent has failed in its objection under section 13(1) of the Ordinance and the suit mark is registrable under either section 9 or 10 of the Ordinance.

18. In paragraphs 10 and 11 of the grounds of opposition, the opponent pleads that in applying to register the suit mark, the applicant is unfairly seeking to take advantage of the opponent's substantial reputation in the opponent's marks and to misappropriate the opponent's marks and therefore registration should be refused under section 13(2) of the Ordinance.

19. At the outset, Mr. Shipp brought me through a chronology of events in this case as supported by the evidence filed by the parties. The opponent, Last Minute Network Limited, was incorporated in England and Wales on 1 April 1998 which is an internet company providing a variety of entertainment, shopping and travel services from its website www.lastminute.com. The website was launched in October 1998 and was immediately accessible throughout the world including Hong Kong (paragraph 3 of Hoberman's 1st statutory declaration). The opponent has been using the marks "LAST MINUTE", "LASTMINUTE.COM" and "lastminute.com" through its website since October 1998 (paragraph 7 of Hoberman's 1st statutory declaration). The first user from Hong Kong signed up as a registered subscriber (a registered subscriber is a user of lastminute.com's website who

has submitted an email address and other data and elected to receive lastminute.com's weekly email) on 21 December 1998.

20. It is the applicant's case that from in or about July or August 1999, there was email correspondence between the representatives of IT Star Ltd (the applicant's associated company) and the opponent (paragraph 7 of Andy Lam's statutory declaration). A meeting was held between Mr. Tom Virden of the opponent and Andy Lam of the applicant on 23 September 1999 at the office of the opponent in London (paragraph 8 of Andy Lam's statutory declaration).

21. As to the opponent's version, it was in or around October 1999 (paragraph 14 of Hoberman's 1st statutory declaration), Andy Lam approached the opponent to discuss the possibility of extending the opponent's services under the opponent's marks to Asia. An initial meeting was held in London in the second week of October 1999 between representatives of the opponent and Andy Lam who at that time was representing a company called Harmony Asset Limited. In September 1999 before the initial meeting, the applicant through its associated companies acquired the domain names www.lastminute.com.hk and www.lastminuteglobal.com (paragraph 18 of Hoberman's 1st statutory declaration).

22. The applicant, Cycletek Investments Limited, was incorporated under the laws of British Virgin Islands on 16 September 1999 (exhibit "LWC-2" to Lam Woo Chung's statutory declaration). One Systemax Limited was incorporated in Hong Kong on 17 September 1999 and its name was subsequently changed to Lastminute Limited on 29 October 1999 (exhibit "LWC-3" to Lam Woo Chung's statutory declaration). I would like to supplement that it is the applicant's case that Lastminute Limited is an associated company of the applicant and operates the websites located at u.r.l. www.lastminute.com.hk and www.lastminuteglobal.com (paragraph 5 of Lam Woo Chung's statutory declaration). At about the same time, another meeting was held between the opponent, Andy Lam and others in November 1999 in Hong Kong (paragraph 15 of Hoberman's 1st statutory declaration). As per paragraph 16 of Hoberman's 1st statutory declaration and paragraph 10 of his 2nd statutory declaration, a business proposal prepared by IT Star Limited, a company related to the applicant, was faxed to the opponent on 3 December 1999.

23. Mr. Shipp went on with the chronology of events as follows. On 14 January 2000, the applicant applied for registration of the suit mark in Hong Kong. Mr. Shipp submitted that the evidence of the first use of the suit mark by Lastminute Limited can be found in the copyright notice as shown on the website exhibited in "LWC-6" to Lam Woo Chung's statutory declaration which is in the year 2000. Lastminute Limited is the parent company of another company, namely Lastminute.com (HK) Limited which is the licensee of the suit mark (applicant is the licensor) and operates the business under the suit mark (paragraph 5 of Lam Woo Chung's statutory declaration). Lastminute.com (HK) Limited was first known as "Traders Travel Limited 創基旅遊有限公司" which changed its name to Lastminute.com Express Limited on 18 February 2000. It was further re-named as "Lastminute.com (Hong Kong) Limited 良機網(香港)有限公司" on 22 March 2000 (exhibit "LWC-4" to Lam Woo Chung's statutory declaration).

24. At that juncture, the last meeting took place between the parties in Hong Kong in March 2000. This meeting ended up in nothing as eventually the opponent did not take the applicant's business proposal any further (paragraphs 18 and 19 of Andy Lam's statutory declaration and paragraph 18 of Hoberman's 1st statutory declaration). Mr. Shipp pointed out that the actual evidence of use of www.lastminute.com.hk was not found until 1 November 2000 and the use was made by Lastminute.com (Hong Kong) Limited (exhibit "LWC-14" to Lam Woo Chung's statutory declaration). Mr. Shipp further argued that as evidenced by the exhibit "LWC-5" to Lam Woo Chung's statutory declaration, Lastminute.com (Hong Kong) Limited only obtained travel agent licence to carry on business at Shop G11 Mody Road, Tsimshatsui on 16 March 2002.

25. Having gone through the chronology, Mr. Shipp referred me to a number of legal authorities. Mr. Shipp contended that if the applicant is completely silent on the origin of adoption of the suit mark as a mark and whether it had knowledge of the opponent's mark, the applicant would be inferred to have recourse to the opponent's mark given the similarities between the respective marks (*Re Wowi & Device Trade Mark*, supra, at 237 F to 238 E). The following observation made by Mayo J in *Lam Soon Marketing Services Ltd v Lam Mei Hing (t/a Yat Hing Trading Co.)* [1994] AIPR 317 at 324F-325A was quoted by Mr. Shipp:

"The problem which arises is that there is no evidence whatever in Madam Lam Mei Hing's statutory declaration concerning the circumstances under which the decision was originally made to use the said trade mark. There is nothing whatever to enable a court to conclude that the use of the mark was honest. She does not say whether she was aware of the appellant's mark which is very similar when she first used her mark. It would seem, however, on the balance of probabilities that she would have been aware of it. I say this on account of the number of characteristics of the device which are either identical or very similar. It would have indeed been a coincidence if the respondent came up with a mark with so many similar characteristics entirely independently of any knowledge of the appellant's trade mark. I accept the validity of the submission made by Miss Lau that the proper test to adopt in attempting to draw inferences from due evidence available is the balance of probabilities. As I have said earlier, the burden is on the respondent to establish that there has been an honest use of the mark and when she declines to give any evidence concerning the background to her decision to use the mark, it is, in my view, not possible to simply assume that the use is honest.

Mr. Shipp referred me to a number of cases which established that knowledge of the opponents' mark was an essential ingredient in establishing dishonest use.

Here, we simply do not know whether Madam Lam had such knowledge as she has not condescended to inform us of this. It seems to me that if she did not have such knowledge, it is likely that she would have stated this in her statutory declaration. I do not think that this takes matters any further."

26. Mr. Shipp went on to argue that it is not for the opponent to establish by evidence that the applicant has copied the opponent's marks. There can hardly be a satisfactory way of dealing with the problem. No evidence by the opponent on such a point could be expected. It must be a question of *res ipsa loquitur* or nothing (*decision of the Registrar* dated 30 June 1982, unreported, at 12-15). In that case, the Registrar felt that in the absence of any evidence or explanation from the applicants on how they 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, he had to take the view that the applicants copied the opponents' name and used it as their trade mark. He would have exercised his discretion under section 13(2) of the Ordinance, if he needed, to refuse the application having regard to the copying and all the circumstances of the case (the opponents succeeded under section 23 and there was no need for him to exercise the discretion under section 13(2)).

27. The chronology, Mr. Shipp submitted, shows that the opponent is a prior user of the mark "LAST MINUTE" when compared with the applicant in providing entertainment, shopping and travel services on the internet. The applicant must have heard of the opponent and have had the knowledge of the opponent's "LAST MINUTE" and "lastminute.com" marks before the applicant through its associated companies approached the opponent in October 1999. By approaching and meeting with the opponent, the applicant through its associated companies attempted to pursue a business alliance with the opponent. When the opponent indicated that it had no interest in any business alliance with the applicant, the applicant adopted the suit mark which is very similar to the opponent's marks in use in Hong Kong. Mr. Shipp argued that by reason of the foregoing, the applicant had acted in bad faith in misappropriating the opponent's international reputation and trade marks.

28. In reply, Mr. Kwan submitted that the residual discretion has to be exercised judicially. There are no circumstances in the present case which justify the exercise of the discretion against the grant of the registration of the suit mark. He contended that it is not unlawful for a trader to become registered proprietor of a trade mark which has been used, however, extensively, by another trader as a trade mark for similar goods or services in a foreign country, provided there has been no use of the foreign trade mark in Hong Kong at the date of application for registration (*Catanese v Malibu Boats* (1998) 41 IPR 658 at 669, lines 25-42; 670, lines 25-34).

29. Mr. Kwan said the opponent's allegation that the use or intended use of the suit mark is not *bona fide* is not substantiated by evidence. He pointed out that Mr. Andy Lam had explained the adoption of the name "last minute" in paragraph 6 of his statutory declaration as follows : -

"6 By way of background I have known Herman Lam (who runs the business of Lastminute.com (Hong Kong) Limited) for approximately 8 years. I was the landlord's representative of his previous business, and an occasional customer. In or about early 1998, on the behalf of ITStar I expressed an interest to Herman Lam for investing in his travel agency. In or about June or July 1999, I discussed with Herman Lam changing the name of his travel agency to the Chinese characters "良機網", which means "good chance" or "last chance". This is because Hong Kong people have busy lifestyles, and often organise holidays at the last opportunity to do so. We proposed using a website to promote this name primarily because on-line business were very popular in Hong Kong at this point in time. In mid-1999, however, Chinese character domain names could not yet be registered. The domain name of www.lastchance.com.hk was already taken at that stage, but www.lastminute.com.hk was available. On this basis, we decided to use the name "Last Minute" as our business name. Herman Lam's existing travel agency company, Traders Travel Limited changed its name Lastminute.com (Hong Kong) Limited."

30. Mr. Kwan continued to submit that the applicant's related companies had informed the opponent that the applicant's group would continue the pre-existing business of the applicant's licensee and that they would develop and expand the website www.lastminute.com.hk during the meetings. The opponent has never voiced any objection to the aforesaid. Mr. Kwan contended it was held in *Re Borsalini TM* [1993] 1 HKC 587 at 592 D-F that it could not be right for any tribunal to decide questions of honesty or dishonesty on affidavit evidence, untested by cross-examination. If cross-examination is not sought, inferences of a deponent's dishonesty ought not to be drawn, unless irresistible. The objection under section 13(2) of the Ordinance is, submitted by Mr. Kwan, misconceived.

31. Mr. Shipp submitted that the evidence of Andy Lam as contained in paragraph 6 of his statutory declaration does not allude to whether the applicant's group had knowledge of the opponent in choosing the mark and according to the legal authorities this is fatal. On the balance of probabilities they must have heard of the opponent before attempting to contact them. Mr. Shipp further submitted the applicant's allegation that the suit mark has been in use by its licensee Lastminute.com (Hong Kong) Limited in 1999 is untenable as the licensee only changed its name to the present one on 22 March 2000.

32. Mr. Shipp contended that the applicant's evidence in paragraphs 8 to 14 of Lam Woo Chung's statutory declaration are blatantly misleading. The threats contained in the exhibit "BH-17" to Hoberman's 2nd statutory declaration which is an email from Andy Lam to the opponent show complete bad faith. Andy Lam threatened that if the opponent did not do business with them, they would use all means to block the opponent's expansion into Asia. As to whether the opponent has voiced any objection to the applicant's use of the suit mark, I was referred by Mr. Shipp to paragraph 12 of Hoberman's 2nd statutory declaration which states "neither I nor any other representatives of the opponent expressed approval for the applicant's proposals to enter a business relationship or consented to the use or registration of the LAST MINUTE trade mark in Hong Kong elsewhere. In addition the opponent has filed oppositions against the applicant's applications for registration of LAST MINUTE and device in jurisdictions including Taiwan, Indonesia, the People's Republic of China, Japan and Thailand".

33. In my judgment, Mr. Kwan rightly submitted that section 13(2) gives the Registrar a general discretion which he must exercise judicially (*Hong Kong Caterers Ltd v Maxim's Ltd* [1983] HKLR 287 at 301H). Though the Registrar in exercising his discretion is not limited to any particular type of consideration, he must exercise it judicially on reasonable grounds which are capable of being clearly stated (*Kerly's Law of Trade Marks and Trade Names*, 12th edition, at paragraph 4-08). In *Minden International v Fujian Provincial Native Produce* [1994] AIPR 468, it was held that honesty was a matter to be taken into account by the Registrar whenever he was called upon to exercise discretion. The standard of honesty required was commercial honesty, which was no different from common honesty. It is for the applicant who is seeking registration of a mark which nearly resembles another to qualify for this privilege by proving to the satisfaction of the Registrar that his use of his mark is an honest use.

34. It is clear from the chronology of events that it was the applicant, through its associated companies, who first approached the opponent to explore the possibility of a business alliance. It is a reasonable inference to be drawn from this fact that the applicant must have been aware of the opponent's website and marks before it approached the opponent for discussions and meetings. It was only after the initial contacts between the applicant and opponent in July or August 1999 (paragraph 7 of Audy Lam's statutory declaration) that the applicant, Cycletek Investments Limited, was incorporated under the laws of British Virgin Islands on 16 September 1999. Even accepting the applicant's evidence that the suit mark was first adopted and used by the applicant through its licensee Lastminute.com (Hong Kong) Limited in Hong Kong from at least as early as October 1999 (paragraph 8 of Lam Woo Chung's statutory declaration) without any query on the basis that Traders Travel Limited only changed its name to Lastminute.com (Hong Kong) Limited on 22 March 2000 and the lastminute.com.hk website only appeared in 2000, the applicant's alleged adoption and use of the suit mark occurred after the applicant had become aware of the opponent's marks and website. Subsequently, the applicant applied to register the suit mark for the specified services on 14 January 2000.

35. Although the suit mark and the opponent's marks are not virtually identical, I am of the view that they do nearly resemble each other. It is trite law that words speak louder than devices. The main identifying feature in the suit mark is undoubtedly the words "LAST MINUTE" which are identical to the opponent's mark "LAST MINUTE". In all the circumstances of the case, I find it impossible to treat this case as one of coincidence and to take the view that in adopting the suit mark as its trade mark, the applicant had no regard to the opponent's mark "LAST MINUTE".

36. Mr. Kwan had tried to argue that the applicant had independently devised the suit mark by referring me to paragraph 6 of Andy Lam's statutory declaration (see paragraph 29 above). He also said that it could not be right for me to decide questions of honesty or dishonesty in the absence of any cross-examination on Andy Lam.

37. In response to the argument put forward by Mr. Kwan, my view is that if it is shown that the declarant made the statutory declaration by declaring more or less blindly, no great weight or perhaps in certain cases no weight at all can be or ought to be attached to it (see *Ellis and Goldstein's Trade Marks* [1966] 40 ALJR 418 at 421). For the reasons set out below, I find that the applicant's evidence of independent creation of the suit mark as contained in paragraph 6 of Andy Lam's statutory declaration is inherently unreliable and was prepared and declared without any scrupulous regard for accuracy.

38. To recapitulate what is stated in paragraph 6 of his statutory declaration, Andy Lam discussed with Herman Lam (Lam Woo Chung) regarding the change of the name of his travel agency to the Chinese characters "良機網", which means "good chance" or "last chance" in June or July 1999. They then proposed to use a website to promote the name "良機網" because on-line business was very popular in Hong Kong. However, Chinese character domain names could not be registered at that time. The domain name of www.lastchance.com.hk was already taken at stage, but www.lastminute.com.hk was available. On this basis, they decided to use the name "Lastminute" as their business name and

Traders Travel Limited changed its name to Lastminute.com (Hong Kong) Limited accordingly.

39. According to the account of events given by Andy Lam, firstly, the business was conducted under the name of Traders Travel Limited. Then, there was an idea to change the name of Traders Travel Limited to “良機網”. In other words, they first came up with the Chinese mark “良機網”. Then, they tried to adopt an English domain name corresponding to the Chinese mark “良機網”. Originally, they wanted to adopt the English words “last chance”. It was only after “last chance” was not available that they chose to use the words “last minute”.

40. However, in my view, the aforesaid account of events is totally inconsistent with the documentary proof submitted by Andy Lam. As shown by the certificate of incorporation on change of name in exhibit “LWC-4” to his statutory declaration, “Traders Travel Limited 創基旅遊有限公司” changed its name to Lastminute.com Express Limited only without any Chinese name on 18 February 2000. Lastminute.com Express Limited was subsequently re-named to “Lastminute.com (Hong Kong) Limited 良機網(香港)有限公司” on 22 March 2000. It was also mentioned in paragraph 8 of Lam Woo Chung’s statutory declaration that the name of Traders Travel Limited was to be changed to Lastminute.com (Hong Kong) Limited.

41. I feel it reasonable to infer on the balance of probabilities from the documentary evidence and the background of the case as detailed in the chronology of events that the applicant had adopted the English mark “Last Minute” before it came up with the Chinese mark “良機網”. It follows that the applicant’s evidence of independent creation of the suit mark does not stand. The explanation cannot be accepted and in all the circumstances of the case, there is an irresistible inference the suit mark was copied from the opponent’s mark “LAST MINUTE”.

42. I exercise my discretion under section 13(2) of the Ordinance in a manner adverse to the applicant and therefore refuse registration of the suit mark for the specified services. The application to register the suit mark in class 38 in Part A of the register in respect of the specified services fails.

Costs

43. The opponent 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 applicant pays the costs of these proceedings.

44. 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
20 September 2004