

Trade Marks Ordinance (Cap 43)

IN THE MATTER of an opposition by Gold Peak Industries (Holdings) Limited to the registration of trade mark application 2000 12822 by Cheung Wing Cheong to register the trade mark JP and device in class 9

DECISION

of

Teresa Grant acting for the Registrar of Trade Marks after a hearing on 21 November 2005

Appearing : Albert R Xavier, Counsel instructed by Hastings & Co for the applicant for registration

Gary Kwan, Counsel instructed by Deacons for the opponent

1. The parties to the opposition are Cheung Wing Cheong ('the applicant') who has applied for registration of a trade mark under the Trade Marks Ordinance (Cap.43) and Gold Peak Industries (Holdings) Limited ('the opponent') who opposes the application for registration under the Trade Marks Ordinance (Cap 43) section 15. Although the Trade Marks Ordinance (Cap 43) was repealed on 4 April 2003, it continues to apply to oppositions pending immediately before that date.

2. The opposition hearing under the Trade Marks Ordinance (Cap 43) section 15(4) was on 21 November 2005.

Grounds of opposition

3. The grounds on which the opponent opposes under the Trade Marks Ordinance (Cap 43) are:

section 2 (applicant's mark not indicating a connection in the course of trade); section 9 (applicant's mark not inherently adapted to distinguish); section 10 (applicant's mark not inherently capable of distinguishing); section 12(1) (applicant's mark likely to deceive or cause confusion in view of the use and reputation of the opponent's marks); section 12(1) (use of applicant's mark constituting passing off so as to be disentitled to protection in a court of justice); section 20 (applicant's mark identical with or nearly resembling opponent's registered mark for goods of the same description); section 13(2) (applicant's application should be refused in exercise of registrar's discretion).

Applicant's mark

4. The applicant has applied to register the mark:



application number 2000 12822 in class 9 for 'batteries'. The application for registration was filed on 9 June 2000.

Opponent's registered marks

5. In these opposition proceedings, the opponent relies on the registration, use and reputation of its trade marks :

1982 0540



in class 9 for 'electric batteries'; date of application and registration 5 July 1979.

1997 07141



in class 9 for 'batteries; rechargeable batteries; battery chargers'; date of application and registration 13 May 1991.

Relevant date

6. The date of application for registration of the applicant's mark is 9 June 2000 which is the relevant date at which the parties' position under section 12(1) and section 20 is to be determined (*Rotolok [1968] RPC 227 at 230; Blue Paraffin [1977] RPC 473; C (device) [1998] RPC 439 at 449*).

Applicant

7. The applicant Cheung Wing Cheong, who trades as Faith Chemical Enterprises, is the sole agent of Pinaco Dry Cell and Storage Battery Company (also known as Battery Company of South Vietnam) ('Pinaco') in Hong Kong and China (Cheung Wing Cheong's statutory declaration 13 December 2002 paragraphs 1 and 2).

8. Pinaco was established in 1976 and is the leading company in the production of lead-acid batteries in Vietnam. It has an industry award from the Vietnamese Government and its products, including a maintenance-free storage battery, have achieved gold medals at Vietnam Industrial Fairs (Cheung Wing Cheong's declaration paragraphs 3 and 5).

9. The applicant states that the trade mark 'JP' was devised as a result of a joint venture between Pinaco and an Austrian company Jungfer GmbH & Co KG in 1998 for the production of storage batteries (Cheung Wing Cheong's statutory declaration paragraph 4).

10. Battery Company of South Vietnam has a certificate of product trade-mark registration from the Socialist Republic of Vietnam, Ministry of Science, Technology and Environment Industrial Ownership Department for the mark 'JP' in the same style of lettering as the applicant's mark and with a broadly similar background or device. The certificate shows that the registration is for batteries and that the application for registration was filed in June 1998. The applicant is authorised by an oral agreement with Pinaco to register the trade mark in Hong Kong (Cheung Wing Cheong's declaration paragraph 6, exhibit CWC-2, and paragraph 7).

11. Pinaco has used the mark in Vietnam since 1999, in Iraq since 1999 and in Singapore, Brunei and Malaysia since 2000 (Cheung Wing Cheong's declaration paragraph 9).

12. The applicant states that he has used the trade mark in Hong Kong and China since 2000. The applicant's sales of goods under the trade mark amounted to HK\$ 1,252,328 in 2000, HK\$ 1,802,104 in 2001, and HK\$ 752,303 in the first half of 2002. However, the applicant's copy delivery notes in the name of Faith Chemical Enterprises to the applicant's five main retailers and a company called 環球汽車電油電器冷氣公司, show sales only from November 2000 to September 2002 which is after the relevant date, 9 June 2000, the date of the applicant's application for registration. An additional deficiency is that the delivery notes show model numbers only. They do not specifically mention 'batteries' or the trade mark 'JP' (Cheung Wing Cheong's declaration paragraphs 9, 10, exhibit CWC-4, and paragraph 11).

13. The applicant states that he has spent HK\$ 22,244 in 2000, HK\$ 8,020 in 2001, and HK\$ 6,850 in 2002 in promoting his trade mark in Hong Kong. As the figures run from May 2000, almost all the expenditure is after the relevant date. Additionally the exhibits which show advertisements of the trade-marked batteries on the side of a van and pamphlets in the name of 'Dry Cell & Storage Battery Co., sole agent: Faith Chemical Enterprises' depicting the trade-marked batteries and listing their technical specifications, appear to relate to promotion of the mark in places outside Hong Kong (Cheung Wing Cheong's declaration paragraphs 12 and 13).

Opponent

14. The opponent, a company listed on the Hong Kong Stock Exchange since 1984, is the parent company of a multinational group of companies with headquarters in Hong Kong and subsidiaries operating in more than 20 countries around the world, employing over 13,000 people worldwide. The group is engaged in the development, manufacture and marketing of batteries, electrical installation products, car audio equipment and related products, cable, car harness, home and professional audio equipment and electronic parts and components (Kenneth Yu's statutory declaration 16 May 2002 paragraphs 3, 4 and 5).

15. The opponent is one of the world's top ten battery manufacturers and the leading battery manufacturer in Asia, outside Japan. The opponent's Battery Division has a manufacturing and distribution network in over 15 countries and employs about 7,000 people. The opponent's Battery Division has major production facilities in five countries, including Hong Kong. The opponent is a leading supplier of speciality batteries and one of the world's largest manufacturers of 9-volt carbon zinc batteries. The opponent is a major supplier of primary and rechargeable batteries worldwide and is a leader in Asia in the development of electric vehicle batteries (Kenneth Yu's declaration paragraphs 6, 9, 10 and 15).

16. The opponent's Battery Division's annual turnover for 1995 was US\$ 193 million. The Battery Division produces annually over 2 billion batteries. The opponent supplies batteries to leading electric original equipment manufacturing (OEM) customers and major international battery companies worldwide. The opponent uses its 'GP' trade mark for a substantial proportion of the total production (Kenneth Yu's declaration paragraphs 11, 16 - 18).

17. The opponent's range of battery products includes various sizes of micro-batteries, nickel-cadmium button-type and cylindrical rechargeable batteries, layer-built batteries, 9-volt and 12-volt alkaline batteries and rechargeable batteries for consumer, vehicle and industrial use (Kenneth Yu's declaration paragraphs 13 and 14.).

18. The opponent also manufactures and markets large nickel-metal hydride battery technology for electric vehicles and industrial applications (Kenneth Yu's declaration paragraphs 15, 28 and 29).

19. The opponent has registered its 'GP' trade mark and trade marks including the letters 'GP' in many countries (Kenneth Yu's declaration paragraph 19).

20. The opponent has used the trade mark 'GP' in Hong Kong since 1973, continuously and extensively, for a range of goods in class 9, including batteries. The trade mark 'GP' appears on the goods, on their packaging, or on labels attached to the goods (Kenneth Yu's declaration paragraphs 20 and 21).

21. Annual sales of the opponent's goods in Hong Kong under the trade mark 'GP' were HK\$406.9 million for 1999 - 2000 and HK\$437 million for 2000 - 2001. The opponent sells its goods in Hong Kong in convenience stores and supermarkets such as Park'N Shop, Mannings, 7-Eleven and Circle K. In addition to retail sales, the opponent supplies batteries to manufacturers of toy vehicles. The batteries are included with the goods when packaged and sold (Kenneth Yu's declaration paragraphs 21, 24, 27 and 30).

22. Annual advertising expenditure promoting the 'GP' mark in Hong Kong was HK\$4.6 million for 1999 - 2000 and HK\$6.6 million for 2000 - 2001. The opponent promotes its trade-marked goods through calls by sales representatives, trade shows, telephone enquiry services and advertising in newspapers, magazines and websites (Kenneth Yu's declaration paragraphs 23, 24, 26, 32 and 33).

23. Since 1989/1990, the opponent has supported industry and community events in Hong Kong. The opponent has sponsored the Hong Kong Awards for Industry and other programmes. The opponent's 'GP' batteries won the 1999 Hong Kong Top Ten Brand Names Awards organised by the Chinese Manufacturer's Association of Hong Kong (Kenneth Yu's declaration paragraph 8).

Sections 2, 9 and 10 - distinctiveness

24. The opponent argues that the applicant's mark is not distinctive and is not registrable under section 2 (applicant's mark not indicating a connection in the course of trade); section 9 (applicant's mark not inherently adapted to distinguish); and section 10 (applicant's mark not inherently capable of distinguishing).

25. The applicant does not show use of the mark JP in Hong Kong before the relevant date, the date of the application for registration. As the opponent points out, although the applicant's evidence states that sales of JP goods in Hong Kong in 2000 amounted to HK\$ 1.25 million, the sales invoices exhibited at CWC-4 date from 2 November 2000, which is after the relevant date. Other evidence is either undated or relates to use of the mark elsewhere, not in Hong Kong. As a result, the registrability of the applicant's mark JP is to be assessed *prima facie*, as it appears in the application

for registration. There are no other factors to take into account: no use of the applicant's mark in Hong Kong for consideration under section 9(3)(b) or section 10(2)(b).

26. The opponent says it is settled law that registration of two common letters or initials should not be allowed. Mr Kwan, counsel for the opponent, refers to the statements of principle in *W&G Du Cros Limited* [1913] AC 624. 'I do not think that any right which is substantially by way of monopoly should be granted to one particular trader, to use under the guise of a trade mark and for himself alone initials which may be of general use in trade' (*W&G Du Cros Limited, Shaw LJ at 632*). If a mark is to be registrable, it must be distinctive, in the sense of adapted to distinguish. The question is whether the mark itself, if used as a trade mark, is likely to become actually distinctive of the goods of the person using it. The applicant's chance of success in this respect must largely depend upon whether other traders are likely, in the ordinary course of their business and without any improper motive, to desire to use the same mark, or some mark nearly resembling it, upon or in connection with their own goods' (*W&G Du Cros Limited, Parker LJ at 634, 635*).

27. The opponent says the letters JP are commonly used, or needed for use, as illustrated by the fact that they are initials of common personal names such as 'Junior Poon', 'Jason Pun', 'Joe Pang', or names of firms or entities such as 'Johnston and Philips', or 'Johannesburg and Philco'. The opponent stresses the argument against granting monopolies unjustifiably. Many individuals or entities whose initials are 'JP' may wish to use the letters in the ordinary course of trade in connection with their goods and in the words of Parker LJ 'it would be a strong thing to deprive them of the right to do so' (*W&G Du Cros Limited at 635*). The opponent says the mark is essentially the letters JP which other traders should be free to use. In this respect the opponent notes that a disclaimer cannot qualify the mark for registration (*W&G Du Cros Limited, Shaw LJ at 637*).

28. The applications in *W&G Du Cros Limited* were for registration of the letters W&G; one mark W&G in ordinary block capitals and another mark W&G in a cursive or script form. The court refused registration of both marks. As Shaw LJ put it, 'these trademarks consist of nothing else than 'W&G' (*W&G Du Cros Limited at 632*). In *Ford-Werke's Application (1955) RPC 191* the court similarly refused registration of the letters F and K in linked oval borders on the conclusion that 'the mark is in substance the letters 'F' and 'K' represented in script' (*at 195*). 'The features additional to the letters are of no distinctive significance. Together with the letters, they form no combined device but merely accentuate the letters' (*at 197*).

29. The question in the present application is whether the mark JP is simply the letters ‘J’ and ‘P’. By contrast to the marks in *W&G Du Cros Limited* and *Ford-Werke’s Application*, I think the mark JP is more than simply the letters. It is a mark that incorporates the letters into a composite whole.

30. Mr Xavier, counsel for the applicant, cites *Kholer Company’s Trade Mark Application [1984] RPC 125* as persuasive of registration under section 10, which was formerly Part B of the register, even if the visual impression conveyed by the mark is of a letter. In *Kholer* the mark which proceeded to registration, was a capital K with ‘some of the characteristics of a device’, although it was ‘quite possible to see a K or two Ks, one standing behind the other or perhaps one K throwing a shadow’ (at 127). *Kohler* stresses the importance of first impressions in assessing the registrability of a mark: ‘when I first looked at the mark the impression it made upon my mind was that it was a trade mark rather more than a representation of a particular letter of the alphabet although in the circumstances in which the case was presented to me I was able at once to see a K in the form as applied for, and possibly two Ks’ (at 128).

31. The opponent distinguishes *Kholer* as a decision to register a device, as opposed to a letter or letters. Admittedly, the *Kholer* K ‘had some of the characteristics of a device’ but the present mark JP also has some characteristics of a device: a device that incorporates the letters JP. The essential issue is summed up by the question, ‘is the real impression given by the mark applied for that this is a trade mark?’ My immediate impression of the mark JP is that it is a trade mark ‘rather more than a representation of particular letters of the alphabet’.

32. *FBC Trade Mark [1985] RPC 103*, to which the applicant refers, is illustrative of the same approach. The mark there, was the letters ‘fbc’ superimposed on a grid or piece of graph paper. In allowing the mark to proceed to registration, *Mr Justice Whitford at 107* said ‘I do not think the background is of any particular significance. It is nothing out of the way, but it is something which cannot be disregarded altogether when you are considering visual impression. Certainly my own view of the mark is that it is not to be regarded so much as a mark consisting of the letters ‘fbc’, but more as something in the nature of a design out of which the letters can be extracted’. The opponent says *FBC* is a mark comprising three letters, not two. That is so but the general approach is none the less relevant to the present application for registration of the mark JP.

33. The opponent says that JP is a mark that necessarily would be referred to in speech as 'J' 'P'. However, this does not mean that the mark is necessarily non-distinctive.

34. The opponent argues that apart from the letters JP, the applicant's mark simply comprises indistinctive lines. Mr Kwan says the opponent's use of parallel lines as a background to its mark GP which can be noted from Kenneth Yu's statutory declaration, exhibits KY-12 and KY-15, supports the proposition that traders in the field commonly use lines or parallel lines. Mr Kwan makes reference to the registrations of the mark pFax by PCCW, accessible by searching the register through the registry's on-line search system. I assume Mr Kwan's reference is to registrations 1992B02998 and 1992B02999 which include parallel lines running horizontally from the letter 'f' to the end of the word pFax. Certainly, the mark JP is made up of a number of parallel lines or bars. The observation could as well be made of many trade marks, particularly if one looks only to their individual component features. But a mark should be considered as a whole. The impression of the mark JP is not simply that it is the letters JP against a background of parallel lines. In this case the lines vary in width and are cut off at angles to give the impression of a wedge or angular or geometric shape or figure. The impression is not of a conventional border or background or of decorative features of a non-distinctive character. If persons seeing the mark would not recall all its details, they would certainly be left with the impression of the thick and thin lines making up the angular shape. It is not simply the letters J and P which constitute the feature of the mark that would 'strike the eye and fix in the recollection' (*Ford-Werke's Application (1955) RPC 191 at 195, quoting Saville Perfumery v June Perfect (1941) 58 RPC 147 at 162*). JP has the appearance of a trade mark. The immediate impression of the whole mark is what is important. Too careful an analysis of the features of a mark can prove to be misleading (*Kholer Company's Trade Mark Application [1984] RPC 125 at 128*).

35. Although the applicant's mark is not inherently adapted to distinguish and does not qualify for registration under section 9, it is certainly inherently capable of distinguishing the applicant's goods and can be registered under section 10, subject to a disclaimer of letters JP in accordance with the registrar's practice on disclaimers. In *Ford-Werke's Application (1955) RPC 191 at 195* it was noted that a disclaimer of the right to the exclusive use of the letters could not help but the mark in that case was inherently non-distinctive which is not the case in the present application. As I find that the applicant's mark is capable of distinguishing the applicant's goods, it follows that the mark is capable of use under section 2 as indicating a connection in the course of trade.

Section 12(1) and section 20

36. The opposition under section 12(1) is based on the reputation of the opponent's marks at the relevant date, the date of the applicant's application for registration. In view of the reputation, the opponent claims that use of the applicant's mark would be likely to deceive. Alternatively, the opponent argues that the applicant's mark would be disentitled to protection in a court of justice; a ground under section 12(1) which I consider below at paragraphs 52 and 53. The basis of the opposition under section 20 is that registration of the applicant's mark will cause deception or confusion by reason of its near resemblance to the opponent's marks already on the register. The applicant does not dispute that the opponent has an established reputation in its marks for the purposes of opposing under section 12(1) and has registrations for the same goods, batteries, as the applicant's goods for the purposes of opposing under section 20.

37. The tests to be used in applying section 12(1) and section 20 are those stated in *Smith Hayden & Co's Application (1946) 63 RPC 97 at 101*. The test under section 12(1), adapted to this application, is: 'having regard to the reputation of the mark GP 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 amongst a substantial number of persons?' Under section 20 and 2(4) the test is, 'assuming user by the opponent of its mark GP in a normal and fair manner for any of the goods covered by the registration of the mark, is the registrar satisfied that there will be no reasonable likelihood of deception or confusion among a substantial number of persons if the applicant also uses its mark 'JP and device' normally and fairly in respect of any goods covered by its proposed registrations?' The requirement that the deception and confusion must be among a substantial number of persons is a judicial gloss to be properly and sensibly applied (*Bali [1969] RPC 472 at 496*).

38. To find that a mark offends against section 12(1), and also under section 20, 'it is sufficient if the result of the registration of the 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, but the court has to be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion if the mark which it is sought to register is put on the register' (*Bali [1969] RPC 472 at 496*).

39. The question is whether use of the applicant's mark is likely to deceive the public. Does JP so nearly resemble GP that confusion is likely? The test as to whether there is sufficient similarity to cause confusion is essentially the same under section 12(1) and section 20. The onus of proof, that there is no reasonable probability of deception, is on the applicant (*Omega [1995] 2 HKC 646 at 477*).

40. To gauge the possibility of confusion between the two marks, you must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. You must consider all the surrounding circumstances. You must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks (*Pianotist Co Ltd's Application (1906) 23 RPC 774 at 777*).

Look, sound and idea of the marks

41. The applicant's mark is JP. The opponent's mark is GP. Visually the marks are different. J and G are the first letters and they are visually different. Mr Kwan says that the applicant's presentation of the letter J looks like a mirror image of G but I do not see that the letters J and G are similar, or that their presentation makes them look similar. In GP the letters are plain and the horizontal stroke on the G flows into the P. In JP the letters are more stylised and are positioned so as to touch each other but without a conjoining stroke. The only similarity is that both marks include the letter P.

42. The opponent says that, in Hong Kong, local pronunciation of J and G is similar: J pronounced as 'chu a' and G as 'chu e'. I agree that in pronunciation there is some similarity in JP and GP and that letters are the part of the mark that consumers would articulate in asking for the goods. But the fact that there is some similarity in pronunciation is unlikely to give the impression that the marks are similar, if visually on first impression the marks are so clearly different.

43. The idea or impression of the JP mark is of the letters JP with a wedge shape or angular shape design made up of thick and thin parallel bands or lines. In GP the letters stand alone. The opponent's view is that both marks are the same; they are both marks of two letters and in both the second letter is P. I think this ignores the strong visual difference between J and G and ignores the impact that the device would have as a prominent feature of the applicant's mark.

44. Similarity between marks is assessed on first impressions and with allowance for imperfect recollection. The applicant's mark and the opponent's marks are strikingly different in presentation. The way the letters are presented is different and the wedge or angular shape of the applicant's mark is different from the opponent's. As in the assessment for registrability, the applicant's mark must be considered as a whole. It must be compared with the opponent's trade mark as a whole (*Bailey (1935) 52 RPC 135*). Allowing for imperfect recollection, the marks as a whole are different. The applicant's mark is not reminiscent of the opponent's.

Likelihood of deception and confusion

45. The opponent says the goods, for which its marks and the applicant's mark are used or intended for use, are the same. Many are items that would be bought without a high degree of attention or care. The trade channels are the same. The price of the goods would be likely to be within the same range. The same persons would buy the goods. The opponent says these are factors that would lead to confusion.

46. The opponent's arguments depend on an assumption that the marks are similar; an assumption that I am unable to make. The fact that the goods are the same and could be bought at similar prices in the same retail shops by the same customers is unlikely to give rise to confusion as the marks are different.

47. The opponent argues that it is practically impossible to apply the applicant's mark to small size batteries such as AA or AAA. The only features likely to be visible would be the letters JP which could be confused with the opponent's mark GP. I agree it would be hard to make out any

mark on such small goods but small batteries are generally packaged for retail sale, with the trade mark displayed on the packaging. In the circumstances, a real tangible risk of confusion is unlikely.

48. The comparison of marks for the purposes of section 12(1) is between the opponent's mark as used and the applicant's mark in notional fair use (*Smith Hayden & Co's Application (1946) 63 RPC 97 at 101*). Examples in the opponent's evidence show use of the opponent's mark with parallel lines on packaging (Kenneth Yu's statutory declaration 16 May 2002 exhibit KY-12) and on battery casings (exhibit KY-15). The opponent says this is a factor that makes its marks and the applicant's mark similar.

49. Although I take account of the fact that in actual use the opponent uses its mark with parallel lines, I find no similarity between the applicant's mark JP and the opponent's. The immediate impression of the marks is that they are different.

50. The opponent says it has used a number of marks which include the letters GP, for example GP AUDIO, GP VISION, gp, GOLD PEAK and PEAK POWER and that this would make confusion more likely. People would be caused to wonder whether the applicant's mark is another variation of the opponent's mark. The registrations of some of the marks and some indication of their use appear in the opponent's notice of opposition and evidence. It is not apparent that the marks are used for the same goods or goods of the same description as the applicant's goods and Mr Kwan did not elaborate the point. However, even if the marks were registered and used for the same goods or goods of the same description as the applicant's, there would be no reasonable likelihood of confusion between the applicant's mark JP and the opponent's marks, as they are not similar. Additionally, features such as GOLD PEAK or PEAK POWER in the opponent's marks are likely to add to the differences between those marks and the applicant's.

51. On the point that people would think the applicant's mark is a variant of the opponent's mark or that the applicant's and the opponent's marks and goods are related products from the same source or economically linked entities, the opponent refers to *Wagamama Ltd v City Centre Restaurants Plc [1995] FSR 713*; *John Fitton & Co Ltd's Appln (1949) 66 RPC 110 at 113*; *John Lysaght Ltd v Reid Bros and Russell Pty Ltd [1907] VLR 432*. The cases stress the point that

confusion may result from an impression that there is a connection or association between the marks or businesses but I have compared the marks in the present opposition and find they are not similar, even allowing for imperfect recollection. In the circumstances, people would have no reason to think that there was a connection or association between the applicant's mark and goods and the opponent's.

Section 12(1) – alternative ground of opposition

52. The opponent argues that the applicant's mark would be disentitled to protection in a court of justice. In principle, disentitlement to protection is an independent ground of objection under section 12(1) (*Hong Kong Caterers Limited v Maxim's Ltd [1983] HKLR 287*). However, the opponent puts forward the same arguments under this ground as it raises in support of the argument that there is a likelihood of deception under section 12(1): that the marks are similar and people would think the applicant's goods are the opponent's or are connected with the opponent, or that the applicant's and the opponent's goods originate from the same source or from economically linked entities.

53. As *Kerly's Law of Trade Marks and Trade Names 12th edition paragraph 10-41* notes, 'a mark may be disentitled to protection on the ground that it is confusing or deceptive as to the trade origin of the goods'. However, I have considered the opponent's argument that the applicant's mark would be likely to deceive or cause confusion because of its similarity to the opponent's but I find no reasonable likelihood of deception or confusion. As a result, the applicant's mark is not disentitled to protection in a court of justice.

Section 13(2) - exercise of discretion

54. The opponent says the applicant's application should be refused in exercise of the registrar's discretion under section 13(2) because the applicant cannot claim to be entitled, as proprietor, to register the mark JP and the applicant does not act in good faith. To illustrate the point, the opponent refers to the applicant's evidence which states that 'in 1998, Pinaco went into a joint venture with an Austrian company, Jungfer GmbH & Co KG. In order to depict the joint effort of the

parties, a new trade mark was devised incorporating the first initials of Jungfer and Pinaco' (Cheung Wing Cheong's declaration, paragraph 4). The opponent says the applicant does not explain who created the JP mark and why JP was chosen as opposed to PJ.

55. The opponent also points to the fact that the applicant's trade mark registered in Vietnam does not incorporate parallel lines shown in the representation of the mark in the present application. The opponent says the applicant has deliberately added parallel lines to the mark to make it look similar to the opponent's mark to take advantage of the opponent's goodwill and reputation.

56. The opponent argues that as the applicant has not shown that Pinaco and Jungfer authorised the applicant to apply for registration of the mark JP in Hong Kong, it is doubtful that the applicant can claim to be the registered proprietor of the mark. Additionally, any reputation that has accrued to the use of the mark JP in Hong Kong, which the opponent denies, should belong to Pinaco and Jungfer and not the applicant. Mr Kwan says that the applicant should produce a letter of consent from Pinaco and that without it, registration may lead to dispute between the applicant, Pinaco and Jungfer, such that there could be proceedings to remove the mark from the register.

57. On the point about creating the JP mark, the applicant's evidence states, 'in order to depict the joint effort of the parties, a new trade mark was devised incorporating the first initials of Jungfer and Pinaco' (Cheung Wing Cheong's declaration, paragraph 4). The inference is clear enough that that Jungfer and Pinaco created the mark, although Mr Xavier concedes that there is no explanation as to why the companies chose JP and not PJ.

58. Pinaco has registered a similar JP mark in Vietnam which does not have some of the parallel lines of the present JP mark applied for in Hong Kong. For reasons I have given, above, my immediate impression of the applicant's mark is that it does not resemble the opponent's mark in notional or in actual use. In the circumstances, the fact that the representations of the JP mark in Vietnam and in Hong Kong differ is not an indication that the applicant is attempting to make its mark similar to the opponent's.

59. In relation to authorisation, the applicant declares that he is Pinaco's sole agent in Hong Kong and that he is authorised by oral agreement to apply for registration of the trade mark JP in his personal name (Cheung Wing Cheong's declaration, paragraphs 1, 2, 7). Mr Xavier says that it is only now that the opponent challenges the applicant's right to apply for the mark on the basis of the oral agreement. The opponent did not challenge the applicant's declaration on this point when it was filed and should not raise the issue now when the applicant has no opportunity of filing additional evidence. The applicant has openly declared his position and has made his application in Hong Kong in good faith. Additionally, the applicant's business arrangements with Pinaco and Jungfer are not the subject of these opposition proceedings. The arrangements are between the applicant, Pinaco and Jungfer and, as Mr Kwan notes, if there are difficulties there, they will be the subject of proceedings between those parties. Mr Kwan appears to suggest that I should anticipate proceedings between those parties and that I should refuse to register the mark but the arrangements between the applicant, Pinaco and Jungfer are not relevant to the present opposition. The applicant is Pinaco's agent and is authorised to apply for registration of the mark JP in Hong Kong. That is sufficient.

60. I find no reasons to refuse the registration of the applicant's mark in the exercise of a discretion under section 13(2).

Costs

61. As the opposition has failed, 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 4) as applied to trade mark matters, unless otherwise agreed between the parties.

(Teresa Grant)
for Registrar of Trade Marks
9.1.2006