

TRADE MARKS ORDINANCE (CAP. 559)

**APPLICATION FOR DECLARATION OF INVALIDITY OF TRADE MARK
REGISTRATION NO. 300633942**

MARK :



CLASS :

41

APPLICANT :

CAESARS WORLD, INC.

REGISTERED OWNER :

MASOMBOON WANSUDA

STATEMENT OF REASONS FOR DECISION

Background

1. On 18 November 2009, Caesars World, Inc. (“Applicant”) filed an application under section 53 of the Trade Marks Ordinance (Cap. 559) (“Ordinance”) for a declaration of invalidity of the registration of Trade Mark No. 300633942 (“Subject Mark”). A representation of the Subject Mark is set out below :



2. Registration of the Subject Mark was granted on an application for registration filed on 8 May 2006. The Subject Mark was registered in the name of Masomboon Wansuda (“Registered Owner”) in respect of the following services in Class 41:

“education relating to yoga; school of integrated yoga; school of yoga trainers' training; providing lectures or training relating to yoga; providing health related education;

organizing sporting and cultural activities; provision of yoga training services through seminars, books, CDs or on-line computer network; entertainment, education and training services; arranging and conducting classes, seminars, conferences, conventions, exhibitions and instructor training in the fields of yoga instruction, yoga philosophy, yoga theory and practice, allopathic physical systems, integration of medical and yogic systems, yoga therapy, marketing yoga services, physical fitness, meditation, self-awareness, mental training and discipline, and health, and distributing course materials in connection therewith; organizing sporting and cultural activities; ticket reservation services (entertainment); entertainment information services; entertainer services; provision of club recreation facilities, provision of club sporting facilities, provision of gymnasium facilities, organising of gymnastic events, health club services, provision of keep-fit facilities, leisure centre services, provision of physical education facilities; providing on-line information relating to yoga, sports, entertainment and education; editorial and publication services of books, magazines, leaflets and printed matter relating to yoga, sports, entertainment and education; theatrical entertainment services; provision of the foregoing information, entertainment and recreational services by electronic means; distribution and production of cine-films, video tapes, audio tapes, compact discs, compact disc read only memories, laser discs; production of radio and television programmes, recording studio services; lending library services, library services; provision of information, consultancy services and advisory services relating to all the aforesaid services; all included in Class 41.”

3. As the Registered Owner did not file an address for service within the prescribed two-month period after a notice under rule 107(1) of the Trade Marks Rules (Cap.559A) (“Rules”) was issued by the Registrar of Trade Marks (“Registrar”) to her on 18 November 2009, the Registered Owner is deemed to have withdrawn from the subject invalidation proceedings pursuant to rule 107(3) of the Rules.

4. The Applicant filed a statutory declaration made by Jane E. Tyler, the Assistant Secretary of the Applicant on 30 June 2011 (“Tyler Declaration”) as its evidence in support of the application pursuant to rules 42 and 47 of the Rules.

5. The hearing was scheduled to take place before me on 28 June 2013. On 27 June 2013, the Applicant informed the Registrar that it would rely on the written submissions prepared by Mr. Douglas Clark, Counsel for the Applicant (“Applicant’s Written Submissions”) instead of attending the hearing. I now proceed to decide the matter without a hearing pursuant to rule 75 of the Rules.

Grounds for invalidation

6. The Applicant relies on the grounds under the following sections of the Ordinance for the application for a declaration of invalidity of the registration of the Subject Mark:

- (i) sections 12(3) and 53(5)(a);
- (ii) sections 12(4) and 53(5)(b);
- (iii) sections 12(5)(a) and 53(5)(b); and
- (iv) sections 11(5)(b) and 53(3).

Each of the above grounds for invalidation is separate and distinct. The application for invalidation will succeed if any one of the above grounds can be established.

The material date

7. The material date at which validity of the registration of the Subject Mark is to be determined is the date of filing of the application for its registration, i.e. 8 May 2006 (“Filing Date”).

Application under sections 53(5)(a) and 12(3) of the Ordinance

8. Section 53(5)(a) of the Ordinance provides, *inter alia*, as follows:

“...the registration of a trade mark may also be declared invalid on the ground-

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 12(1), (2) or (3) (relative grounds for refusal of registration) apply;”.*

9. Section 12(3) of the Ordinance provides that:

“A trade mark shall not be registered if-

- (a) the trade mark is similar to an earlier trade mark;*
- (b) the goods or services for which the application for registration is made are*

*identical or similar to those for which the earlier trade mark is protected;
and*

- (c) *the use of the trade mark in relation to those goods or services is likely to cause confusion on the part of the public.”*

10. Section 12(3) of the Ordinance essentially precludes a mark from registration if the use of it is likely to cause confusion on the part of the public as a result of its being similar to an earlier trade mark and that it is sought to be registered in respect of goods or services the same as or similar to those registered under the earlier trade mark. A trade mark which has been registered in contravention of section 12(3) of the Ordinance may be declared invalid under section 53(5)(a) of the Ordinance.

11. As to the meaning of “earlier trade mark” as referred to in section 12(3), the relevant part of section 5 of the Ordinance states:

“(1) In this Ordinance, “earlier trade mark”, in relation to another trade mark, means –

- (a) a registered trade mark which has a date of application for registration earlier than that of the other trade mark, taking into account the priorities claimed in respect of each trade mark, if any...”*

12. Another section to consider is section 7(1) of the Ordinance which throws light on how subsection (c) of section 12(3) is to be interpreted. It provides that:

“For greater certainty, in determining for the purposes of this Ordinance whether the use of a trade mark is likely to cause confusion on the part of the public, the Registrar or the court may take into account all factors relevant in the circumstances, including whether the use is likely to be associated with an earlier trade mark.”

13. According to the grounds for declaration of invalidity, the Applicant is the proprietor of a number of registered trade marks in Hong Kong, including, *inter alia*,

“**CAESARS**”, “**CAESARS PALACE**”, “**CAESARS MAN**” and
“**CAESARS WOMAN**” (collectively, the “Applicant’s Marks”). Details of the

Applicant’s Marks are set out in the **Appendix** of this decision.

14. In paragraph 21 of the Applicant's Written Submissions, it was stated that the Applicant would rely particularly on, *inter alia*, the following marks ("Applicant's Earlier Marks") for the purpose of its application under sections 53(5)(a) and 12(3) of the Ordinance:

A CAESARS PALACE

Trade Marks:

B <A<SARS PALACE<

Registration No.: 199700361

Date of Registration: 2 March 1992

Specification of Services: Class 41

planning and putting on of shows, cabarets and musical concerts; night club services; casino services; conducting horse races; health club services; sports instruction services; provision of sports facilities; production of television programs; all included in Class 41

15. The Applicant's Earlier Marks have a date of application for registration which is earlier than that of the Subject Mark. According to section 5(1)(a) of the Ordinance, the Applicant's Earlier Marks are "earlier trade marks" in relation to the Subject Mark.

16. To determine whether registration of the Subject Mark is prohibited under section 12(3) by virtue of the presence of the Applicant's Earlier Marks, I must consider whether there are similarities between the Subject Mark and the Applicant's Earlier Marks, and between the services covered by them, which would combine to create a likelihood of confusion.

17. The basic principles governing the assessment of similarity between marks and the likelihood of confusion between them are set out in the cases of *Sabel BV v Puma AG* [1998] RPC 199, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77 and *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, which are adopted in *Guccio Gucci SpA v Gucci* [2009] 5 HKLRD 28. These principles are:

- (a) The likelihood of confusion must be appreciated globally, taking account of all the relevant factors.
- (b) The matter must be judged through the eyes of the average consumer of the goods in issue, who is deemed to be reasonably well informed and reasonably observant and circumspect.
- (c) In order to assess the degree of similarity between the marks concerned one must determine the degree of visual, aural or conceptual similarity between them and, where appropriate, evaluate the importance to be attached to those different elements taking into account the nature of the goods in question and the circumstances in which they are marketed.
- (d) The visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components. The perception of the marks in the mind of the average consumer plays a decisive role in the overall appreciation of the likelihood of confusion.
- (e) The average consumer normally perceives a mark as a whole and does not proceed to analyze its various details.
- (f) There is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it.
- (g) The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; further the average consumer's level of attention is likely to vary according to the category of goods in question.
- (h) Appreciation of the likelihood of confusion depends upon the degree of similarity between the goods. A lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and *vice versa*.
- (i) Mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purpose of the assessment.
- (j) But the risk that the public might believe that the respective goods

come from the same or economically linked undertakings does constitute a likelihood of confusion within the meaning of the section.

The relevant public

18. In the global assessment of the likelihood of confusion, account should be taken of the average consumer of the goods or services concerned, who is deemed to be reasonably well informed and reasonably observant and circumspect. According to settled case law, with a view to defining the relevant public, account must be taken of consumers liable to use both the goods or services covered by the earlier trade mark and those covered by the mark at issue (*Paul Hartmann AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* [2013] ETMR 26).

19. The services covered by the registration of the Subject Mark include training and instruction services relating to yoga as well as other related services in Class 41, whereas the Applicant's Earlier Marks are registered in respect of various services relating to entertainment, cultural and sporting activities in Class 41. As the above services may be used or sought by any members of the general public in Hong Kong, the relevant public is the public at large. Bearing in mind that these services are mainly taken for leisure or pleasure, and that the fees involved are not usually high, the relevant consumers would only pay a moderate degree of care and attention in the selection of these services.

Comparison of marks

20. The Subject Mark is a composite mark which is constituted by two English words "CAESAR YOGA" and the device of a flower with leaf and stem. All letters in the words "CAESAR YOGA" are expressed in plain and capital form, except the letter "Y" and a stroke of the letter "A" which are replaced by the leaf and stem of the flower device. Although I note that colours purple and green are applied in different parts of the device, there is no colour claim in the registration of the Subject Mark.

21. Each of the Applicant's Earlier Marks consists of the words "CAESARS PALACE". The only difference between the two marks in series is that one is written in plain form and the other adopts a slightly stylized font. In spite of the said difference, each of the Applicant's Earlier Marks is readily perceived as a word mark comprising the words "CAESARS PALACE".

22. Mr. Clark contended in the Applicant's Written Submissions that the Subject Mark and the Applicant's Earlier Marks are confusingly similar. In his view, although the Subject Mark includes the word "YOGA" and the flower device which are absent in the Applicant's Earlier Marks, such differences are likely to be perceived as a variation of the Applicant's Earlier Marks. When considering the notional use that could be made of the marks in issue across the whole spectrum of services involved, he considered that consumers will be confused between the services provided under the marks "CAESARS PALACE" and "CAESAR YOGA" respectively.

23. According to the relevant principles on comparison of marks recited in paragraph 17 above, the average consumer normally perceives a mark as a whole and does not proceed to analyze its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components.

24. As far as the Subject Mark is concerned, the word "CAESAR" has no apparent meaning¹ in respect of the services under consideration, and is accordingly a distinctive component of the Subject Mark. The word "YOGA" is, on the other hand, descriptive and non-distinctive in relation to the majority of services for which the Subject Mark is registered which are related to yoga and other sports activities. As stated in *Jose Alejandro SL v OHIM (BUDMEN)* [2004] ETMR 15, the public will not generally consider a descriptive element forming part of a complex mark as being distinctive and dominant within the overall impression conveyed by that mark. Thus, the word "YOGA" is relatively insignificant within the overall impression created by the Subject Mark. I have not overlooked the presence of the flower device in the Subject Mark which contains a certain degree of distinctiveness. Yet, as word speaks louder than device, the attention of the relevant consumers will likely be drawn to the word "CAESAR" rather than the flower device which may be seen as merely decorative and in any event cannot be pronounced.² For these reasons, I find that the dominant and distinctive component of the Subject Mark lies in the word "CAESAR".

¹ According to Merriam-Webster Online Dictionary, the word "Caesar" means "any of the Roman emperors succeeding Augustus Caesar – used as title", "a powerful ruler: Emperor, Autocrat, Dictator" or "the civil power: a temporal ruler" (<http://www.merriam-webster.com>).

² When a mark is composed of word elements and figurative elements, the former are, as a rule, more distinctive than the latter, since the average consumer will more easily refer to the goods in question by citing the name rather than describing the figurative element of the mark. (*Oyster Cosmetics SpA v OHIM (OYSTER COSMETICS)* [2011] ETMR 26, at para.36)

25. Turning to the Applicant's Earlier Marks, the word "CAESARS" (being the plural form of CAESAR) has no descriptive meaning in relation to the services in question and is highly distinctive. It is also positioned at the beginning of the marks to which consumers generally pay more attention. Meanwhile, the word "PALACE" is much less distinctive and prominent than the word "CAESARS" because it occupies the second place in the marks and may be seen as a descriptive reference to the place or venue in which some of the services in question are performed.³ In consequence, the word "CAESARS" is more likely to capture the attention of, and be remembered by, the relevant public than the word "PALACE", making it the dominant and distinctive component of the Applicant's Earlier Marks.

26. Visually, the dominant and distinctive element of the Subject Mark, i.e. the word "CAESAR", is almost identical to the word "CAESARS", the dominant and distinctive component in the Applicant's Earlier Marks. Although the latter ends with the letter "S", I do not think that this subtle difference, even if noticed by consumers, would enable them to distinguish the respective marks from each other (*IDG Communications Ltd's Trade Mark Application* [2002] RPC 10). The presence of the flower device does make the Subject Mark look a bit differently from the Applicant's Earlier Marks, but its role in the Subject Mark is, as explained, only secondary or subsidiary to that of the word "CAESAR". In overall terms, I find that the Subject Mark and the Applicant's Earlier Marks are similar from a visual perspective. Phonetically, the Subject Mark is also closely similar to the Applicant's Earlier Marks by reason of the similar pronunciations of the words "CAESAR" and "CAESARS". Conceptually, it is likely that consumers would regard "CAESARS" as the plural form of "CAESAR", so there is a high degree of conceptual resemblance between the Subject Mark and the Applicant's Earlier Marks.

27. Weighing all these matters up, and taking account of the imperfect recollection of the average consumer, I find that the Subject Mark is visually, phonetically and conceptually similar to the Applicant's Earlier Mark to a material extent.

Comparison of services

28. Both the services for which the Subject Mark is registered and those for which the Applicant's Earlier Marks are registered fall within Class 41 of the Nice

³ According to Merriam-Webster Online Dictionary, the word "PALACE" may refer to "a large public building" or "a highly decorated place for public amusement or refreshment (e.g. a movie palace)".

Classification.

29. In Attachment 1 of the Applicant's Written Submissions, Mr. Clark provided a detailed table of comparison between the services registered under the Subject Mark and their corresponding services covered by the registration of the Applicant's Earlier Marks. He submitted that the former can be broadly divided into two parts: services relating to yoga and services which are expressed in general terms and not specifically related to yoga. For the services relating to yoga, he submitted that they are identical or similar to "sports instruction services" and "health club services" registered under the Applicant's Earlier Marks, because yoga is a sport and many health clubs will also provide courses on yoga. For the remaining services, he considered that they are identical or similar to "planning and putting on of shows, cabarets and musical concerts; night club services; casino services; conducting horse races; health club services; sports instruction services; provision of sports facilities; production of television programs" registered under the Applicant's Earlier Marks.

30. Guidance on the comparison of goods and services can be found in the case of *British Sugar v James Robertson and Sons Ltd* [1996] RPC 281. In that case, Jacob J (as he then was) set out the factors that should be taken into account when considering the similarities between goods and/or services. They are:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of services;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves; and
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

31. It was also held in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* (supra) that in assessing the similarity of the goods or services concerned, all the relevant factors relating to those goods or services themselves should be taken into

account. Those factors include, *inter alia*, their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

32. In my view, “education relating to yoga; school of integrated yoga; school of yoga trainers' training; providing lectures or training relating to yoga; provision of yoga training services through seminars, books, CDs or on-line computer network; arranging and conducting classes, seminars, conferences, conventions, exhibitions and instructor training in the fields of yoga instruction, yoga philosophy, yoga theory and practice, allopathic physical systems, integration of medical and yogic systems, yoga therapy, marketing yoga services, physical fitness, meditation, self-awareness, mental training and discipline, and health, and distributing course materials in connection therewith” covered by the Subject Mark, which are essentially training and instruction services relating to yoga, fall within the ambit of and is therefore identical⁴ to “sports instruction services” covered by the Applicant’s Earlier Marks. Mr. Clark submitted that yoga is a sport and providing instruction in relation to yoga is a subset of “sports instruction services”. According to Merriam-Webster Online Dictionary, “yoga” is “a system of exercises for mental and physical health”, or more specifically, “a system of physical postures, breathing techniques, and meditation derived from Yoga [a Hindu philosophy] but often practiced independently especially in Western cultures to promote bodily or mental control and well-being”; whereas “sport” may refer to “a physical activity (such as hunting, fishing, running, swimming etc.) that is done for enjoyment”. In view of the above dictionary meanings, I think that there is real force in the proposition that “sports” is a broad term that includes yoga. Lest I be wrong on that point, I consider that providing education and training relating to yoga is closely similar to “sports instruction services”, as both of them would involve a coach or a trainer in giving guidance and instructions as to the correct postures, techniques and rules etc in doing the exercises. They also target at the same group of customers (people who are looking to enhance their fitness, health or well-being) and are competitive with each other (participants of yoga courses may also wish to join physical fitness programmes).

33. For the services of “provision of club recreation facilities, provision of club sporting facilities, provision of gymnasium facilities, organising of gymnastic events, health club services, provision of keep-fit facilities, leisure centre services, provision of physical education facilities”, they are identical or highly similar to

⁴ Goods can be considered as identical when the goods designated by the trade mark application are included in a more general category designated by the earlier mark, or vice versa (*Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* (Case T-133/05); *Bowerbank’s Application* [2008] ETMR 31).

“provision of sports facilities” and “health club services” of the Applicant’s Earlier Marks.

34. As regards “distribution and production of cine-films, video tapes, audio tapes, compact discs, compact disc read only memories, laser discs; production of radio and television programmes, recording studio services” protected by the Subject Mark, they are considered identical or substantially the same as “production of television programs” of the Applicant’s Earlier Marks. Moreover, I find that “ticket reservation services (entertainment); entertainment information services; entertainer services” of the Subject Mark are similar to and closely associated with “planning and putting on of shows, cabarets and musical concerts; casino services; conducting horse races” of the Applicant’s Earlier Marks, given that the former services are indispensable to the latter entertainment services and are complementary to each other. There is also a high degree of similarity between “theatrical entertainment services” of the Subject Mark and “putting on of shows, cabarets and musical concerts” of the Applicant’s Earlier Marks, considering that shows, cabarets and musical concerts can be performed inside a theatre and both sets of services target at the same group of audience and share the same purpose of amusement.

35. The specification of the Subject Mark also includes “providing health related education”, “organizing sporting and cultural activities” and “entertainment, education and training services”. In my view, “providing health related education” can be considered as similar to “health club services” of the Applicant’s Earlier Marks, since it is common for health clubs to deliver briefings on health related topics to their members. For “organizing sporting and cultural activities”, it is a broad term that encompasses “planning and putting on of shows, cabarets and musical concerts; conducting horse races” covered by the Applicant’s Earlier Marks, given that shows, cabarets, musical concerts and horse races are all sporting or cultural activities. They are therefore considered identical.⁵ Likewise, “entertainment, education and training services” include all the services registered by the Applicant’s Earlier Marks in Class 41 so that both sets of services are regarded as identical.

36. For the rest of the specification of the Subject Mark, namely “providing on-line information relating to yoga, sports, entertainment and education; editorial and publication services of books, magazines, leaflets and printed matter relating to yoga, sports, entertainment and education; provision of the foregoing information, entertainment and recreational services by electronic means; lending library services,

⁵ *Ibid*

library services; provision of information, consultancy services and advisory services relating to all the aforesaid services”, they are information services relating to the entertainment, education and training services. They are likely to be offered together with the services protected by the Applicant’s Earlier Marks as mentioned above and be intended for the same public. Hence, I find both sets of services to be similar as well.

37. I find that all the services registered under the Subject Mark are either identical or similar to the services for which the Applicant’s Earlier Marks are registered.

Distinctiveness of the earlier trade mark

38. There is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character either *per se* or because of the use that has been made of it (*Sabel BV v Puma AG* (supra)).

39. In determining the distinctive character of an earlier trade mark, I must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (*Windsurfing Chiemsee v Huber and Attenberger* [1999] ETMR 585; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* (supra)).

40. Each of the Applicant’s Earlier Marks consists of the words “CAESARS PALACE”. Although the word “PALACE” is an element descriptive of some of the services concerned, the word “CAESARS” has no particular meaning and is distinctive in relation to the services for which the Applicant’s Earlier Marks are registered. Overall, I find that each of the Applicant’s Earlier Marks has a certain degree of inherent distinctiveness. As to whether the distinctive character of the Applicant’s Earlier Marks has been enhanced through use of them in Hong Kong, I turn to consider the

Tyler Declaration.

41. According to the Tyler Declaration, the Applicant is a company organized and existing under the laws of the State of Florida in the United States of America. Incorporated in 1958, the Applicant and its affiliates own, operate and manage a number of hotels, resorts and casinos under the Applicant's Marks around the world, including the Caesars Palace hotel and casino in Las Vegas, Caesars Atlantic City in New Jersey, Caesars Windsor in Canada, Caesars Cairo in Egypt and Caesars Golf Club in Macau. In particular, it was claimed that the Caesars Palace hotel and casino has, since its opening on 5 August 1966, captured massive international attention and attracted visitors from every country around the world. With its considerable expansion, the Caesars Palace hotel and casino has now emerged into a large scale development which occupies 85 acres of land, contains 3,230 rooms and suites, over 131,000 square feet of casino space, 3 swimming pools, health spa, beauty salon, tennis courts, a 4,300-seat concert venue, a nightclub under the brand of "PURE", a ballroom and convention facility, and a shopping mall with 185 retail stores. Copies of brochures containing the information about the Caesars Palace hotel and casino, in which the Applicant's Earlier Marks can be seen, are set out in "Exhibit JET-1" of the Tyler Declaration.

42. It was asserted in paragraphs 16 and 17 of the Tyler Declaration that the Applicant's Marks are one of the most recognized casino brands in the world, as evidenced by a consumer survey conducted in 2006 (extract of the survey report provided in "Exhibit JET-2"). Yet, only two pages of the entire survey report were produced in the exhibit. Besides, the survey did not target at consumers in Hong Kong and it could only show at best the reputation of the CAESARS brand amongst certain Asian consumers in respect of its casino business. Nothing was said about the other Applicant's Marks (and specifically, the Applicant's Earlier Marks) and about the other services allegedly provided by the Applicant.

43. By reference to some random copies of Hong Kong newspapers included in "Exhibit JET-3", Ms Tyler averred that many top sporting events, including boxing contests and tournaments in golf, tennis and gymnastics fields, were held in the Caesars Palace hotel and casino, making it the "Home of Champions". An example of the media coverage of sports events can be found in a news report in South China Morning Post on 16 October 1994, in which the boxing fight between Larry Holmes and Gerry Cooney held at Caesars Palace hotel and casino in 1982 was mentioned.

44. In paragraphs 30 and 31 of the Tyler Declaration, Ms Tyler asserted that the Applicant had incurred massive expenditure to promote the Applicant's Marks via various mass media, including magazines, newspapers and television programmes. It has also spent substantial amount of money to release its own publications and brochures to promote its services. Copies of some advertisements of the Applicant which were published in Hong Kong newspapers (e.g. the Apple Daily, the Sun and Sing Tao Daily) in the years of 2000 to 2003 are produced in "Exhibit JET-4", whereas copies of the Applicant's own brochures and promotional materials from 1991 to 2006 are displayed in "Exhibit JET-5". I find that the Applicant's Earlier Marks, namely Caesars Palace, have consistently appeared in the advertisements included in "Exhibit JET-4", but they were mostly used in relation to hotel and entertainment services such as staging of shows and performances. Similarly, although "Exhibit JET-5" contains abundant examples of the Applicant's publicity materials that featured many popular local artists such as Lydia Shum, Dicky Cheung and Andy Hui, and were distributed in Hong Kong, the majority of them served to promote the hotel and entertainment services provided by the Applicant, especially the provision of venue for the performance of shows and concerts.

45. The amounts expended by the Applicant in promoting its services under the Applicant's Marks worldwide for the years of 2002 to 2006 are provided in paragraph 35 of the Tyler Declaration. The worldwide annual revenue derived from these services between 2002 and 2006 are set out in paragraph 37 of the Tyler Declaration. As far as the market of Hong Kong is concerned, the Applicant spent over HK\$2.2 million in advertising activities and earned over HK\$156 million of revenue each year from 2005 to 2008 (paragraphs 44 and 46 of the Tyler Declaration). Judging from the figures given, I find that the scale of the Applicant's promotional activities and the sales revenue generated by the services provided under the Applicant's Marks to be rather substantial. Nonetheless, the figures given are not supported by any financial statements, reports or invoices, and Ms Tyler has failed to explain how the figures are calculated. I also note that no breakdown has been provided as between the different Applicant's Marks, so I cannot ascertain what proportion of the figures is attributable to the Applicant's Earlier Marks. Moreover, there is no breakdown as between the various categories of services rendered by the Applicant (e.g. entertainment services in Class 41 and hotel services in Class 43), so it is unclear to what extent the expense and revenue relate to a particular service.

46. According to paragraph 39 of the Tyler Declaration, the Applicant has applied for and obtained registrations for the Applicant's Marks in over 70 countries

around the world, as illustrated in a summary report of trade mark applications and registrations contained in “Exhibit JET-6”. As shown in the report, many of the Applicant’s Marks had been registered by the Applicant before the Filing Date.

47. Paragraph 41 of the Tyler Declaration also stated that the Applicant has since 1977 established and maintained an international sales office in Hong Kong, and later in 1987, set up a corporate subsidiary named as “Caesars World International Far East Limited (Hong Kong)”. The function of the sales office includes handling the promotion of the Applicant’s Marks in Hong Kong as well as providing information regarding the Applicant’s services to existing and potential customers in Hong Kong. The contact details of the Applicant’s sales office in Hong Kong can be seen in the copies of the various promotional materials in “Exhibit JET-5”.

48. Regarding the advertising activities carried on in Hong Kong, Ms Tyler mentioned that the Applicant has organized a promotional event in Grand Hyatt Hong Kong (as evidenced by a copy of newspaper article produced in “Exhibit JET-7”) and a private casino night in Wellington Street, Hong Kong (as shown in a copy of promotional material in “Exhibit JET-8”), but the latter was held after the Filing Date.

49. In paragraphs 47 to 53 of the Tyler Declaration, Ms Tyler deposed that the Caesars Palace hotel and casino has on several occasions been used by Television Broadcasts Limited (TVB) and Asia Television Limited (ATV) to produce their television programmes, including “Miss Chinese International Beauty Pageant 2000” (2000 年度國際華裔小姐競選) (broadcast in TVB Jade on 6 February 2000), “All-Star Christmas Variety Show” (broadcast in TVB Jade on 26 January 2002) and “A Glamorous X’Mas At Casino Town” (broadcast in ATV), and is thus exposed to a significant number of audience in Hong Kong. In support of these assertions, Ms Tyler adduced a printout from Wikipedia regarding television ratings in Hong Kong in “Exhibit JET-9”, copies of the programmes for “Miss Chinese International Beauty Pageant 2000” and “All-Star Christmas Variety Show” in “Exhibit JET-10”, media coverage on the said TVB programmes in “Exhibit JET-11”, a printout from Wikipedia on TVB Jade channel in “Exhibit JET-12” and a copy of the finalized script of the ATV programme “A Glamorous X’Mas At Casino Town” in “Exhibit JET-13”. I have little doubt that these programmes, having been broadcast in two major free-to-air television channels in Hong Kong, should have been watched by a large number of TV audience in Hong Kong. Having said that, I do not think that the reputation or distinctive character of the Applicant’s Earlier Marks will be much enhanced by the broadcast of these shows, as the audience is likely to pay more attention to the content of these

programmes itself rather than the venue in which these programmes are staged. Another point to note is that these television programmes were in fact produced by TVB and ATV, so that they cannot be treated as the Applicant's use of the Applicant's Earlier Marks (if any) in respect of "production of television programs".

50. On the same tone, Ms Tyler's averment that Caesars Palace hotel and casino has been used as the shooting location for the high-grossing Hong Kong film "The Conmen in Vegas" (賭俠大戰拉斯維加斯) (supported by a printout from www.hkfilm.net containing a commentary of that film in "Exhibit JET-14" and a printout from Wikipedia about this film in "Exhibit JET-15") does not take the Applicant's case much further because the movie-watchers would in my view rarely pay much attention to the venue for shooting the film, even assuming that the Applicant's Earlier Marks were shown in the film.

51. Ms Tyler added that Caesars Palace hotel and casino is a favourite overseas performing venue for many notable Hong Kong artists, including Anita Mui, Leslie Cheung and Jacky Cheung. Random copies of the promotional materials and invitations distributed to the Applicant's consumers around the world are given in "Exhibit JET-16", whilst random copies of articles published in Hong Kong newspapers reporting on the said performances are included in "Exhibit JET-17". Although all the materials in "Exhibit JET-16" relate to events in the years of 2007 and 2008, the exhibits in "Exhibit JET-17" did show that the Applicant's Earlier Marks have appeared extensively in various news reports before the Filing Date, some even dating back to 1990s. For instance, an article published in South China Morning Post on 26 July 1996 referred to "The Second Annual World's Greatest Magic" which was held in Caesars Palace hotel and casino in Las Vegas. In another news report published in South China Morning Post on 13 November 1999, Caesars Palace hotel and casino was described as "one of the larger Vegas venues" which can cater to "more than 5000 guests with more than 3000 staff". These press reports, together with copies of other newspaper articles in "Exhibit JET-20", display that the name "Caesars Palace", i.e. the Applicant's Earlier Marks, have been extensively reported or featured in the mass media of Hong Kong before the Filing Date.

52. In paragraph 60 of the Tyler Declaration, Ms Tyler also referred to "Exhibit JET-18" and Exhibit "JET-19" and tried to make the point that the Applicant's Chinese name "凱撒皇宮", being the translation and transliteration of "Caesars Palace", appeared in local newspaper as early as 1983. However, I do not accept that the use of "凱撒皇宮" can be regarded as the use of "Caesars Palace", neither do I find anything

in the evidence which suggests that the Applicant's Earlier Marks have been used in Hong Kong since 1983.

53. Viewing the Applicant's evidence in totality, I am satisfied that the Applicant's Earlier Marks have been extensively used (through the operation of the international sales office and the circulation of promotional materials and press reports) in Hong Kong for at least 15 years before the Filing Date in respect of, *inter alia*, "planning and putting on of shows, cabarets and musical concerts; casino services; provision of sports facilities" in Class 41. As such, I find that the distinctiveness of the Applicant's Earlier Marks in respect of these services has been significantly enhanced by such use.⁶

54. In relation to the remaining items in the specification of the Applicant's Earlier Marks, namely "night club services; conducting horse races; health club services; sports instruction services; production of television programs", there is no or little evidence to show that Applicant's Earlier Marks have been used in Hong Kong prior to the Filing Date. The distinctiveness of the Applicant's Earlier Marks in respect of these services has not been enhanced.

Likelihood of confusion

55. The likelihood of confusion must be appreciated globally, taking account of all relevant factors all of which have a degree of interdependency. The matter must be judged through the eyes of the average consumer of the goods or services concerned who is deemed to be reasonably well informed and reasonably observant and circumspect.

56. As discussed in paragraph 19 above, the relevant consumers of the services in question are members of the general public, and they would merely exercise a moderate degree of care and attention in the selection of such services. It should be noted that the average consumer seldom directly compare marks side by side but rely upon his imperfect recollection of marks.

57. I have come to the view that the Subject Mark and the Applicant's Earlier Marks are visually, aurally and conceptually similar to each other to a material extent, taking into account their distinctive and dominant components. I have also found that

⁶ I note that the Applicant's Earlier Marks have in fact been used in respect of services in other classes (e.g. hotel services in Class 43), but they are not directly relevant for the purpose of this decision.

the services registered under the respective marks are either identical or similar. The Applicant's Earlier Marks are inherently distinctive, and such distinctiveness has been further enhanced through use in respect of "planning and putting on of shows, cabarets and musical concerts; casino services; provision of sports facilities". Taking all of the above into account, I consider that there is a real likelihood of confusion in that when the Subject Mark is used in relation to the services involved, the average consumer would be confused into thinking that the respective services offered under the Subject Mark and the Applicant's Earlier Marks come from the same or economically-linked undertakings. I find that the ground for invalidation under sections 53(5)(a) and 12(3) of the Ordinance is made out.

Conclusion

58. For the foregoing reasons, I find that the Subject Mark is not registrable under section 12(3) of the Ordinance, and accordingly the registration of the Subject Mark should be declared invalid under section 53(5)(a) of the Ordinance. It is therefore no longer necessary for me to deal with the other grounds for invalidation relied upon by the Applicant.

59. As the application for invalidation is successful, I award the Applicant costs. Subject to any representations, as to the amount of costs or calling for special treatment, which either party may make within one month from the date of this decision, costs will be calculated with reference to the usual scale in Part I of the First Schedule to Order 62 of the Rules of the High Court (Cap. 4A) as applied to trade mark matters, unless otherwise agreed.

(Ryan Ng)
for Registrar of Trade Marks
28 November 2013

Appendix

Applicant's Marks registered in Hong Kong⁷

Registration No.	Trade Mark	Specification of Goods/Services
19790255	CAESARS PALACE	<u>Class 16</u> paper and paper products; stationery, pamphlets and printed matter.
19790256	CAESARS PALACE	<u>Class 16</u> paper and paper products; stationery, pamphlets and printed matter.
19893277AA	CAESARS	<u>Class 6</u> key chains. <u>Class 9</u> sunglasses. <u>Class 14</u> watches, clocks and pins. <u>Class 16</u> playing cards. <u>Class 21</u> mugs, steins, coasters, bottle openers, shoe horns, decanters, glasses, and ice buckets. <u>Class 24</u> blankets and towels. <u>Class 34</u> cigarette lighters.

⁷ The registration of Trade Mark Nos. 19900751, 19900752, 19901601 and 19901602 have expired and were removed from the register on 25 August 2009, but they were registered as at the Filing Date.

19900751	< A E S A R S > M A N	<u>Class 3</u> Cologne, after-shave lotion, after-shave moisturizing cream; all for men.
19900752	< A E S A R S > W O M A N	<u>Class 3</u> perfume, cologne, body moisturizing lotion, bath and shower gel; all for women.
19901601	CAESARS WOMAN	<u>Class 3</u> perfume, cologne, body moisturizing lotion, bath and shower gel; all for women.
19901602	CAESARS MAN	<u>Class 3</u> cologne, after-shave lotion, after-shave moisturizing cream; all for men.
199700361	A CAESARS PALACE B < A E S A R S P A L A C E >	<u>Class 41</u> planning and putting on of shows, cabarets and musical concerts; night club services; casino services; conducting horse races; health club services; sports instruction services; provision of sports facilities; production of television programs; all included in Class 41.
199704585	A CAESARS PALACE B < A E S A R S P A L A C E >	<u>Class 42</u> hotel and motel services; resort hotel services, restaurant and catering services; bar services and night club catering services; retail gift store services; retail gift store services relating to perfumery, cosmetics, jewellery, horological and

		chronometric instruments, stationery, paper, cardboard and goods made from these materials, photographs, printed matter, playing cards, casino chips, dice, gaming equipment, foods, video games, audio and video cassettes, computer games, card games, leather goods, luggage, household items, textiles and textile goods, clothing, toys, sports goods, tobacco and smokers' articles, key chains, retail clothing store services; babysitting, beauty salon and barber shop services; travel agency services relating to the reservation of hotel accommodation for travellers; all included in Class 42.
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