

TRADE MARKS ORDINANCE (Cap. 559)

APPLICATION NO. : 300937602

MARK : 戶外城

**APPLICANT : FOUNDATION INTERNATIONAL OUTDOORS
SPORT LIMITED**

CLASS : 35

STATEMENT OF REASONS FOR DECISION

Background

1. On 20 August 2007, Foundation International Outdoors Sport Limited (“applicant”), represented by Messrs. Yuen & Partners (“agent”), applied to register the mark shown below (“subject mark”) under the Trade Marks Ordinance (Cap. 559) (“Ordinance”):

戶外城

2. The registration of the subject mark is sought in respect of the following services in Class 35:

“Wholesaling, retailing, marketing and distributorship services of sportswear, headwear and footwear for sports, bags and backpacks for sports, sporting articles, and apparatus for use in sports including camping and outdoor gear and equipment; demonstration of goods for others; sale promotion (for others); commercial advertisement; marketing analysis, marketing research, marketing services, business administration services, business advice, business information services, professional business consultancy, business research, information, advisory and consultancy services relating to all the aforesaid services; all included in Class 35”.

3. At the examination stage, objections were raised under section 11(1)(b) and (c) of the Ordinance on the basis that the subject mark is devoid of any distinctive character and it consists exclusively of signs which may serve, in trade or business, to designate the characteristics of the services applied for. The objections were maintained by the Registrar despite the submissions made on behalf of the applicant and the Statutory Declaration of Mr. Lau Kwok Fong, a director of the applicant declared on 20 February 2009 (“Statutory Declaration”), with a view to show the use that has been made of the subject mark by the applicant in Hong Kong.

4. The applicant requested a hearing on the registrability of the subject mark and this was held before me on 28 May 2010. Mr. Justin Roettger of the agent represented the applicant at the hearing and he submitted a written submission on the subject application. I reserved my decision at the end of the hearing.

The Ordinance

5. The absolute grounds for refusal of an application for registration are set out in section 11 of the Ordinance. The relevant provisions under section 11 read as follows :

“(1) Subject to subsection (2), the following shall not be registered –

- (a) ...;
- (b) trade marks which are devoid of any distinctive character;
- (c) trade marks which consist exclusively of signs which may serve, in trade or business, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of goods or rendering of services, or other characteristics of goods or services; and
- (d) ...”

6. Notwithstanding the prohibitions against registration set out in sections 11(1)(b), (c) and (d), section 11(2) of the Ordinance (“section 11(2)”) provides :

“(2) A trade mark shall not be refused registration by virtue of subsection (1)(b), (c) or (d) if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

Decision

7. At the hearing, Mr. Roettger informed me that, other than the Statutory Declaration, the applicant would not submit any evidence of use of the subject mark. Besides, I note from the agent's letter of 20 February 2009 that the Statutory Declaration only includes evidence of use made of the subject mark after the date of the subject application and there is no evidence of use before such date. In any event, Mr. Roettger confirmed at the hearing that the applicant would not pursue the evidence of use filed under the Statutory Declaration.

8. Since there is no evidence of use made of the subject mark before the date of the subject application, there is no need for me to consider whether the subject mark has in fact acquired a distinctive character as a result of such use for the purpose of section 11(2). That being the case, I will proceed to consider this application on a *prima facie* basis.

9. Having carefully considered the facts of the case, I am of the view that the subject mark can be accepted for registration in respect of "demonstration of goods for others; sale promotion (for others); commercial advertisement; marketing analysis, marketing research, marketing services, business administration services, business advice, business information services, professional business consultancy, business research, information, advisory and consultancy services relating to all the aforesaid services; all included in Class 35". On the other hand, the objection under section 11(1)(b) of the Ordinance is maintained in respect of the remaining applied-for services, namely, "wholesaling, retailing, marketing and distributorship services of sportswear, headwear and footwear for sports, bags and backpacks for sports, sporting articles, and apparatus for use in sports including camping and outdoor gear and equipment" ("objectionable services"). The reasons for precluding registration of the subject mark in respect of the objectionable services are set out hereunder.

Section 11(1)(b) of the Ordinance

10. Section 11(1)(b) of the Ordinance ("section 11(1)(b)") precludes from registration signs that are devoid of any distinctive character.

11. As submitted by Mr. Roettger, the proper test for section 11(1)(b) is found in *British Sugar Plc v James Robertson & Sons Ltd* [1996] R.P.C. 281, where Mr. Justice Jacob said at 306:

“What does *devoid of any distinctive character* mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark?”

12. Further, in assessing distinctiveness of a mark, the test stipulated by Sir Andrew Morritt in *Nestle SA’s Trade Mark Application (“Have a Break”)* [2004] F.S.R. 2, at 26 is as follows:

“The distinctiveness to be considered is that which identifies a product as originating from a particular undertaking. Such distinctiveness is to be considered by reference to goods of the class for which registration is sought and consumers of those goods. In relation to the consumers of those goods the court is required to consider the presumed expectations of reasonably well informed, and circumspect consumers.”

13. With reference to the principles stated above, it therefore follows that the distinctive character under section 11(1)(b) means that the mark, assuming no use of it, must be capable of identifying the objectionable services as originating from a particular undertaking, and thus distinguishing them from those of other undertakings. The assessment is to be carried out by reference to the services for which registration is sought and the perception of the relevant consumers, who are presumed to be reasonably well informed, circumspect and observant. Hence, the question is whether the perception and recollection the subject mark would trigger in the mind of the average consumer of the objectionable services would be origin specific (i.e. carry connotations of trade origin) or origin neutral (“*CYCLING IS...*” *Trade Mark Applications* [2002] R.P.C. 37 at paragraphs 66-69).

14. The subject matters of the objectionable services in question are essentially common consumer goods used by members of the general public in Hong Kong. The members of the general public, whether they are individual purchasers or business traders who look for the provision of these consumer products, are the relevant consumers of the objectionable services. The level of care and attention that can be expected to be exercised by the relevant consumers on these general consumer products are only average.

15. The subject mark is formed by the Chinese characters “戶外” and “城” presented in plain font without any other additional element or stylization. The Chinese characters carry obvious and ordinary meanings. The term “戶外” means “outdoors” (*Chinese-English Dictionary (汉英大辞典)* published by *Shanghai Jiao Tong University Press (上海交通大学出版社)*). “Outdoors” means “in or into the open air, outside a building or shelter” (*The Compact Oxford English Dictionary*). The term “戶外” thus relates to or concerns the outdoors or outdoor activities. Besides, it has been quoted to the applicant at the examining stage (by letter dated 27 November 2007) excerpts of the internet searches reproduced in the **Annex** hereto which clearly show that the term “城” is often used by traders in relation to a depot where clothing or goods are sold.

16. Although the Chinese character “城” is a commonly used term to refer to “城市” i.e. city, traders nowadays are used to adopting the Chinese character “城” to mean a place or depot where a broad variety of goods can be obtained or as an alternative way of describing the common term “商店” or “店舖” (shop or store). To my mind, the Chinese character “城” can be used similarly in the present context of the objectionable services to denote the meaning of a depot, shop or store. Consumers in my view will have no difficulty in understanding the Chinese character “城” in the subject mark as a depot, shop or store where goods or a range of products are sold, whether by retail or wholesale.

17. When used in relation to the objectionable services, namely “wholesaling, retailing, marketing and distributorship services of sportswear, headwear and footwear for sports, bags and backpacks for sports, sporting articles, and apparatus for use in sports including camping and outdoor gear and equipment”, the immediate message that the subject mark as whole would convey to the relevant consumers is simply a shop that sells or markets products suitable for use outdoors, such as sportswear, gear and equipment for outdoor use, or that the objectionable services provided by the shop are intended for people engaging in outdoor activities.

18. Mr. Roettger emphasized that the applicant’s services applied for were not conducted outdoor, nor were the products that the applicant market and retail classifiable as “outdoor”. Mr. Roettger considered that only “camping and outdoor gear and equipment” could properly be called “outdoor products” for they would be exclusively used outdoors. He contended that “sportswear, headwear and footwear for sports, bags and backpacks for sports, sporting articles, and [other] apparatus for use in sports” in the specification could be used both indoor and outdoor and therefore

they could not be classified as either “indoor” or “outdoor” products. He also pointed out that the subject mark did not describe “sportswear” as they would often be worn for indoor sports. For example, sportswear shorts, he submitted, could not be called “outdoor” shorts because they would frequently be used for indoor sports like basket ball, table tennis and squash etc. In Mr. Roettger’s view, it would be improper to categorize products or clothing as “outdoor” or “indoor”.

19. Furthermore, Mr. Roettger stressed that the “classification between ‘outdoor’ and ‘indoor’ clothing is even further diluted by fashion trends” where active wear would be worn as casual clothing, e.g. gym shorts could be for everyday use even though their primary application would be for outdoor sports during hot weather; fleece pullovers and jackets, while having the advantage of being able to keep one warm when wet, would often be worn fashionably. As the applicant’s products would regularly be worn and used indoors, Mr. Roettger considered the subject mark to be non-descriptive of the objectionable services.

20. While it may be true that consumers may for whatever reasons like durability, comfort, enhanced protection or fashionable etc wear outdoor clothing or sportswear, or use outdoor equipment when they are staying indoor, whether the term “戶外城” conveys an origin specific message is a separate issue. I consider the fact that outdoor clothing or products may be used indoor or for the purpose of indoor activities would not in any way alter the perception that the relevant consumers would have when they encounter the subject mark. As discussed above, the subject mark plainly connotes an instant message that the applicant’s shop provides products which are suitable for use outdoors, or that the objectionable services are for people engaging in outdoor activities. The perception which the subject mark would trigger in the mind of the average consumer when it is used in relation to the objectionable services would be origin neutral.

21. Mr. Roettger concluded that the subject mark was neither descriptive of the services applied for nor could the applicant’s products be properly classified as outdoor. He submitted that the subject mark was distinct from the applicant’s services applied for and therefore registrable.

22. I am unable to accept Mr. Roettger’s submission. In considering the objection under section 11(1)(b), the critical question that must be considered is whether the relevant consumers would perceive the subject mark as a badge of origin. Upon seeing the subject mark used in relation to the objectionable services, the

relevant consumer would perceive the subject mark “戶外城”, first and foremost, as an indication that the applicant operates a shop from which the objectionable services, e.g. retail or wholesale of clothing and equipment suitable for use outdoors may be obtained, as opposed to an indication of their trade source. There is no origin specific or trade mark message in the subject mark which leads the relevant consumers to regard the objectionable services as originating from a particular undertaking. I am not persuaded that without first being educated that the subject mark is intended and used as a trade badge, the relevant consumers would perceive it as an indicator of trade origin.

23. In *Deutsche SiSi-Werke GmbH & Co. Betriebs KG* [2006] E.T.M.R. 41 (Case C-173/04P) at paragraph 60, the essential function of a trade mark is described by the ECJ as:

“to guarantee the identity of the origin of the marked product or service to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin”

24. I consider that the subject mark cannot fulfill the essential function of a trade mark in guaranteeing trade origin without any possibility of confusion to distinguish the objectionable services from those of others. The subject mark is devoid of any distinctive character in relation to the objectionable services and is therefore debarred from registration in respect of the objectionable services under section 11(1)(b).

Section 11(1)(c) of the Ordinance

25. Having found that the subject mark is precluded from registration in respect of the objectionable services under section 11(1)(b), it is not necessary for me to consider the objection under section 11(1)(c) of the Ordinance.

Other registration in the register

26. Mr. Roettger referred me to a registered trade mark no. 300956890 in the register which contained the same Chinese characters “戶外” that existed in the subject mark and was not found to be descriptive of the registered services. Mr. Roettger therefore considered the subject mark should also be registrable. I do not concur. Whilst the referred mark shares the same Chinese characters “戶外” with

the subject mark, it comprises of other Chinese characters and has been registered for goods under Class 25 and is certainly not analogous to the subject mark. In any event, it is well established that the state of the register is in principle irrelevant as each application has to be assessed on the basis of its own merits: see *British Sugar Plc v James Robertson & Sons Ltd* [supra] at page 305 and *Madame Trade Mark* [1966] R.P.C. 541. Hence, drawing reference to other mark on the register does not assist the present case for registration.

Conclusion

27. I have carefully considered all the documents filed by the applicant together with all the oral and written submissions made in respect of the subject application. For the reasons given, I find that the subject mark in respect of the objectionable services is precluded from registration under section 11(1)(b) of the Ordinance. The subject application is accordingly refused under section 42(4)(b) of the Ordinance in respect of the objectionable services.

28. As I have already found that the subject mark can be accepted for registration in paragraph 9 above, the subject application can proceed to publication provided that the applicant files, on or before **6 December 2010**, a Form T5A to restrict the specification to “demonstration of goods for others; sale promotion (for others); commercial advertisement; marketing analysis, marketing research, marketing services, business administration services, business advice, business information services, professional business consultancy, business research, information, advisory and consultancy services relating to all the aforesaid services; all included in Class 35”. If the applicant fails to do so on or before **6 December 2010**, it will be deemed to have abandoned the subject application.

Vivien LUK
for Registrar of Trade Marks
5 November 2010

1. 超筭名牌運動衫任你執

羽絨城一年一度大特賣又到啦，場內所有貨品由一折半起發售，雖然唔係件件有超低折扣，但總會找到些令你笑逐顏開的驚喜。其中以大 Hit 的 The North Face 黑黃色羽絨 ...

www.healthnol.com/articles/sudden/s182/ff-a/images/182ff-a01.html

2. 高郵中國紡織**服裝城**盛大開業_紡織頻道_中國國際電子商務網

10月18日上午，江蘇省和揚州市現代服務業發展的重大項目之一——中國紡織**服裝城**盛大開業慶典在第四屆中國郵文化節開幕後舉行。全國政協副主席張懷西專門發來賀電，揚州市 ...

big5.ec.com.cn/gate/big5/texquo.ec.com.cn/article/gnmarket/200710/506812_1.html

3. 中國國際**服裝城**-首頁

中國國際**服裝城**歡迎您! 首頁 | 商城簡介 | 新聞發布 | 投資信息 | 招商信息 | ...
歡迎訪問中國國際**服裝城**網站! 本站網絡實名: 國際**服裝城**中國國際**服裝城**
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