

TRADE MARKS ORDINANCE (CAP. 559)

OPPOSITION TO TRADE MARK APPLICATION NO. 301812096

MARK: 害蟲金剛
CLASS: 5
APPLICANT: Daka Research Inc.
OPPONENT: MHM Marketing Company Limited

STATEMENT OF REASONS FOR DECISION

Background

1. On 17 January 2011, the applicant filed an application for registration (“the subject application”) under the Trade Marks Ordinance (Cap. 559) (“the Ordinance”) for the following mark –

害蟲金剛

(“the suit mark”).

2. Registration is sought in respect of “preparations for destroying vermin, insect repellent preparations and insecticides” in Class 5 (“the applicant’s goods”). The application is numbered 301812096.

3. The particulars of the subject application were published on 18 March 2011, and the opponent filed a notice of opposition to the subject application together with grounds of opposition on 3 May 2011.

4. The matter was scheduled for and came to be heard before me on 9 October 2013. Mr. Ho Ka Chun (“Ho”), director of the opponent, represented the opponent. The applicant did not file any notice of its intention to appear at the hearing, and was accordingly absent from it.

Grounds of opposition

5. The grounds on which the opponent opposes registration of the suit mark as stated in the grounds of opposition are under sections 5(1)(a), 12(2), 12(3), 12(4) and 12(5)(a) of the Ordinance. Attached to the grounds of opposition is a copy of a “sales by item summary” of the opponent. Since those materials are not adopted by way of a statutory declaration or affidavit in compliance with rule 79(1) of the Trade Marks Rules (Cap.559, sub. leg.) (“the Rules”), they cannot be treated as evidence in this case.

Counter-statement

6. The applicant filed a counter-statement on 23 May 2011 basically denying or not admitting the opponent’s grounds of opposition, with certain other averments.

Evidence

7. Pursuant to rule 18 of the Rules, the opponent filed a statutory declaration by Ho, director of the opponent, together with two exhibits, which was declared on 21 November 2011 (“Ho Declaration”). The applicant did not file any evidence under rule 19.

Relevant Date

8. The relevant date for considering this opposition is the date of application of the subject application, i.e. 17 January 2011 (“the relevant date”).

Opponent’s case and evidence

9. The opponent pleads that it was established in 1993 and specializes in distributing in Hong Kong, Macau and China innovative products, including a series of electronic pest repelling products bearing the brand name “金剛 2000” (“the

opponent's mark").¹ The opponent has successfully registered the opponent's mark in Hong Kong with details as follows:-

Registration No.	Trade Mark	Date of Registration	Goods
300074448	金剛 2000	6 September 2003	<u>Class 5</u> Preparations for destroying vermin, insect repellent preparations, insecticides; all included in class 5. ("the opponent's goods")

10. Exhibit "HKC-1" to Ho Declaration contains a copy of the online official records of the Hong Kong Trade Marks Register concerning the above registration. It is observed that the above registration was obtained by virtue of honest concurrent use with Registration No. 200304791², and use was claimed from 1997.

11. It is the opponent's case that the opponent has been using the opponent's mark prominently on the packaging for its anti-pest and anti-mosquito products and devices, and that it has also used the opponent's mark in the further development of other anti-pest or anti-mosquito products belonging to class 5. According to the grounds of opposition, the "金剛 2000" series of electronic pest repelling products achieved a sales volume of 71,887 units for the period from 1 January 2000 to 19 April 2011³. Additionally, Ho deposed in Ho Declaration that the sales figure of products sold under the opponent's mark amounts to more than HK\$25 million⁴.

¹ According to the grounds of opposition, Ho Declaration and the representations made by Ho on behalf of the opponent at the hearing, when the opponent's electronic pest repelling products were first launched in 1993, the trade mark used was "害蟲黑金剛". However, as no documentary evidence of use of that mark is verifiable from Ho Declaration, and that mark is also not (pleaded as) an earlier mark within the meaning of section 5(1) of the Ordinance, that mark appears to be irrelevant to my decision in this case.

² Registration No. 200304791 concerns a trade mark "金剛牌 KING KONG & primate device" registered in respect of "pharmaceutical and medicinal preparations and substances for human use; mosquito repellents; insect repellents and insect repellents preparations; all included in Class 5."

³ As the relevant date (see paragraph 8) for this case is 17 January 2011, the above sales volume would have to be pro-rated. After pro-rating, the sales volume by the relevant date amounts to about 58,000 units.

⁴ It is not entirely clear from Ho Declaration if the sales figure of more than HK\$25 million relates only to products sold under the "金剛 2000" mark or to products sold under both the "金剛 2000" and "害蟲黑金剛" marks. It is possible in the context that such sales figure relates to products sold under both marks, with the exact sales figure attributable to each mark unknown.

However, it is not clear from Ho Declaration between when such sales figure was achieved. There is also no documentary evidence (e.g. purchase orders or sales invoices) exhibited to Ho Declaration to corroborate the aforesaid sales figure or the sales volume as pleaded in the grounds of opposition.

12. It is also the opponent's case that the opponent has been advertising and promoting its products under or by reference to the opponent's mark for some 18 years, and millions of Hong Kong dollars were spent in this regard. The means of advertisement and promotion include the TV, MTR, buses, coaches, trams, various print media and direct mailing etc. According to Ho Declaration, the opponent used an advertising agent known as Ginger Advertisement Limited ("Ginger") for arranging the TV advertisements. Copies of records of the advertisement times and dates (all in 2009 and 2010) as were sent to the opponent by Ginger from time to time are produced in Exhibit "HKC-2" to Ho Declaration. It is however not apparent from such copies whether the TV advertisements actually featured the opponent's mark and/or the opponent's goods, and if they did, in what way. No sample TV advertisements have been adduced in these proceedings to shed light in this respect. No sample print advertisements or direct mailers have been adduced as evidence either. There is also no documentary evidence corroborating the advertising expenditure.

13. In any event, based on the asserted use made of the opponent's mark in Hong Kong, and presumably the goodwill or reputation acquired as a result, the opponent seeks to rely on section 12(5)(a) in that use of the suit mark is liable to be prevented by virtue of the law of passing off. Separately, the opponent contends that the suit mark is "identical or near identical" to the opponent's mark visually, phonetically and conceptually, so that it should be refused registration under sections 12(2) or 12(3) of the Ordinance. The opponent also claims (yet without asserting that the opponent's mark is a well-known mark) that the suit mark would without due cause take unfair advantage of or be detrimental to the distinctive character or repute of the opponent's mark, so that it should be refused registration under section 12(4) of the Ordinance.

Applicant's case

14. The applicant essentially denies all grounds of opposition whilst not admitting certain statement of facts in the grounds of opposition.

15. The applicant avers that the suit mark is an “invented word” [*sic*], which the applicant has chosen and adopted in good faith as a trade mark. The applicant also maintains that the suit mark is distinguishable from the opponent’s mark, in that, first, the prefix “害蟲” in the suit mark renders the suit mark different from the opponent’s mark when compared as a whole, since it is the prefix which usually leaves the strongest impression in the minds of consumers; and secondly, ‘the suffix of the opponent’s mark “2000” is simply a group of digits whereas the suffix in the [suit] mark is “金剛”’. The applicant goes on to argue that the suit mark is entirely different from the opponent’s mark, both in terms of visual and conceptual impressions.

16. The applicant further states that there have not been any instances of confusion caused by the concurrent use of the opponent’s mark and the suit mark whether in Hong Kong or elsewhere. However, no evidence (such as evidence of use of the suit mark) has been filed by the applicant in these proceedings.

Opposition under section 12(3) of the Ordinance

17. I will first deal with the section 12(3) ground. 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.”

18. Section 12(3) of the Ordinance essentially prohibits the registration of a trade mark which would be likely to cause confusion on the part of the public as a result of its being similar to an earlier trade mark and because it is to be registered in respect of goods or services the same as or similar to those the subject of the earlier trade mark.

19. According to section 7(1) of the Ordinance, in determining whether the

use of a trade mark is likely to cause confusion on the part of the public, the Registrar may take into account all factors relevant in the circumstances, including whether the use is likely to be associated with an earlier trade mark.

20. The guiding principles for assessing similarity between signs and the likelihood of confusion between them are contained 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, as were adopted in *Guccio Gucci SpA v Gucci* [2009] 5 HKLRD 28. They are set out as follows:-

- (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.

21. The opponent's mark is a registered trade mark having a date of application for registration which is earlier than that of the suit mark. According to section 5(1)(a) of the Ordinance⁵, the opponent's mark is an earlier trade mark in relation to the suit mark.

Average consumer

22. The applicant's goods are preparations for destroying vermin, insect repellent preparations and insecticides. The average consumer in the present case includes all members of the public in Hong Kong who are interested in those goods. Since those goods are inexpensive and domestically consumable items, the level of attention paid at the point of sale cannot be defined as high. In any event, the average consumer is deemed to be reasonably well informed and reasonably observant and circumspect.

⁵ Section 5(1)(a) of the Ordinance provides that-

“(1) In this Ordinance, "earlier trade mark" (在先商標), in relation to another trade mark, means-

(a) a registered trade mark which has a date of the 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; ...”

The opponent's mark and its distinctiveness

23. The opponent's mark consists of the Chinese characters “金剛” and the numeral “2000”. According to the online *Lin Yutang's Chinese-English Dictionary*⁶, “金剛” means a substance of immense hardness, or one of the four guardians of Buddhist temples. Due to the popularity of a series of movies about a gorilla named “King Kong” shown in Hong Kong, with “King Kong” translated into “金剛” in Chinese, people in Hong Kong may also associate the element “金剛” with the fictional character King Kong.

24. The numeral “2000” may be perceived as representing the year 2000, or a product line, or simply a figure.

25. When perceived as a whole, it appears that the distinctiveness of the opponent's mark lies in the element “金剛”. The numeral “2000” in the opponent's mark might only be seen as a mere descriptor indicating the year of the products, or the relevant product line, or just a figure. The element “金剛” does not have any direct reference to the opponent's goods, but rather, it appears fanciful, or might appear allusive in the sense that it suggests the opponent's goods can offer protection against the harm of vermin or insect as a “guardian”. It appears that the overall impression of the opponent's mark is predominated by the element “金剛”. As a whole, the opponent's mark is inherently distinctive and I find its level of inherent distinctiveness to be moderate to high.

26. I have considered the opponent's evidence of use of the opponent's mark at paragraphs 11 and 12 above. To my mind, the opponent's evidence is sparse. For instance, no documentary evidence is produced to support the sales volume, sales figure and the advertising expenditure claimed. There is also no sample of actual use of the opponent's mark on the opponent's goods. On the evidence placed before me, I do not consider that the distinctiveness of the opponent's mark has been enhanced through use in Hong Kong as of the relevant date.

⁶ <http://humanum.arts.cuhk.edu.hk/Lexis/Lindict/>

Comparison of marks

27. The visual, aural and conceptual similarities of the marks in question must be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components. The average consumer normally perceives a mark as a whole and does not proceed to analyze its various details. He also 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.

28. The suit mark consists of four Chinese characters “害蟲金剛”, with “害蟲” being readily read as a term meaning “vermin”, and “金剛” another term, bearing the possible meanings mentioned at paragraph 23 above. In respect of the applicant’s goods, i.e. preparations for destroying vermin, insect repellent preparations and insecticides, the term “害蟲”, bearing the meaning “vermin”, is entirely descriptive. The public would not generally consider a descriptive element forming part of a composite mark as the distinctive and dominant element of that mark. By contrast, the term “金剛” in the suit mark does not have any direct reference to the applicant’s goods. Taken as a whole, “金剛” is the distinctive and dominant element of the suit mark.

29. The opponent’s mark has been described in paragraphs 23 to 25 above.

30. As mentioned, the element “2000” in the opponent’s mark only refers to a year, a product line or a figure, and as such, it will likely be perceived by the average consumer as a descriptive or non-distinctive element of the opponent’s mark. The visual significance of the element “2000” would therefore be overshadowed by the dominant element “金剛”, such that the overall impression created by the opponent’s mark is essentially “金剛”. By the same token, so far as the suit mark is concerned, it is the dominant element “金剛”, rather than the descriptive element “害蟲”, that is striking to the average consumer’s eyes and the overall impression left by the suit mark in the mind of the average consumer must be that of the element “金剛”. By sharing the same distinctive and dominant element “金剛” and conveying essentially the same overall impression, the suit mark and the opponent’s mark are visually similar to a moderate to high degree.

31. Aurally, the opponent’s mark is likely to be pronounced as either “金剛二千” or “金剛 2-0-0-0”, or less likely as “金剛 two thousand”. Whilst the suit mark

will be pronounced as “害蟲金剛”. By sharing the same verbal element “金剛”, the two marks are aurally similar to a certain extent.

32. Conceptually, the opponent’s mark appears to convey something strong or powerful, or a guardian, or the fictional character “King Kong”, together with the year 2000, a product line no. 2000, or the figure 2000. The suit mark, on the other hand, conveys something strong or powerful, or a guardian, or the fictional “King Kong”, which can act against vermin. The two marks are conceptually similar to a certain extent.

33. The importance to be attached to the visual, aural or conceptual comparisons may be different taking into account the nature of the goods in question and the circumstances in which they are marketed. In the present case, visual contact with the relevant goods and hence visual perception of the marks would generally take place before purchase, so that the visual aspect would play a greater role in the assessment of similarity between the suit mark and the opponent’s mark.

34. Having regard to the visual (this aspect being comparatively more important), aural and conceptual similarities and dissimilarities in the suit mark and the opponent’s mark, and the overall impressions created by the two marks bearing in mind the respective distinctive and dominant component of them, while also taking into account that the average consumer rarely has the chance to make direct comparisons between marks but must place his trust in the imperfect recollection of them he has kept in his mind, I find that the suit mark and the opponent’s mark are substantially similar.

35. The applicant’s way of comparing the suit mark and the opponent’s mark, for instance, by artificially dissecting them into prefixes and suffixes, and then making comparison between the suffixes, obviously does not comply with the settled case law of assessing similarity between trade marks. Further, since “害蟲金剛” certainly contains terms that possess dictionary meanings, the suit mark cannot at any rate be regarded as an invented mark as such.

Comparison of goods

36. The opponent’s statement to the effect that the applicant’s goods are identical or similar to the opponent’s goods, together with some other paragraphs in

the opponent's grounds of opposition, is denied by the applicant under a broad-brush approach. However, it is incontrovertible that the applicant's goods are indeed identical to the opponent's goods, i.e. both sets of goods being "preparations for destroying vermin, insect repellent preparations and insecticides" in class 5.

Likelihood of confusion

37. The likelihood of confusion must be appreciated globally, taking account of all the relevant factors. I have considered above that the opponent's mark is inherently distinctive to a moderate to high degree. I have found that the suit mark and the opponent's mark are substantially similar. I have also found that the applicant's goods are identical to the opponent's goods. Further, I have come to the view that the level of attention paid in selecting the relevant goods in this case cannot be defined as high, while the average consumer remains reasonably well informed and reasonably observant and circumspect. Taking into account the net effect of all of the above considerations, I consider that when the suit mark is used in relation to the applicant's goods, it is likely that the average consumer will be confused into thinking that such goods and the opponent's goods offered under the opponent's mark come from the same undertaking, or from economically-linked undertakings.

38. Accordingly, the opposition under section 12(3) of the Ordinance succeeds.

39. The applicant has averred in the counter-statement that the suit mark has been used honestly and concurrently with the opponent's mark. Despite the assertion, no evidence in this regard has been filed. As such, such assertion must be dismissed as unsubstantiated. As to the applicant's averment that there have not been any instances of confusion, I maintain that the absence of evidence of actual confusion would not affect the analysis above, as it is the notional fair use of the marks concerned that has to be considered in these proceedings.

40. As the opposition has already succeeded on the section 12(3) ground, this effectively concludes the matter, and I do not need to consider the other grounds pleaded by the opponent in its grounds of opposition any further.

Costs

41. The opponent has sought costs. As there is nothing in the circumstances or conduct of this case which warrants a departure from the general rule that the successful party is entitled to its costs, I order the applicant to pay the costs of these proceedings.

42. 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. 4A) as applied to trade mark matters, unless otherwise agreed between the parties.

(Ms Doreen Wan)
p. Registrar of Trade Marks
17 December 2013