

1712/15

Decisions file
(30)

IN THE MATTER of the Trade Marks Ordinance

AND

IN THE MATTER of an opposition by Faberge, Incorporated to the application by Fabergé & Cie for registration of the trade mark "Fabergé" in Class 14 in respect of jewellery, gold and silver plate, clocks and watches, all being precious metal objects; precious and semi-precious stones and gems, ancient jewelled antiques and jewellery, and gold-plated antiquities and curiosities.

DECISION

OF

Mr P. F. Grindey acting for the Registrar of Trade Marks
Hearing on 23rd May 1984

Miss Maria Mok of Wenping & Co. appeared for the Applicants
Mr Peter Garland, instructed by Messrs Deacons, appeared for the Opponents

On 10th May 1978 Fabergé & Cie, a company incorporated in France whose business address was 281 rue Saint-Honoré, Paris applied through their agents Messrs Wenping & Co. to the Registrar of Trade Marks for registration in Part A of the Register of the mark "Fabergé" in Class 14. Certain correspondence ensued between the Registrar and the Applicants and subsequently

leave to advertise the mark was given by the Registrar on 30th June 1980 in respect of "jewellery, gold and silver plate, clocks and watches, all being precious metal objects; precious and semi-precious stones and gems, ancient jewelled antiques and jewellery, and gold-plated antiquities and curiosities". Following advertisement of the mark notice of opposition to the application was filed by Messrs Deacons on behalf of their clients, Faberge, Incorporated, an American corporation of 1345 Avenue of the Americas, New York. The grounds for the opposition stated in the notice were that the Opponents were the registered proprietors in Hong Kong of the trade mark "Faberge" registered in Classes 3, 9 and 25; their mark had been used in connection with goods covered by these registrations extensively and continuously in Hong Kong and world-wide and that the two marks so nearly resembled each other as to be likely to deceive and/or cause confusion and the use of the proposed mark would be disentitled to protection in a Court of Justice; that members of the public purchasing goods by reference to the Applicants' mark would be easily misled into thinking that the two marks belonged to the same proprietor and that the goods of the Applicants and of the Opponents would be the goods of the same proprietor; that the registration of the mark should therefore be refused under section 20 of the Trade Marks Ordinance, or in the alternative under section 12 of the Trade Marks Ordinance.

On 26th November 1980 a counter statement was filed on behalf of the Applicants to the effect that the mark sought to be registered by the Applicants in Class 14 was already registered in France and derived from the name of the predecessor in title of the Applicants Peter Carl Fabergé, a former jeweller to the Imperial Court of Russia, and that the Applicants as

his successor had used the mark extensively in the field of jewellery in France and elsewhere; the proposed mark was not liable to be confused with the Opponents' trade mark because the three registrations obtained by the Opponents, in Classes 3, 9 and 25 were quite different from the registration in Class 14 sought by the Applicants; there was no probability of deception and confusion as both marks had been extensively used and were well-known each in its own country of origin and the allegation that the registrations of both marks were likely to lead to the belief that the goods were the goods of the same proprietor was disputed.

In the course of the normal procedure evidence was then adduced by the Opponents in support of their opposition and this comprised a statutory declaration by Mr Stanley Frederick, the Executive Vice-President of the Opponents. He stated that the Opponent Corporation's predecessor in title had adopted the trade mark in September 1936 for perfume and since that date the trade mark "Faberge" had continuously been used predominantly in respect of cosmetics, perfumery, shampoos and preparations for hair care, soaps and other items of personal toiletry manufactured by it and such products were currently sold in more than 120 countries. He referred to figures showing the operation and business of the Opponent Corporation as being truly world-wide and sales figures had been supported by a considerable advertising campaign, evidence of which for the years 1969 to 1979 was also exhibited. He referred to the registration of the trade mark "Faberge" in many countries including Hong Kong, in several different classes and in particular to the registrations in Hong Kong of the mark in Classes 3, 9 and 25 which were in fact first registered in Hong Kong in 1955, 1977 and 1977 respectively. The Opponent Corporation also sold articles of jewellery

but only in United States and on a much smaller scale than perfume. He claimed that by virtue of the very considerable sales and use of the mark the name "Faberge" had become extremely well-known throughout the world and was associated exclusively with the Opponents, and he believed it had become universally accepted as indicating the goods of the Opponents, and that the name "Faberge" in Hong Kong had likewise become very widely known and was currently understood as referring to the goods of the Opponent Corporation and no other. Thus use by the Applicants of the name as a trade mark in relation to goods within Class 14 was likely to deceive the public in Hong Kong into believing that the Applicants' goods marketed in Hong Kong under this name were products emanating from the Opponent Corporation or its associates.

Evidence of the Applicants' case was filed in the form of a statutory declaration by Thierry Godillot, the President General Director of the Applicants. He said that the Applicant Company was a continuation of the firm, formerly existing in Russia before the revolution, which was directed by Mr Peter Carl Fabergé, a jeweller appointed by the Imperial Court of Russia. Mr Fabergé left Russia in 1918 and following his death in 1920 members of his family and former partners had carried on the business in France retaining the name Fabergé & Cie. The business of this Company was wholesale and retail trade of jewellery and precious stones and subsequently extended to the sale of watches. The trade name of "Fabergé" was first filed as a trade mark in France in 1968 when registration of trade marks became compulsory, and then registered in other countries including the United Kingdom. On 12th April 1951 an agreement was reached with Faberge, Incorporated (the Opponent or its predecessor in title) in view of the latter having adopted the name "Faberge"

as a trade mark for perfumes and cosmetics. The effect of this agreement was that the French company granted to the US company permission to use the name "Faberge" as a trade mark for perfumes and certain other products except products in which Fabergé & Cie was engaged i.e. jewels, watches and precious stones. A copy of this agreement was exhibited to the declaration. From the year 1978 onwards business of Fabergé & Cie had increased, both in France and abroad, with a corresponding increase in advertising expenses. No sales of watches or jewels had been made in Hong Kong under the mark however, with the exception of a batch of sample watches that had been sent to Hong Kong in 1979. Nevertheless it was claimed that the trade mark "Fabergé" was already known in Hong Kong owing to the world-wide reputation of the mark in the field of jewels and watches and also in respect of books written upon the art of Peter Carl Fabergé and the items of jewellery for which his company was famous. He claimed that because of the agreement referred to and what he stated to be the striking difference between the goods subject to the Applicants' mark and those subject to the Opponents' mark the opposition should be dismissed.

A further statutory declaration was filed by Mr Frederick, in response to the declaration by Mr Godillot, on 21st September 1983. He made specific reference to the agreement referred to in Mr Godillot's declaration and stated that by paragraph 3 of the agreement Fabergé & Cie agreed to restrict its future use of the word "Fabergé". Although a restriction had been placed on the Applicants by this agreement no such restriction was placed on the Opponents and the Opponents, before the agreement was made, had already acquired three trade mark registrations in the United States in Classes 6, 28 and 39 of the United States Classification, out of which Class 28 was now reclassified in the International Class 14 and covered various jewellery items. The Opponents' proprietary rights in the trade mark

"Faberge" in America arose not by virtue of the agreement but by its prior usage of the Faberge trade mark as evidenced by those registrations. He claimed that the declaration set out by Mr Godillot merely referred to the reputation of Peter Carl Fabergé, i.e. the jeweller to the Czars of Russia, and was not the Applicant Company and that this was not enough to establish a reputation for the Applicants in Hong Kong when contrasted with the continuous sale and advertising of the Opponents' products bearing the trade mark "Faberge" for the last 16 years at least in Hong Kong. That confusion would inevitably arise if the Applicant was allowed to use the same mark on similar items of goods because the consumer would very well associate the two and assume that the Applicants' trade mark was a companion brand of the Opponents' trade mark.

One further piece of evidence from the Opponents was allowed to be produced at the Hearing with the consent of the Applicants. That was a statutory declaration by a Miss Pauline Osbourn, the product manager of Hagemeyer Far East Limited, the sole agent of the Opponents for the distribution in Hong Kong of cosmetics, perfumery, shampoos, soaps and other items of personal toiletry bearing the Opponents' trade mark "Faberge". She stated that she had acquired considerable experience in the wholesale and retail market for cosmetic products in Hong Kong between the years 1968 and 1981 and that the products of Faberge, Incorporated were sold in pharmacies, dispensaries and department stores throughout Hong Kong. According to her experience it was common practice for these retail outlets to display cosmetics and toiletries and custom jewellery from counters in close proximity and in certain instances from adjacent counters. She believed that these factors would enhance the likelihood that members of the public would be confused or deceived by the use of articles of

jewellery by the Applicants of the trade mark "Faberge" which, owing to its reputation in Hong Kong as being the trade mark of the Opponents, would be taken as indicating goods originating from the Opponent or its associated companies or licensees.

The matter came before me for hearing on 23rd May 1984. Miss Mok, on behalf of the Applicants, summarised the history of the proceedings and in her argument relied substantially upon the agreement dated 12th April 1951 exhibited in the declaration made by Mr Godillot. The agreement is not a long one and I set out the main provisions. After reciting that Fabergé & Cie was engaged in business in Paris continuing the business of Peter Carl Fabergé and had claimed that Faberge, Incorporated had infringed upon the name of Fabergé, and that the two parties had agreed without making any admissions as to such infringement that Faberge, Incorporated would acquire the rights of Fabergé & Cie to the extent that was thereafter set forth and be released from claims from Fabergé & Cie, the agreement states as follows:

"Now, therefore, in consideration of the premises and the sum of Twenty-Five Thousand (\$25,000.00) Dollars paid by the Party FABERGE, INC. to the Party FABERGÉ, receipt of which is hereby acknowledged by the party FABERGÉ, the parties hereto agree as follows :

1. FABERGÉ releases the party FABERGE, INC., SAMUEL RUBIN and any predecessor or predecessors of FABERGE, INC. from all claims of whatsoever nature by reason of the use of the name of "FABERGE" by the party FABERGE, INC., SAMUEL RUBIN and any predecessor or predecessors of FABERGE, INC. in the United States or elsewhere throughout the world.

2. FABERGÉ assigns herewith to FABERGE, INC. the sole and exclusive right to use the name FABERGE

either as a trade mark, as a trade name, or as a name for doing business (raison sociale) specifically and exclusively for

a) perfumes; cosmetics and toilet preparations of all kinds; soap; compacts, boxes and containers for all the foregoing;

b) all kinds of liquors,

c) all kinds of tobacco products, and

d) wearing apparel of all kinds for men, women and children.

This assignment shall apply not only to France and the United States but to all parts of the world.

NOTE:- It is expressly understood that the manufacture and sale of any kind of smoking accessories in any kind of metal, such as cigarette and cigar-cases, cigarette and cigar-holders, lighters, etc.... are not to be considered as tobacco products.

3. To the extent and for the purpose that they have hereinabove assigned their rights to FABERGE, INC., the party FABERGE agrees not to engage in business under the name FABERGE either alone, or in combination with other words, or directly or indirectly with others, in any partnership, firm or corporation in which the word FABERGE is a part, or to use or to licence others to use such name or trade mark "FABERGE". FABERGE hereby represents that they are the only ones continuing business under the name "FABERGE" as successors to Peter Carl Faberge, late of St. Petersburg, Russia, and that they are the only ones that have made or are likely to make any claim to the said name "FABERGE".

4. THIS AGREEMENT shall be binding upon the signatories hereto and upon their successors and assignees."

There are one or two points about this agreement which are not entirely clear. In the first place Clause 1 of the agreement appears to give a release by Fabergé to Faberge, Inc. from all claims in very wide terms. In fact there appears to be no limitation on the release either in place or in time. Clause 2 clearly assigns to Faberge the sole exclusive right to use the name "Faberge" as a trade mark for the goods therein mentioned and applies world-wide. If this is to be taken literally, it must mean that prior to the agreement only Fabergé & Cie had the "sole exclusive right" to use the name as a trade mark for those goods, but in fact the recital of the agreement states that Faberge, Inc. does not admit that Faberge, Inc. has infringed any alleged rights of Fabergé in those goods. Miss Mok argued that because the sole exclusive right was given to Faberge in respect of certain goods a corollary to that must necessarily be understood, i.e. that no rights were given in respect of the mark in respect of any other goods and that Fabergé retained the exclusive rights in respect of any other goods. However, Clause 3 expressly imposes a restriction on Fabergé not to engage in business in respect of the goods referred to in Clause 2. There is no express limitation put upon the use by Faberge, Inc. of the mark with regard to other goods. On my perusal of the agreement it appeared that a distinction was intended to be made between the words or names "Faberge" and "Fabergé". With one exception, in the parties clause which seems to be a clerical omission, the name "Fabergé" applies to the French company and the name "Faberge" is applied to the US company. Similarly, the trade mark assigned to Faberge, Inc. is "Faberge" and not "Fabergé". However, if it was sought to make a distinction in this agreement the intention clearly failed in practice because many of the advertisements of the Opponents included the word "Fabergé". Furthermore, the two names

are clearly so similar that no distinction could be made between them for the purposes of the Register. Neither of the parties before me sought to make any distinction between the two names.

Miss Mok relied substantially on this agreement in her submission. She also submitted that as the mark was sought to be registered in a different class from those in which the Opponents' mark was registered in Hong Kong, and the reputations of the parties had been established in different classes of goods, no confusion would arise on the Register if her clients' mark was allowed to proceed to registration.

Mr Garland did not rely on the agreement in his submission but it is convenient to deal first with that part of his reply relating to it. He commented, and I would agree with him, that it is very difficult to interpret the agreement. Whereas Clause 1 amounts to a general release by Fabergé¹ to Faberge, Inc. in respect of all claims worldwide, Clause 2 is an assignment of specified rights although there is evidence that the mark had been in use by Faberge, Inc. for a number of years. I accept that Clause 2 is in conflict with Clause 1 and that if Clause 1 were to bear its ordinary meaning there would hardly seem to be a need for Clause 2. Presumably Clause 1 is intended to be a release only in respect of claims that have accrued up to the date of the agreement. Mr Garland conceded that no evidence had been adduced, in the agreement or elsewhere, that the use of the mark by Faberge, Inc. prior to the agreement was with the consent of the Applicants. Mr Garland further argued that Clause 3 of the agreement was a restriction on the Applicants, i.e. to the extent that they had assigned their rights (with regard to the goods mentioned in Clause 2) they would not engage in any kind of business under the name Faberge, and therefore they could not rely on the

agreement as entitling them to come into the market of Hong Kong where his clients already had an outstanding reputation in certain classes. The Applicants had not used the intended mark in Hong Kong hitherto and confusion would arise. He submitted that Clause 3 of the agreement was entirely irrelevant to the principles as to whether the Applicants should be entitled to have their mark registered in Hong Kong. The purpose of the Register is not to protect the proprietary rights of traders but the public interest, i.e. it is a matter of public interest that there should be no confusion on the Register (the Pioneer Hi-Bred Corn Co. case).

Mr Garland's main submission was threefold, i.e.:

- (1) under section 20 of the Trade Marks Ordinance,
- (2) under section 12(1),
- (3) with regard to the Registrar's discretion under section 13(2).

Section 20 of the Ordinance provides as follows:

"Except as provided by section 22 no trade mark shall be registered in respect of any goods or description of goods that is identical with a trade mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or that so nearly resembles such a trade mark as to be likely to deceive or cause confusion."

The two marks of the Applicants and the Opponents are identical for this purpose, the only possible slight distinction being irrelevant. The Applicants however seek to be registered in Class 14, i.e. a separate class from the existing registrations of the Opponents. There

is no doubt that goods of the same description can be in different classes (the "Daiquiri Rum" Trade Mark, [1969] RPC page 600-per Lord Wilberforce at page 620). Mr Garland submitted that in order to ascertain whether goods were of the same description regard had to be had to the trade channels through which the goods would be sold, in this case retail shops and department stores, and urged me to take the view on the evidence available that jewellery and items of perfumery would be sold on counters that if not actually adjacent would be fairly close to each other. He also referred to the similar modes of advertising these goods and to extracts from advertising magazines where jewellery and cosmetics were advertised on the same page. He also drew upon the evidence of Miss Osbourn as to the fact that cosmetics and toiletries tend to be sold from counters in close proximity to those from which custom jewellery is sold. Furthermore, he asked me to note the increasing tendency nowadays for makers of high class luxury items to diversify into other fields of personal adornment i.e. Couturiers developing sales lines in jewellery, handbags and other accessories as well as clothing. He quoted the example of his clients branching out from perfumery into jewellery.

I should perhaps mention here that apart from being an illustration to Mr Garland's argument on this theme, the venture of the Opponents into the jewellery field is irrelevant, as is the impression gained that so far as quality is concerned the jewellery products of the two parties are poles apart. The Opponents have not sold their jewellery in Hong Kong and their reputation in Hong Kong, by virtue of extensive sales and advertising, is for perfumes and cosmetic goods.

I have considered carefully Mr Garland's submissions with regard to this part of his case, but I am unable to agree with him that jewellery and cosmetics can be regarded as goods of the same

description. It is true that they may be sold by the same types of shops and from perhaps adjacent, though not the same, counters. Nevertheless I consider that this fact by itself does not have any great significance. I find support for this view in the case of Hack's Application, (1940) 58 RPC page 91, which report also includes the grounds for the decision of the Assistant Comptroller at first hearing. The Assistant Comptroller, having reviewed the authorities, comes to the conclusion that the fact that goods are sold side by side over the same counter is not very conclusive as to whether the goods are of the same description. The authorities indicate that a better criterion is that goods may be regarded as being of the same description when they consist to a large extent of the same substance, as exemplified in the Australian Wine Importers Trade Mark 6 RPC at page 318, McDowell's Application 44 RPC 335, and the Maltese Cross case 26 RPC 428. Furthermore, in Hack's case, where opposition was made by the manufacturers of "Black Magic" chocolates to an intended trade mark of the same name for laxatives, the opponents at the appeal stage abandoned their opposition on the ground of section 12 of the 1938 Act (which corresponds to section 20 of our Ordinance) when it became known that the applicant did not seek to be registered in respect of preparations made with chocolate, although it was known that there were in existence laxatives containing chocolate, and considerable evidence was adduced that laxatives and chocolates might be sold by the same retailers. Perfumery and jewellery cannot be said to be of the same substance. They are only of the same description in the sense that they are both items of luxury or adornment, but so are some forms of clothing (Class 25), embroidery (Class 26), and no doubt certain articles of leather (Class 18), other substances (Class 20) and glassware, etc. (Class 21). Not very much can be made from the fact that advertisements for jewellery

and perfume may happen to be adjacent. In the examples before me there is a page of advertisements containing an advertisement for the Opponents' goods as well as advertisements for tailors, sports outfitters, luggage and an Indian restaurant.

In this respect I have also been assisted by reference to Kerly on Trade Mark and Trade Names, 11th Edition, para. 10-14, pages 144-146, which lists a number of articles which have been held to be goods of the same description, and gives similar examples of goods which are not of the same description. In particular with regard to the latter list I note that cigarettes and confectionery are goods not of the same description (Players T.M. /1965/ RPC 363). I think that Mr Garland's argument would apply even more directly to these two commodities than the goods that he is dealing with. Cigarettes and confectionery are commonly sold together and quite often from virtually the same counter and there is no doubt that a very large section of the public consumes both of these commodities.

Accordingly, I have come to the view that this part of Mr Garland's submission fails, or perhaps to put it more accurately, the Applicants are able to discharge the burden of proving that the goods do not come into the same description.

The second main ground of the opposition to the mark is under section 12(1) of the Ordinance which states as follows:

"It shall not be lawful to register as a trade mark or part of the trade mark any matter the use of which would be likely to deceive or would be disentitled to protection in a Court of Justice or would be contrary to law or morality, or any scandalous design."

Since the Maxim's case (Hong Kong Caterers Ltd v Maxim's Ltd /1983/ HKLR page 287) it is clear that section 12(1) of the Hong Kong Ordinance, unlike section 11 of the Act of 1938, makes the likelihood of deception an independent ground of objection which does not have to be associated with the mark being disentitled to protection in a Court of Justice. The Hong Kong section however omits the reference to confusion, and therefore it would seem that there is less of a burden on the Applicant in this respect. The mark will not fail merely because a section of the public may be puzzled as to whether or not goods bearing that mark are the goods of the Opponents. It would seem necessary, if the Opponents are to succeed on this leg, that a significant number of persons on the market are likely actually to be deceived i.e. "misled into thinking that the goods bearing the Applicants' mark come from some other source". I have adopted the language of Hunter, J. in the Maxim's case who was in his turn referring to the decision of Richardson, J. in the case of Pioneer Hi-Bred Corn Co v Hy-Line Chicks Pty Ltd /1979/ RPC at page 423, a case upon the equivalent section of the New Zealand Ordinance which also provided for the likelihood of deception as an independent ground of objection (although it is to be noted that the likelihood of causing confusion was also an ingredient in that section). In the Pioneer case Richardson, J. at pages 422-423 enunciated certain propositions from the authorities, passages from which I quote as follows:

"It is in relation to commercial dealings with goods that the question of deception or confusion has to be considered, and the persons whose states of mind are material are the prospective or potential purchasers of goods of the kind to which the applicant may apply his mark

Where goods are sold or may be sold to the general public for consumption or domestic use, the Judge or officer making the decision is entitled to take into account his own experience and his own reactions as a member of the public, as well as evidence from other members of the public when considering whether buyers would be likely to be deceived or confused by use of a trade mark."

To this should be added the accepted proposition that the onus is on the applicant for registration of the trade mark to establish that the proposed mark does not offend against this section, and thus that if there is any doubt as to whether the public might be deceived the application must fail.

It is clear from such cases as Hack's and Pioneer that the purpose of the section is to protect the public and not the proprietary rights of traders. An opposition under this section is different from a claim for passing-off because the section is offended if the mark is likely to deceive the minds of persons to whom the mark is addressed even if the actual purchasers are not ultimately deceived (Hack's Application pages 103-104). This point is also made clear in the case of Dunn's Trade Mark 7 RPC page 311 where it was stated that "the question is one between Mr Dunn and the public, not between Mr Eno and Mr Dunn. It is immaterial whether the proposed registration is or is not likely to injure Mr Eno in his trade".

In the light of these principles the facts of this case, as I see them, amount to cogent reasons why the application should be refused. The Opponents have clearly established the reputation of their mark in Hong Kong, and indeed it was scarcely disputed by the Applicants.

There is no doubt in my mind that a large number of the persons who may be regarded as forming the intended market in Hong Kong for the products of or goods sold by the Applicants are already familiar with the Opponents' mark. I consider it to be a probability that of this number a substantial portion of such persons who saw an item of jewellery called "Faberge" or "Fabergé" would think that the jewellery was made by the same firm that produced Faberge perfumes. I think I am not exaggerating when I say "probability", but I note that for the purpose of reaching my decision "reasonable possibility" would suffice. I take note of the fact that Faberge is a very uncommon surname and that it has no great significance other than as a surname and as a mark used by the two parties before me.

It is perhaps necessary to consider whether this view that I have taken can be modified by virtue of the agreement between the parties that has been referred to. I have already commented on this agreement and noted that in some respects it is a little obscure. In any event, however, it is an agreement between the parties to protect their proprietary rights. The public is not aware of it. It does not concern the public or the Register with which I am concerned and therefore I consider that it does not affect the conclusion that I have reached that the opposition succeeds on the ground of section 12(1).

There are some remaining parts of Mr Garland's submission that I should perhaps deal with in case the matter is taken further. The second leg of Mr Garland's submission under section 12(1) is that the mark would be disentitled to protection in a Court of Justice. Since the judgment in the Maxim's case the court has not yet considered a separate ground of "disentitled to protection in a Court of Justice". Mr Garland suggests that what I should consider under this heading is whether the Applicant would be able to use his mark on the proposed goods without

infringing the Opponents' proprietary rights, i.e. whether the Applicant could resist a passing-off action by the Opponent. Thus the submission is novel because it is agreed that with regard to the aspect of likelihood of deception one should not take into account the principles applicable to a normal passing-off action. An extension of the argument is that if there is any reason whatsoever which would disentitle the mark to protection then it should not be registered. In support of this Mr Garland refers to the Lego case (Lego System Aktieselskab v Lego M. Lemelstrich Ltd /1983/ Fleet Street Reports page 155) and argues that his clients would have been able to succeed in a similar manner in a passing-off action against the Applicants upon the known facts. I asked Mr Garland if I, sitting as a Trade Marks Tribunal, could competently come to a conclusion as to whether the Opponents would be entitled to succeed in a passing-off action, Mr Garland said that it would be sufficient if there was merely a possibility of succeeding in a passing-off action, or perhaps a good case on the balance of probabilities. His argument is that in any case of doubt the Register should be kept pure and the mark should not be allowed, and this would be consistent with the principle that the onus is upon the Applicant to establish his right to registration. Otherwise, argued Mr Garland, the ground of objection would be meaningless. If the words "or would be disentitled to protection in a Court of Justice" are to have some meaning they must be construed in a common sense way and all that needs to be shown is that there is a reasonably strong likelihood of success. This is an attractive argument but I do not feel that I can support it. I think it is not for a Trade Marks Tribunal to pronounce upon the probable success of a passing-off action. If the chances are less than probable then equally the phrase becomes meaningless. There may be some circumstances where Mr Garland's argument could be shown to have validity but I do not think the present case is one of them.

The final part of the submission on behalf of the Opponents was in respect of the Registrar's discretion under section 13(2) of the Ordinance. This discretion is intended to cover those situations where the Applicant has satisfied the Registrar on all other aspects, but the Registrar decides not to allow the mark for some reason which cannot be categorised elsewhere. Mr Garland argues that if his point as to the probable success of a passing-off action is not likely to find favour under the phrase "disentitled to protection" then I should nevertheless consider it under section 13(2) in exercise of my discretion not to allow the mark. I do not however regard such a course as a proper exercise of the discretion. I would, as I have indicated already, be very hesitant to usurp in any way the function of the normal courts. As for any other aspects of this case I can see no reason why I should apply section 13(2) to refuse an application by the Applicants if they had succeeded on all other grounds. The agreement by itself is inconclusive, as I have pointed out, but any deficiencies in the document, I think, have tended to weaken the case of the Applicants rather than strengthen it. Therefore I would not regard the agreement as being a factor for refusing the application although it might have been relevant if there was some kind of a discretion the other way for the Registrar. My sympathy in fact tended to be with the Applicants in this case because there is little doubt in my mind that the origin, or inspiration, of the Opponents' mark was the fame surrounding the artistic creations of Peter Carl Fabergé. Just how the American corporation adopted this name for its products remains a mystery and, in the absence of any other explanation, I infer that at some time the corporation decided to adopt the name because it already had a high reputation for quality; perhaps also the French ring about the name was

considered to give to the mark that touch of allure beloved of perfumers. This of course is mere conjecture, but it was open to the Opponents to explain the reasons if they were entirely different.

In my decision, therefore, the Applicants have failed to establish their right to the mark and the application must be refused. It is possible that if the Applicants had restricted their specification to such words as "jewelled antiques, antique jewellery, and gold-plated antiquities and curiosities" they would have had more success, as I consider it much less likely that the reputation of the Opponents, and the likelihood of deception, would have extended into this market. However neither side addressed me, nor was any evidence adduced, on the question of limiting the specification, and because of this and the clear inference that a limitation would be acceptable to neither party, I think it inappropriate for me to attempt one.

The Opponents are entitled to the costs of the proceedings and I will consider any representations which either party may wish to make with regard to their amount that are received within one month from this date. In the absence of any such representations, and unless otherwise agreed between the parties, the costs are to be taxed in accordance with the Scale of Costs in the First Schedule Part I to Order 62 of the Rules of the Supreme Court.



(P.F. Grindey)
Assistant Registrar General
12th February 1985