

DALAM MAHKAMAH TINGGI MALAYA DI KUALA LUMPUR

[BAHAGIAN DAGANG]

SAMAN PEMULA NO. 24IP-12- 05/2013

DALAM PERKARA Permohonan Cap Dagangan No. 96000854 untuk Cap Dagang "HANSA" yang difailkan dalam Kelas 12 untuk pendaftaran atas nama Sun Yuen Rubber Manufacturing Co. Sdn Bhd yang beralamat di 111/113, Hala Perusahaan Menglembu 13, Taman Perindustrian Chandan Raya, 31450 Menglembu, Perak dan yang mempunyai alamat untuk penyampaian di d/a Abasan Sdn Bhd, No. 5, 1st Floor, Jalan Solaris 2, Solaris Mont Kiara, Mont Kiara, 50480 Kuala Lumpur

DAN

DALAM PERKARA satu Keputusan yang dibuat oleh Pendaftar Cap Dagangan Malaysia pada 15 April 2013 dibawah Seksyen 28(4) Akta Cap Dagangan 1976 yang membenarkan permohonan Cap Dagang No.96000854 untuk didaftarkan dengan menolak Bangkangan ke atas pendaftaran permohonan Cap Dagang No. 96000854 tersebut yang difailkan oleh Solid Corporation Sdn Bhd

DAN

DALAM PERKARA satu Rayuan terhadap keputusan bertarikh 15 April 2013 yang dibuat oleh Pendaftar Cap Dagangan Malaysia dibawah Seksyen 28 (4) Akta Cap Dagangan 1976, menurut Seksyen 28 (5) dan (6) Akta Cap Dagangan 1976 dan Aturan 87 Kaedah-kaedah Mahkamah 2012

Antara

SOLID CORPORATION SDN BHD

... PLAINTIF

Dan

1. PENDAFTAR CAP DAGANGAN, MALAYSIA
2. SUN YUEN RUBBER MANUFACTURING CO. SDN BHD
... DEFENDAN-DEFENDAN

Grounds of Decision

Azizah Nawawi JC:

The Application

- [1] The application before this Court is an appeal against the decision of the 1st Defendant, the Registrar of Trademarks ('the Registrar') dated 15.4.2013 which has allowed the registration of the 2nd Defendant's trademark application No. 96000854 filed in Class 12 (goods).
- [2] The decision of the Registrar is made under Section 28(4) of the Trade Marks Act 1976 ("the TMA 1976") after the Plaintiff has filed an *Opposition* against the registration of the 2nd Defendant's said trademark application.
- [3] In the Originating Summons, the Plaintiff is seeking to set aside the decision of the Registrar dated 15.4.2013 to register the 2nd Defendant's trademark application and the dismissal of the Plaintiff's *Opposition*. The Plaintiff also seeks for an order that the 2nd Defendant's application for registration of its trademark be dismissed.

The Salient Facts

- [4] From the affidavits filed in this case, the facts disclosed that the Plaintiff is involved in the business and distribution of spare parts and parts for use in vehicles since 1992 until today. To enhance

its business, the Plaintiff has coined, used and uses a trademark consisting of the word “**HANSA**” The Plaintiff has used this “HANSA” trademark in Malaysia since 1992.

- [5] The Plaintiff’s trademark consisting of the word HANSA has been registered in Malaysia, in various classes of goods where the goods are used for car/vehicle (trademark registration nos. 96012771, 96012773, 09018725, 96012772). The Plaintiff’s HANSA trademark is as follows:



- [6] On **24.01.1996** The 2nd Defendant applied for the trade mark

HANSA

in Class 12 in respect of “*inner tubes for motor-cycle, motor car, light truck, lorry & bus, forklift & tractor, curing tubes all included in Class 12*”.

- [7] The 2nd Defendant’s said trademark application was advertised in the Gazette on 26.5.2005 for the purposes of Opposition Proceedings. The Plaintiff then proceeded to file a Notice of Opposition to the 2nd Defendant’s trade mark (application no. 96000854) to which the 2nd Defendant then proceeded to file their Counter-Statement.

[8] On 15.4.2013, having considered all the evidence, the Registrar had allowed the registration of the 2nd Defendant's trademark and dismissed the Plaintiff's opposition.

[9] Hence, this appeal by the Plaintiff against the decision of the Registrar. The appeal is premised on four (4) grounds:

- (i) Section 14(1)(a) of the TMA 1976
- (ii) Section 19(1)(b) of the TMA 1976
- (iii) Section 25 of the TMA 1976
- (iv) Section 10(1)(e) of the TMA 1976

The Findings of the Court

Ground (i) - Section 14(1)(a)

[10] Section 14(1)(a) of the TMA 1976 provides as follows:

“14. Prohibition on registration

(1) A mark or part of a mark shall not be registered as a trade mark –

(a) If the use of which is likely to deceive or cause confusion to the public or would be contrary to law;”

[11] The objective and purpose of section 14(1)(a) is held by the Federal Court in **Yong Teng Hing B/S Hong Kong Trading Co & Anor v Walton International Ltd** [2012] 6 CLJ 337 as follows:

“[25] The objective and purpose of s. 14(1)(a) of the Act is to protect the public and consumers from instances of confusion or deception as a result of the use of two similar marks. Thus, under s. 14(1)(a) of the Act, a mark shall be refused registration if use thereof is likely to deceive or cause confusion to the public notwithstanding that it is the result of use of an earlier identical or similar mark, whether registered or not in Malaysia and which is being used in relation to good or services which may be different from that sought to be registered.”

[12] Therefore the issue is whether the 2nd Defendant’s trademark application no. 96000854 () is likely to be confused with the Plaintiff’s registered trademark  under **s. 14(1)(a)** of the **TMA 1976**.

[13] It is not in dispute that both the Plaintiff’s trademark and the 2nd Defendant’s trademark application consists of the word “HANSA” The test is whether both trademarks when pronounced or orally considered (by sound), is the same or so nearly resemble each other. The House of Lords in **BALI Trademark** (1969) RPC 472 held that “BALI” is similar to “BERLEI”. The House of Lords, at p 485 held that:

“The learned judge after examining all the evidence held that it supported the conclusion (which was prima facie suggested by the pronunciation of the two words themselves) that in 1938 the trademark BALI by reason

of its resemblance to the trademark BERLEI if used in a normal and fair manner was likely to deceive or cause confusion ... My Lords, I see no reason to differ from the conclusion of the learned judge and I do not think that there was any error in his approach”

[14] The 2nd Defendant’s trademark application is pronounced as “**HANSA**” and the Plaintiff’s trademark is also pronounced as “**HANSA**”. Even though the Plaintiff’s trademark is ‘hansa parts’, the word HANSA is more prominent and it is the Plaintiff’s submission that its trademark is commonly called, pronounced, known and recognized as HANSA. As such, I am of the considered opinion that by sound and pronunciation, both marks are the same or nearly resembled each other. Therefore, the likelihood of confusion is unavoidable.

[15] In **Sinma Medical Products (M) Sdn Bhd v. Yomeishu Seizo Co Ltd & Ors** (2004) 3 CLJ 815, the *Court of Appeal* held that the trademark “Chinese Yang Ming Jiu” was *phonetically similar* to “Yomeishu” (as the Chinese kanji characters were the same). The *Court of Appeal* adopted the ***phonetic similarity*** test in the **House of Lords** case of **Aristoc LD v. Rysta LD (1969) RPC 472**. At pages **823e - 844f**, the **Court of Appeal** held that:

“Section 14 of the Act states:

(1) *A mark or part of a mark shall not be registered as a trade mark:*

(a) *If the use of which is likely to deceive or cause confusion to the public or would be contrary to law;*

However, the Act does not expressly limit the terms “likely to deceive” or “cause confusion” under s. 14(1)(a) to exclude phonetic confusion; neither is visual similarity an essential pre-condition ...

In Aristoc Ld v. Rysta Ld [1945] 62 RPC 65 ... The House of Lords upheld ... and refused registration ... based solely and purely on phonetic confusion. The following passages from the judgements of the three law lords are significant:

Per Viscount Maugham:

The answer to the question whether the sound of one word resembles too nearly the sound of another ...

The court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description, but also of the shop assistant ministering to that person’s wants.

Per Lord Macmillian:

*Lastly, I find myself in agreement ... the proposed trade mark `Rysta' **ought not to be registered because it so nearly resembles phonetically the appellants' trade mark `Aristoc' as to be likely to cause confusion ...***

Per Lord Wright:

*The central question, that is, the degree of similarity between the appellants' and the respondents' mark is, it is true, one which depends on the **judge's personal impression** whether visual or phonetic. He cannot shelter under another judge's decision. **But he has to envisage the circumstances in which visual or phonetic confusion is or is not likely to arise ...***

*Thus, a mark the use of which is likely to deceive or cause confusion to the public is **a mark which ought never in the first place to have been registered in the Trade Mark Register, and if it had been, the court, pursuant to s. 45 of the Act, has power to expunge it.**"*
(emphasis added)

- [16] From the decisions in **BALI Trademark (1969)** and in **Sinma Medical Products**, the “*phonetic confusion or resemblance*” is a crucial consideration and test under s. 14(1)(a) of the TMA 1976, i.e. whether phonetically (by sound) the 2 marks closely resembled one another as to likely to deceive or cause confusion.

[19] On this point, I agree with the submission of learned Counsel for the Plaintiff that ‘Goods’ are not relevant and is not a factor for consideration under s. 14(1)(a) of the TMA 1976. This very issue was canvassed in the **BALI Trade Mark** case where the House of Lords held that ‘goods’ is not a requirement under s. 11 of the English Trade Marks Act (equivalent to our s. 14(1)(a)). At page 487, the Law Lords held as follows:

“In section 11 there is no requirement that the likelihood of deception or confusion should result from the fact of identity with or near resemblance to a trade mark belonging to a different proprietor which is already on the register in respect of the same goods or description of goods. Section 11 is really a very general provision ...

It is to be noted that section 11 is mandatory in that it provides that it shall not be lawful to register certain marks. The section makes it unlawful to register either as a trade mark or as part of a trade mark (a) any matter the use of which would by reason of its being likely to deceive or cause confusion or otherwise be disentitled to protection in a court of justice ...”

Issue (ii) – section 19 (1) of the TMA 1976

[20] The second ground of objection is premised on section **s. 19(1) of the TMA 1976** which reads:

“(1) No trade mark shall be registered in respect of any goods or description of goods –

(a) that is identical with a trade mark belonging to a different proprietor and entered in the Register in respect of the same goods or description of goods ... that are closely related to those goods; or

(b) that so nearly resembles such a trade mark as is likely to deceive or cause confusion.”

[21] With regards to section 19(1)(b) of the TMA 1976, the findings of the Registrar reads as follows:

*“In order for Section 19(1) of the Act to apply, there must be, at the relevant date, a registered trade mark which is identical to or so nearly resembles the Applicant mark as is likely to cause confusion to the public, in respect of the same goods or goods of the same description. Nevertheless, in the present case, I find that that the Opponent’s mark was registered after the relevant date and that the **Opponent’s goods are also neither the same with nor have the same description with the Applicant’s goods.** The requirements under this provision are not met and as such, the opposition under this provision must fail”*

[22] The 2nd Defendant’s trademark application no. 96000854 was filed on the **24.1.1996**. It is the submission of the Plaintiff that it

had used the HANSA trademark in Malaysia way before 24/1/1996. The Plaintiff submits that their HANSA trademark was already in existence 4 years before the 2nd Defendant's use or proposed use of its HANSA trademark in 1996 and that it has used its trademark consisting of the word HANSA since 1992.

[23] Having considered the affidavit evidence, I am of the considered opinion that the Plaintiff had adduced enough evidence of its use of the trademark consisting of the word HANSA in Malaysia since 1992 [see *Exhibit "E" Affidavit Plaintiff 1* : p 571 (year 1992), p 555-570 (year 1993), p 521-554 (year 1994), p 422-520 (year 1995), p 238-421 (year 1996), p 79-237 (year 1997) and p 49-78 (year 98)]. In the said documents consisting of invoices, it shows the sale of the HANSA trademark/branded products of the Plaintiff and the HANSA trademark and brand is known in short as "HS" (product brand code) (see p 573 Exhibit "E" Affidavit Plaintiff 1)

[24] The next issue then is whether the Plaintiff's Class 12 goods or description of goods ("starter and cables") is the **same or closely related** to the goods or description of goods of the 2nd Defendant's trademark application no. 96000854 ("inner tubes for motor cycle, scooter, motor car, light truck, lorry & bus, forklift & tractor, curing tubes").

[25] In the case of **Yong Teng Hing B/S Hong Kong Trading Co & Anor v. Walton International Ltd** (supra) the Federal Court held at p 355D-G:

*“[31] We find that the appellant’s and respondent’s goods in **Classes 9 and 25** are fashion wear which shared similar nature and purpose. Optical and sunglasses in Class 9 are fashion products. Likewise, articles of clothing and leather goods such as belts and bags in Class 25 are also fashion products. Both the appellant’s and the respondent’s goods are targeted at the same customers and made available through the similar retail channels and are commonly found to be sold together or next to each other in departmental stores, retail stores and fashion boutiques. We are of the view that just because the goods are classified in different classes it does not mean that there will be no likelihood of confusion in the use of identical trade marks by two different proprietors. In the case of *McCormick & Company Inc v. McCormick* [2000] FCA 1335, the Federal Court of Australia held that spices and instant butter are goods of the same description and emphasized that the classification contained in the schedules to the Trade Mark Rules are not a decisive criterion as to whether or not two sets of goods are of “the same description”. Further, it was stated also the expression “goods of the same description” is not to be construed restrictively and regard is paid to the commercial context in which the goods in question are bought and sold” (emphasis added)*

[26] It would seem that goods or description of goods are considered closely related if they “*shared similar nature and purpose*”. It *does not* matter what the classification of goods is. In any event, both the Plaintiff’s and the 2nd Defendant’s goods are classified in the same Class 12, *i.e. goods for vehicles by land, air or water*.

[27] Class 12 goods are goods for use in vehicle by land, air or water. In the present case, it involves land vehicles. The Plaintiff’s cables and starters are used for vehicles in Class 12. The 2nd Defendant’s inner tubes are also for use in vehicles namely land vehicles (motor car, light truck, lorry & bus, forklift & tractor) also in Class 12. It is not in dispute that that the Plaintiff’s goods are commonly and usually sold in the same trade channels (shops) as the 2nd Defendant’s goods (inner tubes). Both goods are of similar nature and purpose, *i.e. goods used for land vehicles sold in the same trade channels (shops) targeted at the same type of customers (vehicle owners)*.

[28] In the premise, I am of the considered opinion that the objection premised on s. 19(1) is valid. With regards to section 19(1)(b), my findings on phonetic confusion under section 14(1)(a) is applicable. As the word ‘HANSA’ is phonetically identical in terms of pronunciation and sound, there is a likelihood of confusion.

Conclusion

[29] In the premise, I am of the considered opinion that the decision of the Registrar is premised on wrong facts and based on a misapplication of the law. There is enough evidence to show that

the Plaintiff had used the trademark consisting of the word HANSA in Malaysia since 1992. The use of the trademark consisting of the word 'HANSA' by the 2nd Defendant is likely to cause confusion or deception to the public contrary to section 14(1)(a) and s. 19(1) of the TMA 1976. As such, the 2nd Defendant's trademark application no. 96000854 is not registrable and the Registrar's decision to register the same is erroneous in law. In the premise, the Plaintiff's appeal is allowed and the Originating Summons is allowed with costs.

[30] As I have allowed the appeal premised on sections 14(1)(a) and 19(1) of the TMA 1976, there is no necessity for me to consider the objections premised on section 25(1) and 10(1)(e) of the TMA 1976.

(DATIN AZIZAH HAJI NAWAWI)
JUDICIAL COMMISSIONER
HIGH COURT
(Commercial Division)
KUALA LUMPUR

Dated: 8 July 2014

For the Plaintiff : PC Kok/PC Ng
Messrs PC Kok & Co.

For the Defendant 2 : Nurul Asyikin
Messrs Abbas & Ngan

