

Bills Committee on Trade Marks Bill

Clause 53 - Alteration of registered trade mark

Introduction

As requested by the Bills Committee at its meeting on 16 March 2000, this note sets out the position on alteration of registered marks under the current Trade Marks Ordinance as well as our understanding of overseas practice on this issue.

Trade mark owner can use his mark in varying forms

2. Nothing in the Trade Marks Bill, or in the present Trade Marks Ordinance, prevents a trade mark owner from using his registered mark in varying forms. As stated in paragraph 15-41 of Kerly's Law of Trade Marks and Trade Names (12th edition.), the use by a registered proprietor of his mark in a form different from that for which he has obtained registration is perfectly lawful, provided it is not an infringement of any other person's mark or a breach of any agreement binding on him. An owner does not need to alter his mark on the register to be able to use it in a varied form.

3. It is also well settled that use of a varied mark by the plaintiff does not in any way stop him from proceeding against infringers.

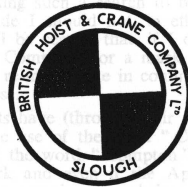
4. By virtue of Clause 50(3) of the Bill, a registered mark cannot be revoked on the ground of non-use if the mark, although not used in exactly the form in which it was registered, has been used in a form, while differing in elements, do not alter the distinctive character of the trade mark in the registered form. There is therefore no need to alter a mark on the register to avoid revocation.

Current Law

5. Under Section 51(1) of the Trade Marks Ordinance, the registered proprietor of a trade mark may apply to the Registrar for leave to add or alter the trade mark in any manner not substantially affecting the identity thereof. This provision is similar to Section 35(1) of the UK Trade Marks Act 1938 and Section 21(1) of the Australia Trade Marks Act 1955.

6. The test of whether a proposed amendment will substantially affect the identity of a mark is not an easy one to apply. Decisions in the area are sometimes difficult to reconcile.

7. In *British Hoist & Crane Co. Ltd's Trade Mark* (1955) 72 RPC 66 (Ch.D.), the registered mark was -



Having moved their works from Slough to Compton, the registered proprietor applied to substitute the word “Slough” on the mark with “Compton”.

8. The Court upheld the Registrar’s refusal of the alteration on the ground that “Compton”, being a well-known surname, might not be understood as having a merely geographical significance. The Registrar said that an alteration is not necessarily admissible simply because it is minor as regards its physical relationship to the mark as a whole, and that “by ‘identity’ is meant the feature or features by which the mark will be recognised in its function of distinguishing the proprietor’s goods from the similar goods of other traders”. He considered that the introduction of an entirely new factor, namely a common surname, altered this identity.

9. In *Otrivin Trade Mark* [1967] RPC 613, the proprietors of the registered mark “OTRIVIN” applied to alter the mark to “OTRIVINE”. On appeal, the tribunal agreed with the Registrar’s approach that the Registrar should consider whether the alteration is of such a nature that it would have affected the scope of investigations for conflict with other registered marks. It was held that the Registrar was right to decide that the addition of the letter “E” to “OTRIVIN” might effectively change the look

and the pronunciation of the word, and that investigations for conflict with other marks on “OTRIVIN” could not be regarded as covering “OTRIVINE” just as well.

10. The *Otrivin* case may be contrasted with *Pelican Trade Mark* [1978] RPC 424, where the following alteration was allowed on appeal -


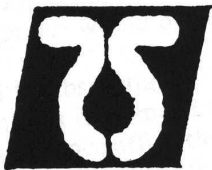



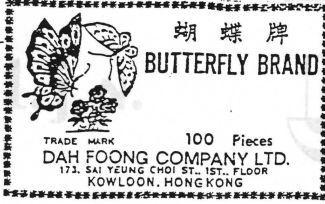
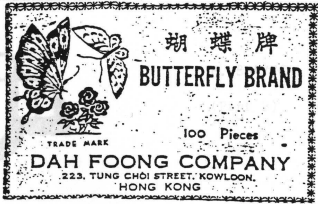
Registered Mark

Pelican

Amended Mark

Pelikan

11. Some further examples of alteration of marks cases are given below.

Registered Mark	Proposed amended mark	Decision	Remarks
		refused	<i>Seaforth Maritime Ltd's Trade Mark</i> [1993] RPC 72
		refused	<i>Re Office Systems Ltd</i> [1995] AIPR 625 (HK Registry)
		allowed	HK Registry (unreported)
		allowed	HK Registry (unreported)

Trade Marks Bill

12. The Bill allows alteration of a mark on the register only in very limited circumstances, essentially where the owner's name and address appears in the mark and the owner or his address has changed. In these circumstances, it is recognised that the owner has a particular interest in altering his mark on the register. The name or address in the mark could be altered only to the extent that the alteration does not substantially affect the identity of the mark. A trade mark owner cannot alter his mark on the register in other respects.

Restrictive Approach to Alteration

13. It is submitted that the restrictive approach to alteration as proposed in the Bill is appropriate. The factors for consideration are set out below.

(A) Scope of registration

An alteration of a mark must to some degree affect the scope of its registration, and could affect third parties' interests. The rights in the amended mark effectively dates back to the date of registration of the mark. Allowable alteration should therefore be minimal.

(B) Necessity for alteration

An owner does not need to alter his mark if he wishes to use it in a slightly varied form. Use of such slightly varied form is counted as use of the registered mark for the purpose of revocation proceedings on the ground of non-use. If an owner wants to make a more than minimal change to his mark, it is always open to him to apply for a further registration of the varied mark.

(C) Mutation of marks

In principle, a registered mark can remain in perpetuity and it is possible that a mark may be altered more than once. When a mark is altered, the originally registered mark disappears from the register. It is possible that after repeated alterations, each involving a small change, the aggregate alteration as compared with the originally registered mark could be considerable.

(D) Convention Priority

A proprietor who has applied for registration of a mark in a Convention country may claim the same priority date for his Hong Kong application as the other Convention country application if the Hong Kong application is made within 6 months from the date of the Convention country application (Section 13A, Trade Marks Ordinance; Clause 39, Trade Marks Bill; and Article 4, Paris Convention). However, the mark applied for in the Convention country must be identical to the mark lodged in Hong Kong if it were to claim the same priority date.

Where Convention priority is accorded, therefore, alteration of the mark during the application stage is not allowed, since if the owner had applied for registration of the varied form of the mark in Hong Kong, Convention priority would not have been accorded. To subsequently allow amendment of the registered mark would seem to be illogical, since the Convention priority date has already been accorded and translated into the date of registration.

(E) Factually indistinctive marks

There has been uncertainty as to whether marks which are not inherently distinctive but have acquired distinctiveness through use can be allowed to be altered. Evidence of use is usually scrutinised with great care, and only use of the mark in the exact form applied are considered. It would be odd if after registration, such mark is allowed to be altered.

(F) Foreign practices

The existing Hong Kong practice is similar to the pre-1994 UK practice and the pre-1995 Australian practice. The leading UK cases in alteration of marks have been applied in Australia and Hong Kong.

Clause 53 of the Bill is similar to Section 44 of the UK Trade Marks Act 1994 and Section 20 of the Singapore Trade Marks Act 1998. The Australia Trade Marks Act 1995 no longer has provision for alteration of marks.

UK, Singapore and Australia have thus moved towards a very

restrictive approach to or even disallowing alteration of marks, whereas Ireland and India still retain the same yardstick for alteration of marks as Section 51 of our existing Trade Marks Ordinance.

The provisions in these jurisdictions are set out in the *Annex*.

(G) Role of Registry under the Bill

A principle of the Trade Marks Bill is that trade mark owners are best able to look after their proprietary interests and that the Registrar should not be required to interfere unnecessarily. The Registrar will no longer, for example, vet licences or assignments of registered trade marks. Similarly, it is up to the registered owner to decide whether the varied form of his registered mark is so close to the registered form that the registration effectively covers it, or whether he should safeguard his interest by applying for a separate registration to cover the variation.

Conclusion

14. We believe a trade mark owner's decision to use his mark in varying forms is a decision to be made without recourse to the Registrar. The register is primarily a record of fact. It records the fact that the mark applied for has been registered. Any subsequent use of variants of the mark by the owner can be judged against the unvarying registration. For these reasons, the Bill only provides for alteration of marks on the register in very limited circumstances.

Trade and Industry Bureau
April 2000

[d1\22\tmb-alteration]

UK Trade Marks Act 1994

Section 44 -

“(1) A registered trade mark shall not be altered in the register, during the period of registration or on renewal.

(2) Nevertheless, the registrar may, at the request of the proprietor, allow the alteration of a registered trade mark where the mark includes the proprietor's name or address and the alteration is limited to alteration of that name or address and does not substantially affect the identity of the mark.”

Singapore Trade Marks Act 1998

Section 20 -

“(1) Subject to subsection (2), a registered trade mark shall not be altered in the register, either during the period of registration or on renewal.

(2) The Registrar may, at the request of the proprietor, allow the alteration of a registered trade mark where the mark includes the proprietor's name or address and the alteration is limited to alteration of that name or address and does not substantially affect the identity of the mark.”

Australia Trade Marks Act 1995

No provision for alteration of mark.

Section 7(1) provides that -

“If the Registrar or a prescribed court, having regard to the circumstances of a particular case, thinks fit, the Registrar or the court may decide that a person has used a trade mark if it is established that the person has used the trade mark with additions or alterations that do not substantially affect the identity of the trade mark.”

Ireland Trade Marks Act 1996

Section 49(1):

“The proprietor of a registered trade mark may apply in the prescribed

manner to the Controller for leave to add to or alter the trade mark in any manner which does not substantially affect its identity; and the Controller may refuse leave or grant it on such terms and subject to such limitations as the Controller thinks fit.”

India Trade Marks Act 1999

Section 59(1) -

“The registered proprietor of a trade mark may apply in the prescribed manner to the Registrar for leave to add or alter the trade mark in any manner not substantially affecting the identity thereof, and the Registrar may refuse leave or may grant it on such terms and subject to such limitations as he may think fit.”