M A L A Y S I A

IN THE FEDERAL COURT OF MALAYSIA

(APPELLATE JURISDICTION)

CIVIL APPLICATION NO. 08(f) – 158 – 2010 (W)

BETWEEN

1. YONG TENG HING B/S HONG KONG TRADING CO.	**…**	**APPELLANT**
2. PENDAFTAR CAP DAGANG, MALAYSIA	**…**	**INTERESTED PARTY**

AND

WALTON INTERNATIONAL LIMITED	**…**	**RESPONDENT**

(In the matter of Civil Appeal No. W – 02 – 685 – 2008
In the Court of Appeal Malaysia at Putrajaya

Between

Walton International Limited	... Appellant

And

1. Yong Teng Hing B/S Hong Kong Trading Co.	... Respondent
2. Pendaftar Cap Dagangan, Malaysia	... Interested Party)

Coram: Richard Malanjum, CJSS
Zulkefli Bin Ahmad Makinudin, FCJ
Mohd. Ghazali Bin Mohd Yusoff, FCJ

RULING OF THE COURT

Introduction

1. This is an application [Enclosure 2 (a)] by the Applicant for leave to appeal against the judgment of the Court of Appeal given on 11.5.2010.

2. In making its application the Applicant has submitted several proposed questions in its attempt to meet the requirements of section 96(1) of the Courts of Judicature Act 1964 ("CJA").

3. The proposed questions read thus:

   (a) '*Whether the first user and applicant for registration of a trade mark for goods included in a particular class in the Third Schedule of the Trade Mark Regulations 1983 or the Trade Marks Regulations 1997, is deemed to be the true proprietor of the said trade mark over the another who has not shown prior use of an identical or similar trade mark in relation to goods in the same class;*

(b) Whether the Court of Appeal acted correctly in law in omitting to follow the established tests to determine priorities, namely that first user in Malaysia of a trade mark on goods in a particular class, will defeat first application and if neither party has used the trade mark, the first to file the trade mark application will prevail, as decided by the Court of Appeal in Lim Yew Sing v Hummel International Sports & Leisure A/S (1996) 3 MLJ 7;

(c) Whether it is prejudicial to and against public interest to disallow the registration of a trade mark belonging to a person in relation to a particular class of goods which has co-existed in Malaysia for a substantial period of time with a similar mark belonging to another person in relation to a different class of goods;

(d) Whether the Applicant's use of the GIORDANO mark in relation to goods in Class 9, can lead to deception or confusion to the public under Section 14(a) of the Trade Marks Act 1976, by reason only of the Respondent's alleged reputation in respect of the GIORDANO mark in relation to goods in Class 25;

(e) *Where it is alleged in opposition proceedings under Section 28 of the Trade Marks Act 1976 that the applicant's trade mark is deceptively or confusingly identical or similar to the opponent's trade mark, must the opponent show that both parties compete in the same trade?*'

4. However, at the commencement of the hearing of Enclosure 2(a) learned counsel for the Respondent raised a preliminary objection (PO) in relation to jurisdiction of this Court to consider the application.

5. We heard the preliminary objection and indicated to the parties that we would deal with it first and that we would hear the merit of the application later on if the said preliminary objection is dismissed.

Background Facts

6. A Giordano Limited, the predecessor-in-title of the Respondent, had sold and exported substantial quantities of goods bearing "GIORDANO" trade mark, such as articles of clothing, watches

with leather straps, leather belts, eyewear including sunglasses, bags, wallets umbrellas and fashions accessories, to many other countries including Malaysia.

7. The Respondent and Giordano Limited are wholly owned subsidiaries of Giordano International Limited of Bermuda, a public listed company on the Hong Kong Stock Exchange.

8. By an assignment dated 5.3.1991, the “GIORDANO” trade mark and its other related trademarks worldwide including the goodwill and reputation thereof were assigned to the Respondent.

9. The Respondent is thus the registered proprietor of the trade mark ‘GIORDANO’ in and other related trademarks under Class 25 (for garments and wearing apparels; jeans, T-shirts, pouch, accessories, trousers, clothing, footwear and headgear and articles of clothing), Class 18 (for leather and imitations of leather, and goods made of these materials and not included in other classes, animal skins, hides, trunks and travelling bags, umbrellas, parasols and walking sticks, whips, harness and saddlery); and Class 13 (for GIORDANO ladies) in Malaysia.

10. In 1986 the Applicant as the sole proprietor of an enterprise called the Hong Kong Trading Co. in Malaysia, started the business of selling watches with leather and imitation leather straps. And in 1992 it also began to sell optical and sun glasses and cases made of leather or imitation leather. All the goods sold by the Applicant carried the 'GIORDANO' trade mark. The Applicant had obtained the registration of the trade mark 'GIORDANO' under Class 14 as the Respondent failed to appeal against the registration in favour of the Applicant.

11. On 25.7.1992 the Applicant filed an application for registration of a trademark 'GIORDANO' with the Registry of Trade Marks Malaysia in respect of optical and sun glasses in Class 9 vide application no. 92/05211. The application was published in the Government Gazette dated 8.6.1995.

12. The Respondent filed its opposition to the application by the Applicant on the basis, inter alia, that:

    (a) the "GIORDANO" trade mark applied for by the Applicant was identical or similar to the Respondent's "GIORDANO" trade mark and which it had acquired substantial goodwill

and reputation in Hong Kong and elsewhere, including Malaysia, even before the Applicant filed its application; and

(b) the Respondent's predecessor-in-title, Giordano Limited, is the originator and/or the *bona fide* proprietor of the said trade mark.

13. The Registrar of the Trade Marks dismissed the opposition by the Respondent. An appeal to the High Court against the Registrar's decision was made vide Kuala Lumpur High Court Notice of Originating Motion No. R1-25-177-2003. On 23.2.2007 the learned High Court Judge dismissed the appeal.

14. The Respondent appealed to the Court of Appeal against the decision of the High Court. The appeal was allowed on 11.5.2010.

15. It is against the decision of the Court of Appeal that this application is now made before this Court.

The Preliminary Objection

16. In considering the preliminary objection and for convenience, the relevant statutory provisions are reproduced as follows:

Trade Marks Act 1976 (“TMA”)

‘**Section 3: Interpretation** –

"*Court*" means the High Court;

"*prescribed*" means, in relation to proceedings before the Court or preliminary thereto or connected therewith, prescribed by rules of court made by the Rules Committee constituted under the Courts of Judicature Act 1964, and in other cases, prescribed by this Act or any regulations made thereunder;

"*Registrar*" means the Registrar of Trade Marks designated in subsection (1) of section 4;

‘**Section 28: Opposition to registration**

(1) Any person may, within the prescribed time from the date of the advertisement of an application for the registration of a trade mark, give notice to the

Registrar and applicant of opposition to the registration.

(2) The notice shall be given in writing in the prescribed manner and shall include a statement of the grounds of opposition.

(3) The applicant shall, within the prescribed time after the receipt of the notice of opposition, send to the Registrar and the opponent a counter-statement, in the prescribed manner, of the grounds for his application, and, if he does not do so, he shall be deemed to have abandoned his application.

(3A) If the applicant submits a counter-statement under subsection (3), the opponent and applicant shall file evidence and exhibits in the prescribed manner and within the prescribed time in support of the opposition or the counter-statement, as the case may be, to be adduced in the prescribed manner, and if the opponent or applicant fails to do so, the

opposition or application, as the case may be, shall be treated as abandoned.

(3B) If the applicant files evidence and exhibits under subsection (3A), the opponent may, within the prescribed time, send to the Registrar and applicant evidence in reply to be adduced in the prescribed manner.

(4) After considering the evidence and exhibits and after giving the applicant and the opponent an opportunity of making written submissions, the Registrar shall decide whether –

(a) to refuse to register the trade mark;

(b) to register the trade mark absolutely; or

(c) to register the trade mark subject to such conditions, amendments, modifications or limitations as he may think fit.

(5) *A decision of the Registrar under subsection (4) is subject to appeal to the Court.* (Emphasis added)

(6) An appeal under this section shall be made in the prescribed manner and the Court shall, if required, hear the parties and the Registrar, and shall make an order determining whether, and subject to what conditions, amendments, modifications or limitations, if any, registration is to be permitted.

(7) On the hearing of an appeal under this section any party may, either in the manner prescribed or by special leave of the Court, bring forward further material for the consideration of the Court but no further grounds of objection to the registration of a trade mark shall be allowed to be taken by the opponent or the Registrar other than those stated by the opponent except by leave of the Court.

(8) Where any further grounds of objection are taken the applicant shall be entitled to withdraw his application without payment of the costs of the opponent on giving notice as described.

(9) In any appeal under this section the Court may after hearing the Registrar, permit the trade mark proposed to be registered to be modified in any manner not substantially affecting the identity of the trade mark, but in any such case the trade mark as modified shall be advertised in the prescribed manner before being registered.

(10) If a person giving notice of opposition or an applicant sending a counter-statement after receipt of such a notice, or an appellant, neither resides nor carries on business in Malaysia, the Registrar or the Court may require him to give security for costs of the proceedings relative to the opposition, application or appeal, as the case may be, and in default of such security being duly given, may treat the opposition, application, or appeal, as the case may be, as abandoned.'

Rules of the High Court 1980 (RHC)

'*O.87 r.2 Application, by notice of motion*

Applications to the Court under the Act may be made by notice of motion.'

'*O. 87 r. 3 - Appeals by notice of motion*

Appeals to the Court under the Act shall be given by notice of motion within one calendar month from the date of decision appealed against'.

Submissions By Counsel

17. To substantiate the PO learned counsel for the Respondent submitted the following points:

(a) When considering the matter against the decision of the Registrar of the Trade Marks the High Court was hearing it as an appellate court. As such the final appeal should be in the Court of Appeal in view of section 96(a) of the CJA and reference made to ***Lee Soo Chuan v Lai Ah Lan and Anor (1972) 3 MLJ 33***. It was also submitted that the decision in ***Sundaram v Chew Choo Khoon (1968) 2 MLJ 40*** was wrong in law;

(b) That when hearing the opposition filed by the Respondent the Registrar of Trade Marks was exercising a judicial or quasi-judicial function including the exercise of discretion as in a court of law. And any party dissatisfied with the decision of the Registrar may 'appeal' to the High Court (section 28 (5 and 6) of the Act and O.87 r.3 RHC) as opposed to 'application' (O. 87 r. 2);

(c) That sections 45 and 46 of the Act specifically provide for an 'application' to be made and section 69 of the same Act provides for 'review' of any decision to the Court. In both proceedings the High Court is exercising its original jurisdiction; and

(d) That sections 25(5), 28(5), 43(3), 44(3), 47, 49 and 55 of the Act expressly allowed decisions as appealable.

18. In response learned counsel for the Applicant contended as follows:

(a) that the proceeding before the High Court was an exercise of its original jurisdiction relying on the decision in ***Sundaram v Chew Choo Khoon (supra)****;* and

(b) the Registrar is not an inferior court within the meaning of section 3 of CJA.

Decision Of The Court

19. We have considered the PO and in our view it should be dismissed. We arrived at our decision after reviewing the relevant statutory provisions and case law.

20. Broadly the reasons are:

(a) That the appellate jurisdiction of the High Court is in respect of decisions of subordinate courts as stipulated under the existing relevant statutory provisions and case law;

(b) That the Registrar of Trade Marks does not come within the meaning of subordinate court under the existing

relevant statutory provisions and as such a decision of the Registrar is not a decision of a subordinate court;

(c) That when hearing an appeal against a decision of the Registrar of Trade Marks the High Court is exercising its original jurisdiction;

(d) That the word 'appeal' in a given statute does not necessarily an appeal as ordinarily understood. It depends on the context it is used; and

(e) That since it is a decision of the High Court exercising its original jurisdiction it comes within the ambit of section 96 (a) of the Courts of Judicature Act (CJA).

21. We begin with the appellate jurisdiction of this Court.

22. Section 96(a) of CJA provides:

Section 96: Conditions of Appeal

Subject to any rules regulating the proceedings of the Federal Court in respect of appeals from the Court of

Appeal, an appeal shall lie from the Court of Appeal to the Federal Court with the leave of the Federal Court:

(a) from any judgment or order of the Court of Appeal in respect of any civil cause or matter decided by the High Court in the exercise of its original jurisdiction involving a question of general principle decided for the first time or a question of importance upon which further argument and decision of the Federal Court would be to public advantage. [Emphasis added]

23. Thus, it must be that the '*cause or matter must have been decided by the High Court in its original jurisdiction'*. (See: ***Terengganu Forest Products Sdn Bhd v. Cosco Container Lines Co Ltd & Anor [2011] 1 CLJ 51***).

24. It is equally clear that in civil matters where the High Court exercises its appellate jurisdiction (i.e. in appeals arising from the subordinate courts), the matter ends at the Court of Appeal and no appeal lies to this court. (See: ***Abdul Ghaffar Md Amin v. Ibrahim Yusof & Anor [2008] 5 CLJ 1*** and ***Sia Cheng Soon & Anor v. Tengku Ismail Tengku Ibrahim [2008] 5 CLJ 201***).

25. And while it is quite easy to determine the exercise of jurisdiction of the High Court if a cause or matter originated within the judicial hierarchy, the PO poses two inter-related questions, namely,

(a) whether the Registrar of Trade Marks is an "inferior court" so as to categorize it as a "subordinate court" pursuant to section 3 of the CJA; and

(b) whether the High Court was exercising its original jurisdiction or its appellate jurisdiction when hearing an appeal from the decision of the Registrar of Trade Marks under section 28 (5) of the Act.

Whether the Registrar of Trade Marks is an "inferior court" so as to categorize it as a "subordinate court" pursuant to section 3 of the CJA

26. Our answer to this question is in the negative. Our reasons are two fold, statutory and case law:-

(a) <u>The statutory provisions</u>:

i. Article 121(1) of the Federal Constitution (FC) states clearly:

> (1) There shall be two High Courts of co-ordinate jurisdiction and status, namely -
>
> *(a)* one in the States of Malaya, which shall be known as the High Court in Malaya and shall have its principal registry at such place in the States of Malaya as the Yang di-Pertuan Agong may determine; and
>
> *[Am. Act A1260]*
>
> *(b)* one in the States of Sabah and Sarawak, which shall be known as the High Court in Sabah and Sarawak and shall have its principal registry at such place in the States of Sabah and Sarawak as the Yang di- Pertuan Agong may determine;
>
> *(c) (Repealed),*

and such inferior courts as may be provided by federal law and the High Courts and inferior courts shall have such jurisdiction and powers as may be conferred by or under federal law. [Emphasis added]

ii. The Subordinate Courts Act 1948 (SCA) is the federal law that provide for the creation of inferior courts. Its preamble states thus: an "*Act relating to the inferior courts*." And section 3(2) of SCA stipulates as follows:

(2) There shall be established the following

Subordinate Courts for the administration of civil and criminal law –

(a) Sessions Courts;

(b) Magistrates' Courts; and

(c) in West Malaysia only, Penghulu's Courts.

iii. Section 3 of the CJA defines "subordinate court" to mean "*any inferior court from the decisions of which*

by reason of any written law there is a right of appeal to the High Court and means in relation to the High Court any such court as by any written law has jurisdiction within the local jurisdiction of the High Court."

iv. The preamble of the Subordinate Court Rules Act 1955 ("SCRA") states that it is "*an Act for regulating and prescribing practice and procedure in proceedings in the Subordinate Courts in Malaysia*." Section 2 states that the words "subordinate court" is to bear the same meaning as provided for under section 3 of the CJA. Section 3 deals with the establishment of the Subordinate Courts Rules Committee and the duties of the said Committee are prescribed under Section 4 of the same Act, which includes prescribing the procedure for appeals from the Subordinate Court to the High Court.

v. The Subordinate Court Rules 1980 ("SCR"), which was created pursuant to the SCRA describes the applicability of the SCR and expressly states that it applies to the Sessions Court and the Magistrates

Court respectively in relation to their civil jurisdiction (Order 1 rule 2). It does not state that it applies to other courts or tribunals. Order 1 rule 6 of the SCR provides for the definition of some salient terms, *inter alia*, the interpretation of “Court” and “Judge”. A Court is defined to mean “*a Sessions Court or a President whether sitting in Court or in Chambers and includes, in cases where he is empowered to act, a Magistrate*”, whereas a Judge is defined as “a President of the Sessions Court and includes, in cases where he is empowered to act, a Magistrate or the Registrar” that is the Registrar of the Subordinate Courts.

vi. Order 49 of the SCR which deals with appeals to the High Court makes specific reference to appeals to the High Court from the Subordinate Courts which must necessarily refer to the Sessions Court or the Magistrates Court exclusively. Order 49 of the SCR does not make reference to appeals from statutory bodies or others.

vii. Whereas Order 55 of the RHC is entitled as follows – "*Appeals to the High Court from the Subordinate Courts and Statutory Bodies*". Hence there is a distinction made between Subordinate Courts and Statutory Bodies. The issue of what falls within the definition of a "Statutory Body" is answered in the same provision. While the said Order 55 deals primarily with appeals from subordinate courts, a specific provision under Order 55 rule 13 deals with "*Appeal from person or body of persons*". It expressly stipulates that "*where under any written law an appeal lies from any decision of any person or body of person to the High Court such appeal shall be made to the High Court....*". The phrase "*decision of any person or body of persons*" is sufficiently wide to include the present case as well as most other situations.

viii. Accordingly, the foregoing statutory provisions are clear in that subordinate courts or inferior courts only consist of the Sessions Court, the Magistrates

Courts, and the Penghulu Courts (West Malaysia only). The Registrar of Trade Marks is not included.

(b) <u>The Case Law</u>

27. Based on the judicial pronouncements by our Courts the general rule is that only the Sessions Courts and the Magistrates' Courts constitute the subordinate or inferior courts. For instance in ***<u>Sukma Darmawan Sasmitaat Madja v. Ketua Pengarah Penjara Malaysia [1999] 2 CLJ 707</u>*** this Court said this:

> '*Article 121 deals with the judicial power of the Federation. This Article established the two High Courts and "such inferior courts as may be provided by federal law, and the High Courts and inferior courts shall have such jurisdiction and powers as may be conferred by or under federal law."*
>
> *<u>The inferior courts ie, the Sessions Courts, the Magistrates' Courts and the Penghulu's Courts were established under s. 3 of the Subordinate Courts Act 1948</u>.*' (Emphasis added).

28. Meanwhile, there may be cases of appeals from tribunals considered by the High Court as appeals from the Subordinate Courts. In our view this is the exception to the general rule. Such approach was taken due to the clear provision in the legislations. An illustration for this can be found under the old section 21(2) of the Architects Act (since amended vide Act A1099).

29. The old section 21(2) of the Architects Act stipulates that "*the procedure governing such appeals to the High Court shall be the same as for appeals to the High Court from decisions of a Subordinate Court in civil matters.*" Thus in ***Abdul Halim Mohyiddin v. Malaysian Institute of Accountants [2001] 5 CLJ 541*** it was held that the appeal must be treated as if it were an appeal from the Subordinate Court under Order 49 of the SCR. In such instance we are of the view that the High Court is exercising its appellate jurisdiction and applying the exception rule.

30. Similarly, in ***Lee Soo Chuan v. Lai Ah Yan & Anor [1972] 2 MLJ 33***. Gill FJ in delivering the judgment of the former Federal Court held that "*an appeal from the decision of a senior inspector of mines must be brought in the same way as a civil*

appeal from a sessions court or a magistrate's court, that is, in accordance with the procedure laid down in Order XXXIX of the Subordinate Courts Rules, 1950 followed by the procedure contained in Order 59, rules 1 and 2 of the Rules of the Supreme Court, 1957." Again we would opine that in hearing the appeal the Court there was exercising its appellate jurisdiction as the relevant legislation brought the matter within the exception rule.

31. However, in an earlier case of ***Sundaram v. Chew Choo Khoon [1968] 2 MLJ 40*** the High Court (Chang Min Tat J. as he then was) was faced with an appeal from the decision of the Collector of Land Revenue. The relevant provision was section 37 of the National Land Code 1965 ("NLC") which provided that an appeal from any decision or order given in any enquiry shall lie to the High Court under section 418 of the same. Section 418 of the NLC, in particular subsection (2) stipulates that such appeal shall be made in accordance with the provisions of any written law for the time being in relation to civil procedure.

32. The learned judge after considering the same said that "*to my mind, the answer lies in the fact that a statutory body vested with*

certain judicial functions and powers as, for example, a Collector of Land Revenue sitting in an enquiry on a chargee's foreclosure application, is not a subordinate court within the scope and meaning of section 3 of the Courts Ordinance No. 43 of 1948. In my view, it cannot, therefore, be said that an appeal from a decision of any such statutory body, where allowed by statute, is a continuation of judicial process in the sense that an appeal from a subordinate court to the High Court, or from the High Court to the Federal Court is, though the process of an appeal from a statutory body is, by its nature, a review of the proceedings therein and, therefore, of the nature of a rehearing."

33. It is to be noted that ***Sundaram case*** (supra) was cited in ***Lee Soo Chuan*** (supra) but on a different procedural point. The ratio was not overruled.

34. But there is no conflict between ***Sundaram case*** (supra) and ***Lee Soo Chuan*** (supra).

35. In ***Sundaram case*** (supra) the Court was applying the general rule. There was no statutory provision stipulating that the appeal was to be treated as if it was from a decision of the Subordinate

Courts. Hence, the Court there found that the appeal was an origination and not a continuation of the judicial process.

36. Whereas in ***Lee Soo Chuan*** case (supra), the Federal Court in applying the exception rule was dealing with section 136 of the then Mining Enactment which stipulates that an appeal against the senior inspector of mines shall lie to the High Court and such appeal shall proceed in the matter provided by Chapter XXX of the Criminal Procedure Code, which is the procedure governing the appeal from the decision of a Magistrate or a president of the Sessions Court to the High Court.

37. Therefore, ***Sundaram*** was a good illustration of where the general rule was applied, whereas ***Lee Soo Chuan*** is authority in support for the exception to the general rule. As such both remain as good law.

38. Again in ***Austral Amalgamated Tin Bhd v. Abdul Wahab Kupon & Ors [2004] 2 CLJ 316*** the Court of Appeal had the opportunity to consider the position of the Labour office in relation to section 69 of the Employment Act. This is what the Court said:

‘*With regard to the second issue, we hold that the labour office is not a "subordinate court" under the CJA. Section 28 of the CJA which deals with civil appeals from subordinate courts reads as follows:*

> *28. Civil appeals from subordinate courts.*
>
> *(1) Subject to any other written law, no appeal shall lie to the High Court from a decision of a subordinate court in any civil cause or matter where the amount in dispute or the value of the subject-matter is ten thousand ringgit or less except on a question of law.*
>
> *Under s. 3(2) of the Subordinate Courts Act 1948 (Act 92), it is clearly specified that only the following courts are termed as subordinate courts, namely:*
>
> *(a) Sessions Courts;*
>
> *(b) Magistrates' Courts; and*
>
> *(c) in West Malaysia only, Penghulu's Courts.*

Labour office is not included in the said list. Thus, the labour office is not a court.

The inquiry that was conducted by the senior labour officer in the present case is the inquiry by virtue of the powers under s. 69 of the EA given to the Director General of Labour to inquire into any dispute between an employee and his employer. It is only an inquiry and not a court proceeding. It is therefore erroneous to classify the labour office as an "inferior court" in the definition of "subordinate court" under s. 3 of the CJA or a Labour Court as it is normally called, ***simply because the*** *Labour Office is not a court in the first place*.' [Emphasis added]

39. The view expressed in ***Austral Amalagamated*** case (supra) was cited with approval by another panel of the Court of Appeal in the case of ***Ketua Pengarah Buruh v. Britannia Brands [2010] 6 CLJ 370***.

40. With respect we are inclined to agree with the decisions of the Court of Appeal. Clearly therefore that our Courts in considering

matters as the present case recognise that the provisions of the governing legislations dictate whether the general or the exception rule apply.

41. Thus for the case at hand, in the absence of any express provision in the Trade Marks Act 1976 stipulating that an appeal from the Registrar of Trade Marks should be treated as though it was an appeal from a Subordinate court, we are of the view that the appropriate avenue should be Order 55 rule 13 of the RHC and not Order 49 of the SCR. It follows that the Registrar of Trade Marks is not a subordinate court since it is not provided for in section 3 of the SCA. There should therefore be no question of his decision coming before the High Court as an appeal similar to decisions of the Session Court or the Magistrate Court.

Whether the High Court is exercising its original jurisdiction or its appellate jurisdiction when hearing an appeal from the decision of the Registrar of Trade Marks under section 28 (5) of the Act

42. In our view when the High Court hears an appeal from the decision of the Registrar of Trade Marks under section 28(5) of

the Act it is exercising its original jurisdiction. The statutory provisions and case law support this preposition.

(a) <u>The Statutory Provisions</u>

43. Without prejudice to the concept of inherent powers of the courts the inherent powers of the courts which in our view remain intact and cannot be taken away by any means whatsoever as it is the ultimate source for the courts in the administration of justice, Article 121(1) of the FC provides that the High Court shall have such jurisdiction and powers as may be conferred by or under federal law. This means that the jurisdiction and powers of the High Court are to be found in written law such as the CJA.

44. Section 27 the CJA states that:

> '*The appellate civil jurisdiction of the High Court shall consist of the hearing of appeals from subordinate courts as hereinafter provided.*'

45. A simple reading of the above provision would show that it is only intended for the subordinate courts.

46. Since the Registrar of Trade Marks does not fall within the definition of a subordinate court (or an inferior court for that matter), plainly the High Court is not therefore exercising appellate jurisdiction when hearing an appeal from a decision of the Registrar of Trade Marks.

47. Meanwhile, section 23 (2) of CJA stipulates the original jurisdiction of the High Court. It states that:

> '(*1) .....*
>
> *(2) Without prejudice to the generality of subsection (1), the High Court shall have such jurisdiction as was vested in it immediately prior to Malaysia Day and such other jurisdiction as may be vested in it by any written law in force within its local jurisdiction*'. (Emphasis added).

48. Thus, it is established that the High Court possesses original jurisdiction where it is expressly provided for by written law. One instance of a written law giving such jurisdiction is section 28(5) of the Act. As such when a decision of a Registrar of Trade Marks is being appealed against, the High Court is in fact

exercising its original jurisdiction and not an appellate jurisdiction.

49. The foregoing proposition is also supported by Order 55 of the RHC which is entitled "Appeals to the High Court from the Subordinate Courts and Statutory Bodies". Relying the heading as an aid to interpreting the section (See: ***Foo Loke Ying & Anor v. Television Broadcasts Ltd [1985] 2 MLJ 35 SC***; ***Public Prosecutor vs Tan Tatt Eek [2005] 1 CLJ 713***) therein, a distinction is made between decisions of Subordinate Courts being appealed against and that of statutory bodies (which includes tribunals and administrative officers).

50. Order 55 rule 13 of the RHC provides that:

> *'(1) Where under any written law an appeal lies from any decision of any person or body of persons to the High Court such appeal shall be made to the High Court in the State where the decision was given by motion setting out the grounds of appeal, supported by affidavit and, if the Court so directs at the hearing, by oral evidence.*

(2) Unless otherwise provided by any written law, such appeal shall be made within one month from the date on which the decision was given or the date on which such decision was notified to the person appealing, whichever is the later date.

(3) Unless otherwise provided by any written law, notice of the motion shall be served on the respondent in such appeal or where the respondent is a body of persons, on the secretary, registrar or such other officer of that body of persons.'

51. Since as found above that the Registrar of Trade Marks does not fall within the definition of subordinate court, appeals against his decisions are thus governed by Order 55 Rule 13.

52. We would say that Order 55 and in particular Rule 13 is the provision envisaged by section 83(4) of the Trade Marks Act 1976 ('TMA').

53. Section 83(4) states thus:

'*Subject to the provisions of this Act, the Rules Committee constituted under the Courts of Judicature Act 1964, may make rules of court regulating the practice and procedure in relation to proceedings before the Court or connected therewith and the costs of the proceedings.*' (Emphasis added).

54. There is no issue that the Rules Committee established under the CJA made the RHC pursuant to section 17 of the CJA. However when applying Order 55 Rule 13 in relation to decisions of the Registrar of Trade Mark, the provisions of TMA must be taken into account.

55. An extremely pertinent provision under the TMA is section 67. It stipulates that '*in any appeal from the decision of the Registrar under this Act the Court (being the High Court) shall have and exercise the same discretionary powers as are conferred upon the Registrar under this Act*.' This section further supports the proposition that the High Court exercises original jurisdiction when hearing appeals from the Registrar of Trade Marks. It is in effect a fresh hearing before the High Court Judge. It is akin to a High Court Judge hearing an appeal from the decision of a

Senior Assistant Registrar attached to the High Court. The proceeding has been aptly described in ***Tuan Haji Ahmed Abdul Rahman v. Arab-Malaysian Finance Bhd [1996] 1 CLJ 241*** where Edgar Joseph Jr FCJ said this:

> *'With respect, in appeals to a Judge in chambers from the decision of a Registrar of the High Court, the Judge is not exercising appellate jurisdiction in the same sense as when he hears appeals from judgments, decisions or orders of the Subordinate Courts.*
>
> *Such appeals from decisions of the Registrar are by way of an actual re-hearing and the Judge treats the matter as though it comes before him for the first time.* (Emphasis added).

(See also ***Seloga Jaya Sdn Bhd v. Pembenaan Keng Ting (Sabah) Sdn Bhd [1994] 2 CLJ 716***).

56. Thus, in our view the High Court in hearing appeals from the Registrar of Trade Marks does not exercise its appellate

jurisdiction, but instead exercises its original jurisdiction in supervisory capacity and in tandem with section 67 of the TMA.

(b) Case Laws

57. The case of ***Sundaram v. Chew Choo Khoon*** (supra) is instructive. It was held there that such an appeal is an origination and not a continuation of the judicial process. The High Court exercises original jurisdiction and not appellate jurisdiction.

58. There are also judicial pronouncements from the Australian Courts which are helpful in interpreting the word 'appeal' in procedural rules. Mere usage of the word 'appeal' does not mean it must be an appeal process as ordinarily understood. The context of its usage and the overall scheme of the particular statute has to be taken into account.

59. In ***Committee of Direction of Fruit Marketing v. Australian Postal Commission (1979) 25 ALR 221*** the Federal Court of Australia explained the scope of the word 'appeal' appearing in section 44 of the Administrative Appeals Tribunal Act 1975 (Com):

'The only appeal to this court is under s 44, and s 44(1) provides: "A party to a proceeding before the Tribunal may appeal to the Federal Court of Australia, on a question of law, from any decision of the Tribunal in that proceeding.""

...

'In general a question of law arises after the determination of any necessary facts and the nature of the question of law usually depends upon the facts as determined. The principles which should apply to the reception of further evidence by this court were not the subject of detailed submissions to us and whilst I do not wish to attempt to formulate any general rule it seems that only in the most unusual circumstances, if at all, would this court be justified in admitting fresh evidence. I take this view notwithstanding that the application to this court, although loosely called an appeal, is an application in the original jurisdiction of the court. Certainly in these proceedings it was appropriate to reject the application.' (Emphasis added).

60. Again in another case of ***Collector of Customs (NSW) v. Brian Lawlor Automotive Pty Ltd (1979) 24 ALR 307*** a similar point was made where it was held that:

> *'The matter comes before the Federal Court of Australia on what is described as an appeal from the Tribunal under s 44 of the Administrative Appeals Tribunal Act 1975 (Com). Such an appeal is given by that section only "on a question of law". When the matter comes before this court it is in the original jurisdiction of the court although described as an appeal. The court has power to hear and determine the so-called appeal and to make such order as it thinks appropriate by reason of its decision.*' (Emphasis added).

61. In ***Poletti v. Deputy Commissioner of Taxation (1994) 124 ALR 373***, it was made very clear by the Federal Court of Australia that appeals from Commonwealth officers or federal administrative tribunals though stated to be 'appeals' are held to be not appeals in the strict sense. This is what the Court said:

'This is particularly so in the case of appeals to federal courts or State courts exercising federal jurisdiction from decisions of officers of the Commonwealth where the rights of appeal are conferred by federal statutes. Appeals from decisions of Commonwealth officers or federal administrative tribunals, though called appeals, are not appeals in the strict sense. The right of ``appeal'' is to a court exercising the judicial power of the Commonwealth, for it is the first occasion on which a court is seized with jurisdiction to consider a matter after it has been dealt with by administrative bodies. Appeals of this kind, of which there are numerous examples (notably appeals to the Federal Court from decisions of the Administrative Appeals Tribunal (s 44 of the Administrative Appeals Tribunal Act 1975 (Cth)) and appeals under Pt V of the Income Tax Assessment Act 1936 (Cth) directly from decisions of the Commissioner to the Federal Court), lie to the Federal Court in the exercise of its original, not appellate, jurisdiction.' (Emphasis added).

62. The High Court of Australia also held that when the Federal Court hears an appeal from a decision of a Tribunal, as a matter

of law the Court is exercising its original jurisdiction and not an appellate jurisdiction. In ***Roncevich v. Repatriation Commission (2005) 218 ALR 733*** the apex court observed thus:

> *'It is such a "decision" that enlivens the right in a party to a proceeding before the tribunal to appeal to the Federal Court on a question of law. Although such an "appeal" engages the jurisdiction of the Federal Court, as a matter of law that court is exercising its original and not its appellate jurisdiction under the Federal Court of Australia Act 1976 (Cth), ss 19 and 20.*' (Emphasis added).

63. In view of the local statutory provisions mentioned above and the context in which the word 'appeal' is used and the authorities referred to above we are inclined to say that it does not per se have the effect of conferring on the High Court appellate jurisdiction. Rather it is more of the High Court exercising its original jurisdiction in hearing 'appeals' from statutory bodies or inferior tribunals, unless of course it is provided for under statute that the appeal is to be treated as if it was an appeal from the

decision of subordinate courts in which case the High Court would be exercising its appellate jurisdiction.

A Recent Decision Of This Court

64. This Court in the recent case of ***Koperasi Jimat Cermat dan Pinjaman Keretapi Bhd v. Kumar Gurusamy [2011] 3 CLJ 241*** was faced with an appeal from the decision of the Co-operative Tribunal under section 83 (7) of the Co-operative Societies Act 1993 ("CSA"). The said Tribunal had found that the respondent's membership in that case was terminated in breach of natural justice and thus allowed his claim to be reinstated as a member. On appeal by the Co-operative Society, the High Court set aside the whole award of the Tribunal. The matter then went on appeal once again to the Court of Appeal which allowed the respondent's appeal. Accordingly, the Co-operative Society sought leave before this court.

65. In considering the application this Court took the view that it was not important whether the said Tribunal was a subordinate or inferior court. Instead the focus was whether the High Court was exercising its appellate jurisdiction.

66. The decision in the unreported case of ***Ketua Pengarah Hasil Dalam Negeri v. Syarikat Jasa Bumi (Woods) Sdn. Bhd. (Civil Application No: 08-31-99(S)*** was thus considered. In that case, the Federal Court was required to answer whether or not the High Court in hearing an appeal from the decision of the Special Commissioners of Income Tax was exercising its original jurisdiction or its appellate jurisdiction. The Court considered Article 128(3) of the Federal Constitution, section 96 (a) of the CJA, and the relevant provisions of the Income Tax Act before concluding that the High Court exercised its appellate jurisdiction. Accordingly, it was held that this Court did not have the jurisdiction to hear the appeal pursuant to section 96 (a) of the CJA and thus leave was refused.

67. Following the decision in ***Ketua Pengarah Hasil Dalam Negeri v. Syarikat Jasa Bumi (Woods) Sdn. Bhd.*** (supra) and after referring to section 83 (7) of the CSA and Order 55 rule 13 of the RHC, this Court in ***Koperasi Jimat Cermat*** (supra) took the view that the High Court had exercised its appellate jurisdiction in hearing the appeal from the said Tribunal and therefore by virtue of section 96 (a), this Court was devoid of jurisdiction to

hear the appeal. Accordingly, leave to appeal was refused in that case.

68. With respect we are unable to agree with the decision in ***Koperasi Jimat Cermat*** (supra).

69. First, the decision in ***Ketua Pengarah Hasil Dalam Negeri v. Syarikat Jasa Bumi (Woods) Sdn. Bhd.*** (supra) could not be relied upon as the provision in the Income Tax Act justified the decision of this Court in that case. Schedule 5 of the Act which deals with "Appeals" states:

> *'19. The Special Commissioners shall have –*
>
> *(a) power to summon to attend at the hearing of an appeal any person who in their opinion is or might be able to give evidence respecting the appeal;*
>
> *(b) power, where a person is so summoned, to examine him as a witness on oath or otherwise;*

(c) power, where a person is so summoned, to require him to produce any books, papers or documents which are in his custody or under his control and which the Special Commissioners may consider necessary for the purposes of the appeal;

(d) power, where a person is so summoned, to allow him any reasonable expenses incurred by him in connection with his attendance;

(e) all the powers of a subordinate court with regard to the enforcement of attendance of witnesses, hearing evidence on Oath and punishment for contempt;

(f) subject to subsection 142(5), power to admit or reject any evidence adduced, whether oral or documentary and whether admissible or inadmissible under the provisions of any written law for the time being in force relating to the admissibility of evidence; and

(g) power to postpone or adjourn the hearing of an appeal from time to time (including power to adjourn to consider their decision).

...

34. Either party to proceedings before the Special Commissioners may appeal on a question of law against a deciding order made in those proceedings (including a deciding order made pursuant to subparagraph 26(b) or (c)) by requiring the Special Commissioners to state a case for the opinion of the High Court and by paying to the Clerk at the time of making the requisition such fee as may be prescribed from time to time by the Minister in respect of each deciding order against which he seeks to appeal.

...

41. There shall be such rights of appeal from decisions of the High Court on cases stated under paragraph 34 as exist in respect of decisions of the High Court on questions of law in its appellate civil jurisdiction.

42. Unless it is otherwise provided by rules of court, the rules of court for the time being in force in relation to appeals in civil matters from a subordinate court to the High Court and from the High Court in its appellate jurisdiction to the Court of Appeal and the Federal Court shall, subject to this Schedule, apply with the necessary modifications to appeals under this Schedule to the High Court and, the Court of Appeal and the Federal Court respectively.

...

42A. Where any matter of procedure or practice is not provided for in this Schedule, the procedure and practice for the time being in force or in use in the subordinate court or in the High Court, as the case may be, shall be adopted and followed with the necessary modifications.

...

46. The Special Commissioners in the exercise of their functions shall enjoy the same judicial immunity as is enjoyed by the person presiding in a subordinate court.

...

48. In this Schedule – "subordinate court" means a sessions court or the court of a magistrate of the first class;' (Emphasis added).

70. It is obvious that this Court was considering an exception rather than the general rule as we have alluded to above. This is a clear illustration where statute clearly provides that the High Court is exercising appellate jurisdiction and the matter is to be treated as if it was an appeal from the subordinate courts (an exception). In the absence of such an express statutory provision, the general rule would apply whereby the High Court would exercise original jurisdiction in hearing such appeals from statutory bodies or inferior tribunals.

71. In ***Koperasi Jimat Cermat*** (supra) however, this Court was considering a different statute. There is no similar provision as in the Income Tax Act found in CSA. As such and with respect the High Court in that case should have been found to have exercised its original jurisdiction.

72. Indeed there are earlier High Court decisions which dealt with the provision considered in ***Koperasi Jimat Cermat*** *(supra)**. In*** ***Doraisamy a/l Ramasamy & Anor v. Krishnan a/l Periasamy & Ors [2001] 4 MLJ 627*** the High Court was faced with an appeal against the decision of the Co-operative Tribunal. The learned High Court judge said this:

> *"I think even if the decision ought to be termed as an award pursuant to s 83 of the Act [namely the CSA], this difference in heading is merely an irregularity which is curable on the following grounds: ... (ii) this court exercising its original jurisdiction in the present appeal has the power to cure the said irregularity (if any)."* (Emphasis added).

73. Thus the presence of the word 'appeal' in the provision was not taken by the learned Judge as an appeal as usually understood.

74. In another case of ***R Ramachandran v. Koperasi Perumahan Kuala Lumpur [2001] 2 MLJ 177*** again the High Court had the opportunity of considering the same provision in the CSA. This is what the learned Judge had to say:

‘This is an appeal from the decision of the co-operative tribunal, *kes Tribunal T-25-Tahun 2000*, delivered on 18 September 2000, where the applicant is dissatisfied with the decision of the co-operative tribunal. Pursuant to s. 83(7) Co-operative Societies Act 1993 (Act 502) ('the Act'). *'Any party aggrieved by the award of a tribunal may appeal therefore to the High Court in accordance with the provision of the rules of Court applicable therefore'*. Which provision of the High Court Rules ought the applicant pursue? A letter from Jabatan Pembangunan Koperasi Malaysia dated 8 June 2000 stated that the co-operative tribunal is not subjected to O. 49 of the Subordinate Court Rules 1980 ('SCR') and the panel of the co-operative tribunal does not function as 'subordinate court'. ...

...

The co-operative tribunal is a statory body empowered and embodied pursuant to s. 83 of the Act and uses Peraturan-Peraturan Tribunal Koperasi 1998. It is clear from the abovesaid letter that O. 49 SCR is not the procedure to use for an appeal from the decision of the co-

operative tribunal. It is noted that the applicant's relief is not for the relief of *mandamus*, prohibition and *certiorari*, where pursuant to O. 53 r. 1(1) of the Rules of High Court 1980 ('RHC'), leave of the court is required prior to making an application for the reliefs of *mandamus*, prohibition and *certiorari*. I am of the opinion that the correct procedure in the instant appeal is O. 55 r. 13 RHC. Order 55 r. 13(2) of the RHC states that where under any written law an appeal lies from any decision of any person or body of persons to the High Court, such appeal shall be by way of motion and there is no provision requiring leave of the court. In *Sundaram v. Chew Choo Khoon* [1968] 1 LNS 149; [1968] 2 MLJ 40, Chang Ming Tat J held:-

(1) the procedure for an appeal from a statutory body to the High Court is laid down in O. 59 r. 13 of the Rules of the Supreme Court. On the construction of the word 'motion' in r. 13(1), such an appeal must be lodged by the originating motion for the following reasons: (i) a statutory body, though vested with judicial powers, is not a subordinate court within the meaning of s. 3 of the Courts Ordinance, 1948. An

appeal from the decision of such a statutory body is an origination and not a continuation of the judicial process: (ii) the deliberate use of 'motion' in O. 59 r. 13(1) in contradistinction to 'notice of motion' in the corresponding English Rules; O. 59 r. 38 established that under O. 59 r. 13(1) of the local Rules of the Supreme Court, an appeal from a statutory body must be lodged by an originating motion.'

75. We hasten to say however that the decision in ***Koperasi Jimat Cermat*** (supra) was premised on CSA whereas we are now dealing with an appeal from a decision of the Registrar of Trade Marks. As such these cases may be distinguished from that aspect.

Conclusion

76. For the reasons we have given above the preliminary objection as raised by the Respondent is dismissed. We find that the matter falls within the ambit of section 96 (a) of the CJA in so far as it is an appeal against the decision of the Court of Appeal which arose from the High Court exercising its original jurisdiction in a civil case.

77. We therefore fix another date for the hearing of the leave application.

Signed.
(RICHARD MALANJUM)
CHIEF JUDGE (HIGH COURT OF SABAH AND SARAWAK)
FEDERAL COURT, MALAYSIA

Date: 11th July, 2011

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