



TRADE MARKS ACT 1955

DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS, WITH REASONS

Re: Opposition by KABUSHIKI KAISHA TEC (also trading as TEC CORPORATION) to the registration of Trade Mark application number 578334 in the name of HYPERTEC PTY LIMITED

Application No 578334 was lodged on 13th May 1992 in the name of HYPERTEC PTY LIMITED (“the applicant”). It sought registration of the mark HYPERTEC in respect of “computerware; computer circuit boards” in class 9.

Acceptance of the application was advertised in the *Official Journal* of 29th July 1993. On 12th October 1993, a notice of opposition to registration of the mark was lodged by TOKYO DENKI KABUSHIKI KAISHA (TOKYO ELECTRIC CO, LTD), which name was subsequently recorded as KABUSHIKI KAISHA TEC (also trading as TEC CORPORATION) (“the opponent”), as a result of the opponent’s request based on its change of name.

The opposition was based on various grounds, generalised in nature, but only the ground in relation to s 33 of the Act, that the subject mark is substantially identical or deceptively similar to the opponent’s registered marks in respect of the same goods, or goods of the same description, was pressed at the hearing.

The evidence

The evidence in support of the opposition consists of a statutory declaration with exhibit A by Takashi Mine, general manager of the opponent company. The declarant provides details of three registrations of the opponent’s mark TEC. Under exhibit A are affixed copies of definitions of the word HYPER in five English language dictionaries. He expresses

the belief that the prefix HYPER would be seen by the public in the same way as the prefix SUPER and EXTRA, and therefore the public would associate the subject mark with the opponent.

One statutory declaration each from Robert Sharp, secretary of the applicant company, and Sean Francis McManis, solicitor, of Spruson & Ferguson, have been lodged as the evidence in answer. Mr Sharp's declaration contains sales value and advertising expenditure in relation to use of the applicant's mark. Advertising material is exhibited under A and B. From his knowledge, trade marks in the computer industry include the elements TEC, TECH or TEK. Mr Sharp is not aware of his company's trade marks being confused with those of any other proprietors' marks, including the mark TEC of the opponent company. Under A, Mr McManis exhibits to his declaration a list of marks from the Trade Marks Office records which include the suffix TEC, TECH, TEK or TECK. Exhibit B shows an extract from computer dictionaries of definitions of words containing the prefix HYPER, and annexed under C is an extract from *The Macquarie Dictionary* which defines the word "tech". A corporate profile appears under exhibit D.

The same Mr Mine whose declaration comprises the evidence in support, has provided a further declaration as evidence in reply. He comments that Mr McManis' exhibit B does not include an entry for the prefix HYPER itself, and that the majority of the trade marks listed in exhibit B are either pending applications, removed registrations, or applications never registered.

The matter was set down for hearing in Canberra on 24th August 1995. At the hearing the opponent was represented by Ms Anne Makrigiorgos, Griffith Hack & Co, patent and trade mark attorneys of Melbourne. Mr Sean McManis of Spruson & Ferguson, also patent and trade mark attorneys, appeared for the applicant.

In view of the protracted illness of the hearing officer Michael Homann, the opponent's and the applicant's representatives have agreed to have the matter decided by another hearing officer.

Submissions

Ms Makrigiorgos opened her submissions by advising the opponent's intention to rely on the grounds of opposition concerning s 33 of the Act. She then turned to the applicant's evidence, commenting that in Mr McManis' exhibit A, 334 marks were listed but details as to goods had been provided only for six trade mark registrations. She pointed out that in the majority of cases contained in the list the goods may not be computers or computer related goods. Not all of these marks contained the suffix TEC, she said, but phonetic equivalents of it. The applicant's evidence, therefore, fell short of supporting the contention that TEC was a common suffix in respect of computers and computer related goods.

Turning to considering the opponent's mark TEC of registrations Nos 321270, 376824 and 461031, Ms Makrigiorgos concluded that, in light of the tests in *Shell Co (Aust) Ltd v Esso Standard Oil (Aust) Ltd* (1961) 109 CLR 407 at pp 414-415, the marks HYPERTEC and TEC were substantially identical. In *Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147 and in *de Cordova v Vick Chemical Co* (1951) 68 RPC 103, it was held to be enough to constitute infringement if a defendant had used a registered mark, and that it was immaterial that the mark was used in conjunction with another feature which could be said to distinguish the alleged infringing mark. In *Seven-Up Co v Bubble Up Co Inc* (1987) 9 IPR 259, King J concluded that the words BUBBLE UP and various devices, though not likely to be confused with the opponent's mark, should be refused under s 33, as the word UP in the mark was a prominent and distinct feature. Likewise, she said, in the mark HYPERTEC, the opponent's mark TEC retained its distinct sound, appearance and meaning.

In her analysis to determine whether the marks were deceptively similar, Ms Makrigiorgos reminded the hearing officer that the marks were not to be compared side by side. The court would proceed on the assumption that consumers may have imperfect recollection of the marks, as discussed in *Rysta Ltd's Appn* (1943) 60 RPC 87 at p 108 per Luxmoore L J, and in respect to visual significance of a trade mark, as stated by Lord Radcliffe in *de Cordova v Vick*, supra, at p 106: "in most persons the eye is not an accurate recorder of

visual detail and marks are remembered rather by general impression or by some significant detail than by any photographic recollection of the whole". In light of these directives, she submitted, if the marks are not found to be substantially identical, then they must be deceptively similar.

Observing that the words "likely to deceive or cause confusion" in sub-section 6(3) of the Act place no limitation on the nature of the confusion or deception of the marks - *John Fitton & Co Ltd's Appn* [1949] 66 RPC 110 at p 113 - Ms Makrigiorgos noted that in the cited case the mark EASYJEST was refused in face of a JEST mark, because the purchasers might believe that the marks denoted related products from the same source. As a case which was particularly relevant to the marks in question, Ms Makrigiorgos identified *Kodak (A/asia) Pty Ltd Appn* (1936) 6 AOJP 1724 where the mark HYPERPAN was refused registration in light of the mark PAN, because the goods were likely to indicate goods having the characteristics of the goods under the PAN mark, but in an "accentuated degree". In the present case, the applicant's mark begins with the common prefix HYPER and ends in the opponent's distinctive mark TEC, therefore, in her opinion, the mark HYPERTEC may denote related products from the same source. Even though the goods concerned were of specialised nature, the class of purchasers in today's computer age was extremely wide; the class of customers in this case, she said, could be considered, in all material respects, to be the average Australian. The overall impression created by the applicant's mark was so similar to the opponent's mark as to lead to confusion, whether extreme care was taken in purchasing the goods in question or not.

Mr McManis first commented on the uncertainty of the pronunciation of the opponent's mark, observing that it could be seen to comprise the letters T, E, C as an acronym for Tokyo Electric Company, part of the opponent's corporate name.

Mr McManis then moved on to consider the marks in question in terms of s 33, by first referring to *Pianotist Co's Appn* (1906) 23 RPC 774. Comparing the visual and the phonetic differences of the marks, he noted that, while HYPERTEC had three syllables forming a longer word, TEC was a very short word with only one syllable. Observing that

the first syllable of the mark is most important for the purpose of distinction of the marks, as discussed in *London Lubricants (1920) Ltd's Appn* (1925) 42 RPC 264 at p 279, Mr McManis noted that in the applicant's mark the first part was clearly HYPER which was also used as a prefix in a number of other applicant's marks, as evidenced in Mr Sharp's declaration. This prefix was not intended to be restrictive, but had, in the computer industry, quite a different connotation, and was a far more important part in the applicant's mark than the element TEC.

Mr McManis further submitted that the applicant's goods would be purchased not by an average consumer, as argued by the opponent, but by persons with a prior history of computer products who would undoubtedly give due consideration to the product before any purchase.

As to Ms Makrigiorgos' submissions on the subsuming of a single mark into another mark, Mr McManis referred to *Australian Law of Trade Marks and Passing Off* by D R Shanahan, p 171, pointing to cases where such marks have been allowed to co-exist and arguing that it was not always the case that, where one mark was combined into a new word, the marks would necessarily be substantially identical or deceptively similar.

The opponent had claimed that its mark TEC was distinctive, but despite extensive use of the applicant's mark since 1985, the sales figures for the available records from 1988 being in terms of millions of dollars, the opponent had not produced any evidence of confusion of the marks HYPERTEC and TEC. In this regard, Mr McManis commented that the *Kodak* case, *supra*, must be viewed with caution and on its own circumstances. He disputed the conclusion in that case that it was well known trade practice of traders to adopt a certain word as a trade mark and construct other marks for distinguishing characteristics of their goods by using such a word as a basis and adding a prefix to it. In his experience, he said, it was more commonly the case to use a common prefix rather than a suffix, remarking that the applicant was using a number of HYPER prefix marks which were strongly associated with the applicant's products. The prefix HYPER, he submitted, which is derived from Greek,

was not a common term used today, and it did not belong to the same category of prefixes such as SUPER, NEW, or even EASY.

With reference to copies from the *Computer Dictionary*, Microsoft Press, 1991, under annexure B of his declaration, Mr McManis argued that words with HYPER as a prefix, such as “Hypercard”, “Hypermedia”, “Hypertalk” had originated from the development of computer technology referred to as “Hypertext”, “coined in 1965 by Ted Nelson to describe documents, as presented by a computer, that express the nonlinear structure of ideas, as opposed to the linear format of books, film, and speech” (*Computer Dictionary*, supra, p 179). Thus, words with “Hyper” had become part of computer terminology; it had a very strong connotation for the computer industry, and as such it could not be seen as just a word which was non-distinctive suffix or prefix.

Turning to the meaning of the suffix TEC in the mark, Mr McManis cited *Re Application by Inter-Footwear Ltd* 8 IPR 63, where it was not disputed that the word TEC was equivalent to the other spellings of the word, “tech” or “tek”, and the mark being considered - HI-TEC - was found to be a word in dictionaries, describing “high tech”, or of or pertaining to high technology. It would therefore follow, he submitted, that TEC refers to technology. In his declaration, Mr Sharp had listed a number of companies that are using TEC as part of their name and had also provided names of companies involved in the computer industry which had received payment under the Australian Government’s Computer Bounty Scheme.

In arguing that, if an element was common to the trade, when considering deceptive similarity, that element must to some extent be discounted, Mr McManis referred to *Milton Richard Holmes v Finn Blinds* (1987) AIPC 90-454, where it was found that the marks PERMACRAFT and PERMA were neither identical nor deceptively similar, because PERMA was a common element in many trade marks, and it also connoted durability. That case, in his opinion, was similar to the present situation. Given that the word TEC would have significance of “technology”, the fact that it also occurred as a common suffix in marks for computer products as well as for other goods in class 9, and considering that the word

HYPER would convey a meaning to the section of the public interested in the goods, he concluded that the marks cannot be substantially identical or deceptively similar.

In commenting on Mr McManis' submissions, Ms Makrigiorgos reminded the hearing officer that the applicant's registrations were in respect of goods not necessarily specialised which would be purchased by discriminating persons. She also rebutted Mr McManis' statement relating to the lack of evidence of actual confusion of the marks, saying that, according to the directives in *Marengo v Daily Sketch and Sunday Graphic Ltd* 65 RPC 242, it was not essential to produce such evidence.

She further responded that, as a general rule, a proprietor's mark should not encompass another proprietor's mark, but the cases mentioned by Mr Shanahan in his text were quite different. As far as the word HYPER was concerned, she disputed the submission that it was a commonly used prefix. When used in relation to computers, however, the majority of Australians buying computers would not be aware of the word as a computer term. Concerning Mr McManis' argument in relation to the word TEC, Ms Makrigiorgos submitted that use of the word in company names was different from using the word as a trade mark. She again emphasized that the applicant had taken the whole of the opponent's mark, and in support relied on the finding in *Seven Up v Bubble Up* case, supra.

While conceding that the opponent's specification covered a whole range of goods, Mr McManis maintained that, in general, computer products such as those covered by the application would be purchased with due care. Even though Ms Makrigiorgos argued that evidence of confusion was not required, it was relevant, as was also the absence of any such evidence. Concerning the company names, he had demonstrated that such names existed and they would convey a meaning to the general public. Moreover, the fact that there were many company names with TEC showed that those names could also be used as trade marks. In this regard, *Holmes v Finn* was a good precedent.

Decision

The opponent has the following registrations for the alleged conflicting mark TEC in class 9:

No 321270 in respect of:

“Electronic computers, electronic calculators, electronic registers, electronic measuring and weighing machines, scale printers being machines for receiving data from a weighing scale connected thereto and automatic printing of the weight and/or the price and/or date on a label or tag for the article weighed”.

No 376824 in respect of:

“Computers, computer terminals, word processors, parts and accessories for the foregoing included in this class”.

No 461031 in respect of:

“Electronic installations for use in point of sales systems; electronic installations for use in financial transactions; peripherals and terminals for computers; accounting machines, billing machines; video disk players; time recorders; magnetic card and encodable plastic cards incorporating an IC processor for use in financial transactions and identify purposes; postal scales; bar code printers; bar code readers; electronic blackboards capable of producing copies of the letters written and pictures drawn on such boards; telecommunication apparatus and instruments; optical and cinematograph apparatus and instruments included in this class; parts and fittings for all the aforesaid goods included in this class”.

There does not appear to be any doubt that the applicant’s goods and those of the opponent’s above registrations are at least goods of the same description, if not the same goods.

As the opponent relies only on the ground of opposition in relation to s 33 of the Act, I am to decide whether the applicant’s and the opponent’s trade marks are substantially identical or deceptively similar.

The relevant criteria for determining substantial identity of trade marks are outlined in *Shell v Esso*, supra, as submitted by Ms Makrigiorgos, where Windeyer J said at p 414:

“In considering whether marks are substantially identical they should, I think, be compared side by side, their similarities and differences noted and the importance of these assessed having regard to the essential features of the registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison ...”

Considering the marks HYPERTEC and TEC in light of the test on substantially identical marks as per Windeyer J, *supra*, when the marks are to be viewed side by side, notable differences emerge between the marks, i.e. the three syllable component of the former as opposed to one syllable in the latter mark. Whereas the opponent's mark is merely the word TEC, the applicant's mark consists of a dictionary word HYPER combined with the word TEC. These marks in their entirety do not create an impression of substantial identity.

Ms Makrigiorgos' contrary conclusion was based on the findings of King J in *Seven Up v Bubble Up*, *supra*. However, in considering the marks TEMCO and TEC, in *Temco Kabushiki Kaisha v Tokyo Denki Kabushiki Kaisha* (1995) AIPC 91-177, the hearing officer Michael Homann said at p 39,581:

“It seems that I am asked to conclude that the fact that the opponent's trade mark is wholly contained within the applicant's trade mark would be sufficient in itself to make the use of the applicant's mark an infringement of the opponent's mark and that therefore the marks must be substantially identical for the purposes of s 62 and, consequently, also for the purposes of s 33. This appears to be the reasoning followed by King J in the *Bubble Up* case in which his Honour found that the applicant's and the opponent's marks were substantially identical even though he considered that there was no danger of confusion between them and that they were not therefore deceptively similar. He said, at AIPC 37,813; IPR 267, in purporting to rely on *Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147:

‘...if a defendant can be said to have used a registered trade mark, it is immaterial if he has used it in conjunction with another feature which may be said to distinguish the alleged infringing mark from the registered mark.’

and, at AIPC 37,813; IPR 268:

‘... it would be beside the point that the mark applied for incorporates other features, prominent or otherwise, which are not to be found in the registered mark.’

But for me as a delegate of the Registrar of Trade Marks, acting as an administrative tribunal, to apply such reasoning in deciding the present, or any, opposition, would be quite improper. I am required to decide whether the applicant's and the opponent's trade marks are substantially identical or deceptively similar and therefore whether the applicant's mark is capable of registration within the terms of s 33. In doing so I am not entitled to speculate on whether a court would find that the use of the applicant's mark would be an infringement of the opponent's mark, or to decide that it would be. I have said that I consider the relevant test to be stated by Windeyer J in the *Esso* case (*supra*)...”

As I have said, and in light of the findings in *Tecmo v Tokyo Denki*, supra, I do not hold the same view as Ms Makrigiorgos that the marks under consideration are substantially identical.

To decide the question of deceptive similarity, marks are not to be compared side by side, as noted by Ms Makrigiorgos. In this regard, the relevant criteria are set out in *Shell v Esso*, supra, and in *Australian Woollen Mills Ltd v F S Walton & Co Ltd* (1937) 58 CLR 641 at p 658. In the latter case, Dixon and McTiernan JJ enunciated at p 658:

“In deciding this question, the marks ought not, of course, to be compared side by side. An attempt should be made to estimate the effect or impression produced on the mind of potential customers by the mark or device for which the protection of an injunction is sought. The impression or recollection which is carried away and retained is necessarily the basis of any mistaken belief that the challenged mark or device is the same. The effect of spoken description must be considered. If a mark is in fact or from its nature likely to be the source of some name or verbal description by which buyers will express their desire to have the goods, their similarities both of sound and of meaning may play an important part. The usual manner in which ordinary people behave must be the test of what confusion or deception may be expected. Potential buyers of goods are not to be credited with any high perception or habitual caution. On the other hand, exceptional carelessness or stupidity may be disregarded. The course of business and the way in which the particular class of goods are sold gives, it may be said, the setting, and the habits and observation of men considered in the mass affords the standard. Evidence of actual cases of deception, if forthcoming, is of great weight.”

The visual and the constructural differences between the marks under consideration have already been alluded to by me. Ms Makrigiorgos did not challenge the applicant’s submission in relation to the meaning of the word TEC, but she stressed that, in view of the element TEC being the opponent’s distinctive mark, customers would assume that goods with a HYPERTEC trade mark originated from the same source.

While it may be true that the word HYPER, when used as a prefix, could denote the meaning of “super” or “extra”, as stated by Mr Mine in his declaration, or as conveying the meaning of “over, and usually implying excess or exaggeration”, as in words like “hyperactive”, “hypersensitive”, hyperphysical, “hypersonic”, “hypertension” or “hypertrophy”, as defined in a copy of *The Concise Macquarie Dictionary*, found in

exhibit A of his declaration, in my view it would be more likely that persons interested in and familiar with computer products would also be aware of the prefix appearing in the computer terms, as stated by Mr McManis, for example: “hypercard”, “hypercube”, “hypertext”, “hyperscript”, “hyermedia”, “hypertalk”, which appear in the copies of *Dictionary of Computing*, Oxford University Press, 1991, *Que’s Computer User’s Dictionary*, 3rd edition, by Bryan Pfaffenberger and *Computer Dictionary*, Microsoft Press, 1991, under annexure B of Mr McManis’ declaration.

In exhibit A of Mr McManis’ declaration are provided details of six marks of registrations in class 9 which would embrace the goods of this application as well as those of the opponent’s registrations for the mark TEC, namely: HOMETEC; DUALTEC; COMPUTEC; JTEC Jtec; MICROTEK and MULTI TECH. These constitute a random sample chosen from a list of marks, also in exhibit A, which terminate in the suffix TEC, TECH, TEK or TECK. Even though Mr McManis has not given all the details, in the same list are also found at least eleven registered marks in the names of different proprietors, in respect of computers and related goods, which comprise or contain words with a suffix TEC: COMPUTEC; BARTEC; CRITEC; ACROTEC; SYMANTEC; SWICHTEC; MURATEC with a device; KENITEC; ARTEC; SERETEC and OPENTEC with a device. I therefore agree with the contention that, in view of the significance of the word TEC, its common occurrence as a suffix in marks on the Register owned by different proprietors, for goods of interest to the opponent and the applicant as well as the association of the prefix HYPER with computer products, the marks in suit would not be perceived to be the same proprietor’s but would be readily distinguishable. In support, I refer to *Hydrafit Ltd’s Appn* in (1983) IPD 6048 and *Homes v Finn*, supra, the latter cited by Mr McManis.

A further factor to be taken into account concerns the nature of the goods under consideration, which, owing to their considerable expense, are not purchased in haste without considerable forethought and close inspection. In the present-day computer-oriented society the prospective customer, on encountering the wide choice of the computer products available, would probably be a discerning and careful person, acquainted with the trade marks covering the variety of such goods and well informed of any particular

characteristics the goods possess that may be especially sought by the purchaser to meet his particular needs. For these reasons, I believe the emphasis on the possibility of vague recollection of the opponent's and the applicant's marks on the part of consumers of the respective goods is unjustified.

Having regard to the above factors, I must conclude that the opponent's and the applicant's marks are neither substantially identical nor deceptively similar.

Conclusion

I find that the opponent has failed on the ground based on s 33 pursued at the hearing. I therefore dismiss the opposition and, subject to any appeal from this decision, the mark should proceed to registration.

Concerning the matter of costs, I see no reason why costs should not follow the result, and I therefore award costs to the applicant.

Vija Zars
Hearing Officer
4th April 1996