



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 registration of trade mark application number 634875 in the name of CALCOMP INC.

Background

As provided for in the transitional provisions of Part 22 of the *Trade Marks Act 1995*, the provisions of the *Trade Marks Act 1955* continue to govern this opposition. Accordingly, unless otherwise specified, in this decision any reference to “the act” is a reference to the *Trade Marks Act 1955*.

Application number 634875 was lodged on 13 July 1994, in the name of CalComp Inc. (“the applicant”). The application seeks registration of the trade mark TECHJET, for "Computer equipment, including computer printers, computer plotters and computer-controlled inkjet plotters," in class 9. The Trade Marks Office advertised the application as having been accepted for registration, in Part A of the register, in the *Australian Official Journal of Trade Marks* of 6 April 1995.

Notice of opposition to the trade mark's registration was lodged, on 30 June 1995, by Tokyo Denki Kabushiki Kaisha (also trading as Tokyo Electric Co. Ltd.) (“the opponent”). Their name was later amended, under s.127 of the act, to Kabushiki Kaisha TEC (also trading as TEC Corporation). The notice of opposition listed many grounds of opposition but the matters that were later pursued at the hearing were that:

- the applicant did not use or propose the trade mark in respect of all of the goods of the application; and

- under s.33(1) of the act, that the present trade mark was substantially identical or deceptively similar to a prior registered trade mark owned by the opponent for the same goods, or goods of the same description.

The opponent served evidence in support of the opposition and the applicant countered with evidence in answer. The applicant then requested a hearing in the matter and it came before me, as a delegate of the Registrar, in Canberra. Ms Anne Makrigiorgos of Griffith Hack & Co appeared on behalf of the opponent. The applicant was represented by Mr Sean McManis of Spruson & Ferguson.

The evidence

In his declaration forming the evidence in support, Mr Mine, the general manager of the opponent, described the opponent's business. He listed the opponent's trade marks comprising the word TEC that were registered in Australia for various goods in class 9. He said that these marks were referred to as the word TEC and not by the letters comprising that word. He further said that the word JET was common to the trade and formed a component of words and trade marks used in relation to printers and scanners. Attached as exhibits to his declaration were dictionary extracts, computer magazines and advertisements. One item among these, an extract from the *Macquarie Dictionary of New Words*, defines a jet printer to be a type of computer printer, otherwise known as an ink jet printer.

The declaration of Mr Lightfoot, the applicant's Vice President, Asia/Pacific Region, comprises part of the evidence in answer. Mr Lightfoot has declared that the applicant had adopted the present trade mark for use throughout the world in relation to computer controlled ink jet plotters and printers. He said that the applicant had undertaken trade mark searches to confirm that there were no conflicting marks on the registers of countries such as the USA and Australia.. He supplied sales and advertising figures for 1994/5 in Australia and said that the present trade mark had acquired a reputation, throughout Australia, in the relevant market. Attached as exhibits to his declaration were brochures and advertisements demonstrating the

trade mark in use, in Australia and internationally. There were also details of overseas applications and registrations for the trade mark in respect of inkjet printers and the like. Mr Lockhart, a technical assistant employed by the applicant's attorney, attached to his declaration details of a search of the database of the Australian Trade Marks Office for the word TECH as a prefix or separate word in class 9.

Submissions

Ms Makrigiorgos argued that the applicant did not use or intend to use the trade mark on all of the goods covered by the application. She referred to Lord Hanworth's words in *Ducker's Trade Mark* (1928) 45 RPC 397 at 402, in relation to the UK Trade Marks Act. What was required, she noted, was "a resolve or settled purpose" to use a trade mark, as at the time when the application is filed. She said that the applicant had made a statement as to intended use for all of the goods, but the evidence and past use seemed to indicate use only on some of the goods claimed. Given this, it would seem that the applicant had only ever an intention to use the mark on that limited range of goods, namely, "computer controlled ink jet plotters and printers". She said that the opponent had rebutted the applicant's prima facie intention to use the mark. Thus, the onus had shifted to the applicant to justify its registration - *Dunn's Trade Mark* (1890) 7 RPC 311. She said that failure to establish affirmatively its intention to use was not evidence of the lack of such an intention - *Titan Manufacturing Co Pty Ltd v Coyne* (1991) AIPC 90-808. However, the applicant here had submitted evidence that countered its original statement of use. She said that this clearly showed that the applicant did not intend using the mark on all of the goods as at the date of application.

In relation to the ground under s.33 of the act, Ms Makrigiorgos said that the goods covered by the present application were the same, or of the same description, as those covered by the opponent's registrations for the trade mark TEC. Accordingly, the only question to be answered was whether the applicant's mark was substantially identical or deceptively similar to the opponent's registered trade marks. To determine this, she referred to the well-known tests laid down by Windeyer J in *Shell Co of Australia v Esso Standard Oil (Australia) Ltd*,

(1963) 109 CLR 407. She submitted that there was a strong case that the trade marks TECHJET and TEC could be considered substantially identical. This was based on the observations of Sargant LJ in *London Lubricants (1920) Ltd's Appn* 1925 42 RPC 264 regarding the importance of prefixes when comparing trade marks. She said that the trade mark TECHJET contained the present mark TEC in its entirety and referred to the decision in *Seven Up Co v Bubble Up Co Inc* (1987) 9 IPR 259 for support in her claim that the latter mark retained its sound, appearance and meaning in the former mark. The word JET was a common word in the trade, she submitted, especially for printers. Its combination with TECH-, which corresponded to the opponent's distinctive trade mark TEC, failed to sufficiently distinguish the marks.

Ms Makrigiorgos referred further to two decisions by delegates of the Registrar, *Tecmo Kabushiki Kaisha v Tokyo Denki Kabushiki Kaisha*, 1995 AIPC 91-177 and *Hypertec Pty Ltd v Kabushiki Kaisha Tec (also t/a Tec Corporation)* (1996) AIPC 91-245. In those decisions, the delegates had said that it would be improper for an administrative tribunal to speculate on whether a court would find that use of an applicant's mark would be an infringement of the opponent's mark. She said that such was not the case here, where it need only be found that TEC retained its identity in TECHJET such that the marks were then substantially identical. She also listed two Office decisions where she said that the delegates had considered infringement in coming to a decision. She argued that Gummow J, in *Carnival Cruise Lines Inc v Sitmar Cruises Ltd* (1994) 31 IPR 375 at 383, had applied the test adopted in the *Bubble Up* case.

In relation to whether the two trade marks TECHJET and JET were at least deceptively similar, Ms Makrigiorgos referred to the definition of a deceptively similar trade mark, in s.6(3) of the act. This meant that consideration should be given to whether use of the trade mark TECHJET would cause deception and confusion. She said that the test for deceptive similarity involved the impression based on imperfect recollection. She referred here to the well-known words of Luxmoore LJ in *Rysta Ltd's App'n* (1943) 60 RPC 87 at 108. She said that the competing

trade marks should not be compared side-by-side, and cited Dixon and McTiernan JJ in *Australian Woollen Mills Ltd v F.S. Walton & Co Ltd* (1937) 58 CLR 641 at 658 in this regard. She said that I should find that deception or confusion would occur if the public would be likely to attribute a common trade origin to both sets of goods.

Miss Makrigiorgos said that in deciding the similarity of trade marks I should be entitled to take into account the adoption of a particular manner of use - *Grundig Trade Mark* 1968 RPC 89 and *Sym Choon & Co v Gordon Choon Nuts Ltd* 1949 80 CLR 65. She said that the evidence showed that the word TECHJET was broken into two when in use. She said that the market for the goods should be considered and that here the purchasers would come from a wide cross-section of the public. Many such customers would be used to seeing computer manufacturers marketing their goods by including the word JET. This would be a reasonable basis, she argued, for the public to infer the goods were (ink)jet printers from a company that sells its wares under the TEC(H) brand.

She submitted that, although the goods sold under the present trade mark were not inexpensive and would require some consideration in their purchase, the spoken word was important in any comparison of the competing marks. She noted the propensity of the public to seek prices and comparisons of such goods over the telephone. She disputed the applicant's evidence with respect to the frequency of TECH marks coexisting on the Register, saying that these could all be distinguished from the present case for many different reasons. She said that the word TECH was common to the trade and its presence should be, to an extent, discounted in considering whether the trade marks were deceptively similar.

She concluded her submissions by seeking costs in the matter in favour of the opponent.

In his submissions in reply, Mr McManis said that the act of filing the application for registration was prima facie evidence of an intention to use the mark, as was the filing of a statement of use. He said that the Registrar did not normally go behind such assertions and the opponent had not

produced any evidence to disprove any intent by the applicant to use the mark. He said that there was nothing in the applicant's evidence that suggested a limitation of the trade mark's intended use. The statement of goods, supported by the statement of use, included the term "computer equipment" which could cover a wide range of computer related goods. He submitted that the opponent had not discharged its onus of bringing in evidence suggesting a lack of the applicant's intention to use the trade mark on all of the goods applied for.

As to the comparison of trade marks, s.33, Mr McManis referred to the well-known tests laid down in the *Pianotist Co's App'n* (1906) 23 RPC 774 case. He conceded that the goods covered by the present application and that of the opponent's registration number 376824 were the same. However, there were significant differences between the trade marks themselves, both visually and aurally. He said that the word TEC suggested something technical or a technologically based product, whereas the word TECHJET had no meaning and could not be found in dictionaries. The word JET did have a meaning but it did not retain its identity in the combination mark. It certainly did not have a meaning when used as a suffix. Similarly, the word TEC, although it was wholly contained in the trade mark TECHJET, was not an essential feature of that mark.

Mr McManis said that the goods covered by the application were not inexpensive and it was highly unlikely that someone would order them in haste over the telephone without carrying out more research. The relevant public could be assumed to have a basic standard of knowledge and expertise in relation to the relevant goods. Such a public was not likely to be deceived or confused by the present mark co-existing on the register with the trade marks owned by the opponent. He also referred to the *Hypertec* decision, supra, which concerned the competing trade marks HYPERTEC and TEC. He said that the many of the issues in that case were similar to those in the present case. The Hearing Officer, in that decision, found that those words were not deceptively similar and listed a great many marks, on the register for similar goods, which included the suffix -TEC. Mr McManis said this word element could therefore be considered as being common to the trade. He cited further decisions where competing trade

marks had been compared and found not deceptively similar despite having an identical word element. These included *Milton Richard Holmes v Finn Blinds* 1987 AIPC 90-454 (PERMACRAFT and PERMA) and *Hydrafit Ltd's Appn* (1983) IPD 6048 (HYDRAFIT and HYDRA). There, trade marks contained certain word elements that were common on the register but also had different suffixes that were found to clearly distinguish the trade marks. He said that the present competing trade marks were clearly distinguishable as wholes and as such were clearly not deceptively similar. He therefore contended that the public would not associate TECHJET products with the applicant's goods.

Mr McManis said that the applicant had not intended to take advantage of the goodwill generated by the opponent's trade mark in its adoption of the present mark. The opponent had carried out a search of the register that had revealed a great many TEC marks co-existing for similar goods. He said that it had been reasonable to assume that no one entity could claim a monopoly in it. Although the word JET certainly had several dictionary meanings when used on its own, he did not agree that it was a common component of other words - save perhaps in the word INKJET.

Discussion

Intention to Use

Section 6 of the act defines a trade mark as:

...a mark (which is) used or proposed to be used in relation to goods or services for the purpose of indicating...a connexion in the course of trade...

Regulation 8(1) of the Trade Marks Regulations provides that:

(1) An applicant for the registration of a trade mark in respect of two or more goods, or all the goods included in one of the prescribed classes of goods, shall furnish in support of his application a written statement indicating that the applicant uses or proposes to use presently the trade mark in relation to all the goods specified in the application or the goods included in the class of goods specified in the application.

However, it is well established that the onus is not on an applicant for registration to prove affirmatively the intention to use the mark applied for. As Fullagar J observed in *Aston v Harlee Manufacturing Company* (1960) 103 CLR 391 at 401:

There is another element mentioned by *Dixon J* in the *Shell Co's case**, which is stated as essential to the proprietorship of an unused trade mark. That element is the intention of the applicant for registration to use it upon or in connexion with goods. As to this I need only say that I do not regard his Honour as meaning that an applicant is required, in order to obtain registration, to establish affirmatively that he intends to use it. There is nothing in the Act or the Regulations which requires him to state such an intention at the time of application, and the making of the application itself is, I think, to be regarded as prima facie evidence of intention to use. I cannot think that the Registrar is called upon to institute an inquiry as to the intention of any applicant, and I think that, on an opposition or on a motion to expunge, the burden must rest on the opponent, or the person aggrieved, of proving the absence of intention. . Again, I do not think that "intention" in this connexion ought to be regarded as meaning an intention to use immediately or within any limited time. A manufacturer of (say) confectionery would, I should suppose, be entitled to register three trade marks in relation to confectionery, though he intended only to use two of them and had not made up his mind as to which two he would use. If he in fact does not use any of them for the period specified in s 72, [of the Trade Marks Act 1905] the mark or marks may be expunged under that section. On the other hand, a manufacturer of confectionery, who had no intention of ever manufacturing motor cars, might be held disentitled to register a mark in relation to motor cars: the effect of *In re Registered Trade Marks of John Batt & Co.* +, is I think, correctly stated in the first paragraph of the headnote to the report of the case before *Romer J* and the Court of Appeal.

* (1949) 78 CLR 627

+ [1898] 2 Ch 432; [1899] AC 428

(The statement referred to from Batt's case reads: "A Trade Mark cannot properly be registered for goods in which the Applicant does not deal or intend to deal.")

I note here that the applicant, on 24 June 1994, made a statement that it was presently using or intended in the near future to use its trade mark "in relation to the goods in respect of which registration is sought". It is not the Registrar's usual practice to go behind such statements, which are made in response to Trade Marks regulation 8, unless it is shown by the evidence that such is not the case. Mr Lightfoot, a vice president of the applicant company, in his statutory declaration, said that the trade mark was adopted for use, "throughout the world for computer controlled ink jet plotters and printers". Ms Makrigiorgos submitted that this indicated that the applicant had no intention to use its mark on the other goods in the specification. Conversely, Mr McManis argued that this said nothing about the applicant's

intention in relation to such goods. I am inclined to the latter view. In my opinion, such a statement in the evidence says nothing about the applicant's plans in relation to the generality of computer equipment. I believe that there is nothing to indicate that the applicant did not, at the time of lodgment, have an intention to use the trade mark on all of the goods for which registration is sought. I therefore find that the opposition, as it is based upon this leg, must fail.

In view of what follows, I will say at this stage that it may become open to the present opponent to apply under s 92(4)a of the *Trade Marks Act 1995*, should it wish to further test the resolve of the present applicant. In such a case, the onus would be on the owner of the registration - assuming it wishes to oppose removal - to demonstrate at least a prima facie case of intention in relation to all the goods in question. That is the exact opposite of the case now before me.

Section 33 - Substantially identical or deceptively similar

Sub-section 33(1) reads:

Subject to this Act, a trade mark is not capable of registration by a person in respect of goods if it is substantially identical with or deceptively similar to a trade mark which is registered, or is the subject of an application for registration, by another person in respect of the same goods, of goods of the same description as those goods, or of services that are closely related to those goods, unless the date of registration of the first-mentioned trade mark is, or will be, earlier than the date of registration of the second-mentioned trade mark.

The goods of the present application are the same goods or goods of the same description as those covered by the opponent's registered marks, particularly those of registration's number 376824 and 461031. Under s.33, I must now determine whether the applicant's mark is substantially identical with, or deceptively similar to, the trade marks owned by the opponent.

Ms Makrigiorgos' submitted that, on the findings of King J in *Seven Up v Bubble Up*, supra, I should find that the trade marks TECHJET and TEC are substantially identical or deceptively similar. However, in considering the marks TECMO and TEC, in *Tecmo Kabushiki Kaisha v Tokyo Denki Kabushiki Kaisha* (1995) AIPC 91-177, 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; [(1987) 9] 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.'

Ms Makrigiorgos submitted that I do not need to speculate on whether a court would find that the use of the applicant's trade mark would constitute an infringement of the opponent's mark. For my part, I could merely consider whether TEC has retained its identity in TECHJET such that the marks are substantially identical.

In doing so, however, I must give proper weight to the element JET. Having considered the argument Ms Makrigiorgos put to me, I do not believe I can find that TEC and TECHJET are substantially identical. The relevant test is that articulated by Windeyer J in the *Esso* case (supra). In considering the question of substantial identity, it is obvious that there is a considerable difference between the opponent's and applicant's trade marks. The applicant's trade mark is a combination of the words TECH- and JET, the applicant's is simply the word TEC. The words look and sound differently, and have a different number of syllables. That must be the end of that matter.

I now turn to consider whether the trade marks can be considered deceptively similar. Sub-section 6(3) defines a trade mark as deceptively similar if it is likely to deceive or cause confusion. Here, the trade marks should not be compared side by side; consideration should be given to any common impression carried away from the two marks. The test here is, as Ms

Makrigiorgos said, found in the judgment in *Australian Woollen Mills Ltd v F. S. Walton & Co Ltd*, supra, and I refer to where Dixon and McTiernan JJ. said:

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.

In the present case, there has been no evidence adduced of any instances of actual confusion occurring. I will therefore consider the matter from a theoretical viewpoint.

There are, on the register, many trade marks with the prefix TECH in class 9, though I note that Ms Makrigiorgos has argued that none of them are closer than the present pair. There is evidence of the regular occurrence of this word on marks owned by different proprietors, for goods of the same description as those covered by the opponent's and applicant's trade marks. In view of this, I believe the possibility of any deceptive similarity stemming from that word, or its phonetic equivalent TEC, is considerably lessened. The word JET is also used as a suffix in class 9 trade marks - fairly commonly, I agree, for printers and the like. However, I think that its combination with the prefix TECH is unusual enough to result in a mark that will readily be distinguished from the opponent's. I must agree with Mr McManis that purchasers of the types of goods produced by both the applicant and the opponent would exercise some care, especially given the expense of the goods. This would lessen the possibility of confusion of the competing trade marks. The possibility of necessary research being conducted essentially by

phone without, at a very early stage, either inspection of the goods or reference to written descriptions or specifications, is relatively low.

In relation to the tests laid out in the *Australian Woollen Mills* case, supra, I think that the net impressions left by both trade marks would, barring such unlikely instances of phonetic confusion, be sufficiently unlike as to differentiate them. I therefore feel that there is very little possibility that the relevant purchasers of the goods covered by the respective trade marks in dispute would be either deceived or confused. While I have allowed for the so-called doctrine of imperfect recollection, it cannot, on goods such as these, be taken to extremes.

For the foregoing reasons, I find that the opponent's objection, as it is based on s.33, must fail.

Conclusion

I find that the opponent has failed on both of the grounds pursued at the hearing. I therefore dismiss the opposition. I direct that, subject to any appeal from this decision, the trade mark proceed to registration. I award costs in the matter to the applicant.

T. Williams
Hearing Officer
19 June 1997