

12.4.81

File No. : 4801/89

IN THE MATTER of the Trade Marks Ordinance Cap. 43

and

IN THE MATTER of an application by Tektronix, Inc. to register the marks "TEKTRONIX" and "TECTRONICS" in Part A of the Register.

Grounds of Decision

of

Mr. R.J. Perera acting for the Registrar of Trade Marks.

Mr. H. Wheare from Messrs. Johnson, Stokes & Master appeared for the Applicant.

On the 16th of June 1989 Tektronix, Inc. ("the Applicant") applied for the marks "TEKTRONIX" and "TECTRONICS" ("the marks") in Class 9 for a wide range of goods and sought registration of the marks as a series of trade marks under Section 26 of the Trade marks Ordinance. The Registrar of Trade Marks ("the Registrar") has rejected the registration of the marks as a series of trade marks.

The Registrar's reasons for rejecting the registration of the marks as series marks are set out in a letter dated the 6th of August 1990 to Messrs. Johnson, Stokes & Master as follows :-

" I refer to the captioned application.

Please be advised that the mark has to be refused as a series of mark because the two marks do not differ in a non-distinctive character which does not substantially affect the identity of the trade marks. They are considered as two marks and differing materially in appearance and spelling.

In the circumstances, please forward a franked Form TM-No. 33 to amend the mark to either "TEKTRONIX" or "TECTRONICS".

On the 6th of December 1990 the matter came before me at a registrability hearing. The Applicant was represented by Mr. H. Wheare of Messrs. Johnson, Stokes & Master. On the 11th January 1991 I wrote to Messrs. Johnson, Stokes & Master

rejecting the registration of the marks "TEKTRONIX" and "TECTRONICS" as a series of trade marks under Section 26 of the Trade Marks Ordinance. I have now been asked to state in writing the Grounds of my Decision and the materials used in arriving at my Decision, which are given below.

The sole issue before me at the registrability hearing was whether the marks "TEKTRONIX" and "TECTRONICS" could be registered as a series of marks under Section 26 of the Trade Marks Ordinance. As a preliminary matter I set out below Section 26 of the Trade Marks Ordinance :-

"26.(1) Where a person claiming to be the proprietor of several trade marks, for the same goods or description of goods, which, while resembling each other in the material particulars thereof, differ in respect of -

- (a) statements of the goods in relation to which they are respectively used or proposed to be used; or
- (b) statements of number, price, quality or names of places; or
- (c) other matter of a non-distinctive character which does not substantially affect the identity of the trade mark; or
- (d) colour,

seeks to register such trade marks, they may be registered as a series in one registration.

(2) All trade marks so registered shall be deemed to be, and shall be registered as, associated trade marks".

The debate revolves around Section 26(1)(c). Section 26(1)(a), (b) and (d) are irrelevant for the purposes of this case.

At the hearing Mr. Wheare submitted that there were 4 conditions to a registration under Section 26 of the Trade Marks Ordinance namely :-

- (1) these must be same goods or description of goods;
- (2) that the marks must resemble each other in material particulars;
- (3) that the marks must differ as regards matters of a non-distinctive character; and

- (4) that the identity of the trade mark is not substantially affected.

He submitted that in this particular application both trade marks of the intended series were in respect of the same goods. This contention is not in issue.

Mr. Wheare then discussed whether the marks resembled each other in material particulars, and referred to para. 9-12 of the U.K. Registry Work Manual Chapter 9 :-

"9-12 It is always difficult to maintain consistency in deciding what differences in marks claimed to be a series - whether words or devices - are acceptable and what are not. The best guide is the Act itself. The essential elements of Section 21(2) are that the marks must "[resemble] each other in the material particulars thereof" and may differ only in respect of

- (a) statement of the goods/services, or
- (b) statements of number, price, quality, or names of places, or
- (c) other matter of a non-distinctive character which does not substantially affect the identity of the mark, or
- (d) colour.

In other words, whatever differences there may be, the mark must still resemble each other in their main features, and the features which differ must be ones which do not substantially affect the identity of the mark.

It is easier to agree that there is a "resemblance in material particulars" in the case of purely device marks than in the case of word marks, where one letter may make a very substantial difference".

Mr. Wheare said that the main features of a mark were the features which made it a trade mark. He said that "TEKTRONIX" was phonetically the same as "TECTRONICS" and that these marks appealed to the ear more than to the eye. He said that the roots of the two marks "TEKTRONIX" and "TECTRONICS" appeared to be derived from a combination of two features (i.e. tech and tronics). The marks were made up of semi-descriptive elements. He said that "TEKTRONIX" and "TECTRONICS" were invented marks. He referred to the Electrix Case [1959] R.P.C. 283 which he said was authority for the proposition that distinctiveness was not derived by a misspelling; he referred to

page 286 lines 34 to 42 which stressed the phonetic importance of a mark. He went on to page 287 and referred to lines 18 to 20 and lines 30 to 34. I believe these quotations from the Electrix Case were quoted by Mr. Wheare as authority for the proposition that the ear was more important than the eye and that, in the case before me, the marks "TEKTRONIX" was phonetically the same as "TECTRONICS" and that in this particular case the comparison of the marks appealed more to the ear than to the eye.

Mr. Wheare then discussed the third condition mentioned above (page 2) that the marks must differ as regards matters of a non-distinctive character. He said that as regards differences between the two marks "TEKTRONIX" and "TECTRONICS" the differences were in the spelling. He said that there was no phonetic difference. He submitted the differences were non-distinctive. "CS" was a non-distinctive difference from "X" and "C" was a non-distinctive difference from "K". He said that as far as the letter "C" and "K" were concerned it was known that there could be a soft "C" and a hard "C". He said that in this case the "C" in "TECTRONICS" was a hard "C". As for the final "X" and "CS", he referred to the Electrix Case which showed that the difference between the final "X" and "CS" was not sufficient to make the mark "Electrix" distinctive. Mr. Wheare also referred to the OTRIVIN Case [1967] R.P.C. page 613. He said that this was a case which concerned the U.K. equivalent of Section 51 of the Trade Marks Ordinance. He said that, in his client's application, the pronunciation of the two marks in series had not been changed and, if the change in spelling affected the look of the words, then these were not distinctive differences.

Mr. Wheare then considered the fourth condition (page 3 above) i.e., that the identity of the mark was not substantially affected. His contention here was that the changes in spelling between "TEKTRONIX" and "TECTRONICS" did not substantially affect the identity of the trade mark. He referred me to the PELICAN Trade Mark [1978] R.P.C. 424 and also an Australian Case Re. Lynson Australia Pty. Ltd. (Intellectual Property Reports Vol. 9 page 350). Mr. Wheare also then made reference to a notice of advertisement which appeared in the Hong Kong Government Gazette in Class 9 in respect of the series marks "AWASIC" and "AWASICS".

The question to be asked in this case is whether, for the purposes of Section 26(1) of the Trade Marks Ordinance, the trade marks "TEKTRONIX" and "TECTRONICS" resemble "each other in material particulars" and differ only in respect of "other matter of a non-distinctive character which does not substantially affect the identity of the trade mark".

The first point to note is that Section 26(1) of the Trade Marks Ordinance refers to several trade marks which

resemble "each other in the material particulars thereof ...". So before considering the differences in the trade marks referred to in Section 26(1)(c) of the Trade Marks Ordinance, it is necessary to determine, as a first step, whether the marks ("TEKTRONIX" and "TECTRONICS") resemble each other in the material particulars. Or, as the Work Manual puts it, do these marks resemble each other in their main features? If they do not, the consideration of Section 26(1)(c) of the Trade Marks Ordinance becomes totally unnecessary.

Mr. Wheare's case is that "TEKTRONIX" is phonetically the same as "TECTRONICS". He argued that in his particular case the marks appeal to the ear more than to the eye. (see pages 3 & 4 above). With respect to Mr. Wheare, I consider that the appearance of a mark obviously still matters when one is considering the question of a resemblance between two marks. There is nothing in the *Electrix Case* (quoted above at pages 3 & 4) which contradicts this. In the *Electrix Case* Viscount Simonds quoted Lord Cozens Hardy, M.R. as follows: "... There is one important distinction between word marks and other marks. The former appeal to the ear as well as, and indeed more than, to the eye. The latter appeal to the eye only ..." (page 287). So a word mark still appeals to the eye. It is interesting to note that Kerly's *Law of Trade Marks and Trade Names* "Kerly" (12th Edition) has this to say when discussing the question of the amount of resemblance between marks deceiving or causing confusion (at para 17-15) :-

"Ear as well as eye must be considered"

The resemblance between two marks must be considered with reference to the ear as well as to the eye ... Examination of reported cases shows that where the marks are meaningless words, or words of essentially similar character, the courts give as much weight to phonetic as to visual resemblance".

Therefore, in comparing marks, visual resemblance cannot be discounted.

In this particular case there are two differences in each of the marks in that the letter "K" is replaced by the letter "C" and the letter "X" is replaced by "CS". In my opinion these changes make such a difference to the appearance of both marks that I do not think that "TEKTRONIX" and "TECTRONICS" can be said to be marks which resemble "each other in the material particulars". (Section 26(1) of the Trade Marks Ordinance). The look of both marks is very different. As the extract from the U.K. Work Manual puts it (quoted above at page 3) :-

"... It is easier to agree that there is a "resemblance in material particulars" in the case of purely device

marks than in the case of word marks, where one letter may make a very substantial difference".

In this particular case the letters "K" and "X" in one of the marks have been replaced by "C" and "CS" in the other mark and I think this does make a very real and substantial difference to the visual appearance of both marks.

Having found that "TEKTRONIX" and "TECTRONICS" do not resemble each other in the material particulars thereof, it follows that these marks cannot be registered as series marks under Section 26 of the Trade Marks Ordinance.

However, I may be wrong on the question of whether both the aforesaid marks resemble each other in the material particulars, and it may be that they do. In that case I must go on to consider whether both marks differ in respect of "other matter of a non-distinctive character which does not substantially affect the identity of the trade mark" within the meaning of Section 26(1)(c) of the Trade Marks Ordinance. In this respect, I refer to the following extract from the judgment of Chief Assistant Registrar S. Farquhar in Re. Lynson Australia Pty. Ltd. which provides some useful background on how Section 26 of the Trade Marks Ordinance is to be interpreted. I appreciate that Re. Lynson is an Australian case and that the corresponding sections between the Australian Trade Marks Act and the Hong Kong Trade Marks Ordinance are not identical; but for the purposes of considering series marks I consider the observations of the Chief Assistant Registrar S. Farquhar (Vol. 9, IPR, at page 351) to be extremely useful and relevant :-

"There is little or nothing in the way of precedent case law related directly to the interpretation of s. 39. However, ss 21, 42 and 127 contain the same form of words relating to substantial alteration of the identity of the mark, and, particularly in relation to s 21, there is a substantial amount of relevant law. The treatment of this topic by D R Shanahan in his Australian Trade Mark Law and Practice, at p 220, is also useful.

Consideration of the principles enunciated in cases such as British Hoist and Crane Co Ltd's Trade Mark (1965) 72 R.P.C. 66, "Otrivin" Trade Mark (1967) 84 R.P.C. 613, "Pelican" Trade Mark (1978) R.P.C. 424 and Morny Ltd.'s Trade Marks (1951) 68 R.P.C. 55 enable some general guidelines to be defined for the assessment of what constitutes a substantial alteration of the identity of a mark. These may then be used to decide what may or may not constitute a series of marks in terms of s 39(1)(c).

Briefly, and only in general terms, the variation

between members of a series must be such that no additional element or dimension is contributed thereby to the overall identity of the marks; the "idea" of the mark must remain the same. If the marks consist of a word, then that word must be the only element in the identity of each member of the series. The typescript may be varied, but only between known, conventional scripts, not fanciful get-up. The spelling may be varied, but only if the pronunciation and meaning remain unaffected. The separation of one word into two, or the running together of two words would be governed by the same considerations : the sound and meaning must remain the same. The appearance of the word or words must also be taken into account when the spelling or physical arrangement of the letter is varied. Minor changes (such as "pelican" and "pelikan" or "fastfoto" and "fast-foto", will be acceptable where more extensive ones will not (eg "tablet" and "tabblett" or "tab-let", "ta-blet" and "tabl-et")".

The last and penultimate sentences of Registrar Farquhar's remarks are particularly relevant in this case. The Registrar points out that the appearance of a word or words must also be taken into account when the spelling or physical arrangement of the letter is varied. Minor changes are acceptable, but more extensive ones are not. In my opinion the spelling changes made to TEKTRONIX/TECTRONICS are not minor ones but more extensive ones which have so altered the appearance of both marks that the identity of the trade mark has been substantially affected. I think that this particular extract from the judgment of Tookey Q.C. in the OTRIVIN Case (at page 614) is also relevant :-

"Miss Stewart, who appeared in support of her decision, agreed that word marks were covered by section 35(1), but said that the case of a word mark must be more difficult as regard compliance with the section, particularly where the word is an invented word. The addition of another letter may produce another invented word, and the public would not necessarily regard the one as identical with the other. On the other hand, as she contended, the public are accustomed to finding dictionary words spelt in different ways".

In this particular case the changes to both marks are not in my view minor ones but are more extensive ones. There is nothing to prevent the public from regarding "TEKTRONIX" as a different invented word from "TECTRONICS". Letters of the alphabet may in themselves be matter of a non-distinctive character, but one cannot consider them in isolation; it is their appearance within a word mark (as in this case) which determines whether or not the identity of a trade mark has been affected. Referring to Registrar Farquhar's decision in Re. Lynson, I note the examples the Registrar gives of more

extensive changes to marks which the Registrar would not regard as acceptable : tablet, tabblett, tab-let, ta-blet, tabl-et. In my view, the spelling differences between "TEKTRONIX" and "TECTRONICS" are even more extensive than the unacceptable marks listed by Registrar Farquhar.

The Otrivin Case, although on a different section of the U.K. Trade Marks Act, shows that one letter can make a difference. In that case Tookey Q.C. dismissed the appeal holding that the Registrar correctly held that the addition of the letter "e" to the Trade Mark "Otrivin" might effectively change the pronunciation and look of the mark and that the Applicants had not therefore established that the proposed alteration would not substantially affect the identity of the mark.

Each particular case must be decided upon its own facts. But, in my opinion, the difference in appearance between "TEKTRONIX" and "TECTRONICS" are more substantial than appearing either in the "PELICAN" Trade Mark or "OTRIVIN" cases. I am not assessing the differences on a quantitative basis i.e., by simply counting the differences in the letters of each word. The substitution of "C" and "CS" for "K" and "X" respectively in both marks alters the appearance of both marks to such an extent that "TEKTRONIX" and "TECTRONICS" are two very different looking marks. I refer to my comments on page 7 above. I do not think that the Applicant has established that "TEKTRONIX" and "TECTRONICS" differ in respect of other matter of a non-distinctive character which does not substantially affect the identity of the trade mark.

The marks "TEKTRONIX" and "TECTRONICS" cannot therefore be registered as a series mark pursuant to Section 26 of the Trade Marks Ordinance.

In reaching my Decision I have considered all the documents, and all the arguments, submitted to me by the Applicant.

R. J. Perera.

R. J. PERERA

Date : 12th April 1991