

## BRIEF SUMMARY

### "SHIVA"

Trade Mark — Application for registration of "SHIVA" — conflict under Section 20 with "SHIVAKI" — whether "electrical apparatus and instruments; calculating machines and data processing equipment" includes computer hardware — whether computer hardware and software goods of the same description — whether mark confusing or deceptive — application refused.

Application No. 1946 of 1996

IN THE MATTER of the Trade Marks  
Ordinance (Cap. 43)

AND

IN THE MATTER of application by Shiva  
Corporation to register the mark SHIVA in  
Class 9

**DECISION  
OF**

Ms Fanny Pang acting for the Registrar of Trade Marks after a hearing on 20 June 2000.

Appearing : Dr. Firoz Nasir instructed by Messrs. Robin Bridge & John Liu on behalf of the  
Applicant, Shiva Corporation

1. On 15 February 1996, Shiva Corporation ("the Applicant") applied to register, in Part A of the Register, the trade mark "SHIVA" ("the subject mark") in Class 9 in respect of "computer software and hardware serving multiple platforms used for facilitating and managing remote access to and communication with, within and between local area networks and wide area networks and instructional manuals sold therewith".

2. By letter dated 27 November 1996, the Registrar of Trade Marks ("the Registrar") objected to the application under Section 20(1) of the Trade Marks Ordinance ("the Ordinance") on the ground that the mark nearly resembled the registered trade mark 4064 of 1998 "SHIVAKI" ("the cited mark").

3. The cited mark is registered in the name of Shivaki (Japan) Industries Limited ("the cited proprietor") in Part A of the Register for "scientific, nautical, surveying, electric, photographic, cinema-tographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines and data processing equipment; fire-extinguishing apparatus" in Class 9.

4. In the letter, the Registrar stated that the subject mark could be considered for registration in Part A or B of the Register subject to Section 20 citation having been overcome and the condition that the specification be edited to "computer software and hardware serving multiple platforms for local area networks and wide area networks".

5. By letter dated 21 August 1997, the applicant indicated that it agreed to amend the specification as proposed by the Registrar. But, the applicant contended that its mark does not nearly resemble the cited mark and is not in respect of the same goods, or goods of the same description, as prohibited by Section 20(1). The Registrar has taken the objection that the cited mark is confusingly similar to the subject mark. Both of the two marks contain the same frontal element "SHIVA". Moreover, as the word "SHIVA" is distinctive of the goods, it may come to be the feature which strikes the eyes of the public and fixes itself in their memory recollection. The specifications of goods of the subject mark and cited mark are either overlapping or of the same description in that "electric apparatus and instruments, data processing equipment" can include the subject goods "computer hardware"; and that "magnetic data carriers" can cover the subject goods "computer software".

6. By letter dated 27 August 1999, the Applicant applied for a hearing.

7. At the hearing on 20 June 2000, Dr. Firoz Nasir instructed by Messrs. Robin Bridge and John Liu made the following submissions :

- (a) The subject mark and the cited mark are conceptually, aurally and visually different.
- (b) Conceptually, SHIVA is a well-recognized word amongst the general public : being a common alternative form of SIVA, one of the Hindu pantheon of deities, and is a very distinctive word, although materially an uncommon, imported word for the purposes of the English language.
- (c) SHIVAKI has no known meaning but it clearly has a Japanese provenance or connotation which can be discerned not only by the sound but by the suffix -KI-, so common of Japanese names (e.g. Suzuki). This is supported by the fact that the cited trademark owner appears to be a company with a Japanese origin or connection, Shivaki (Japan) Industries Ltd, and is further supported by the prominence of the word JAPAN appearing under the name SHIVAKI in the cited trademark owner's website (as of 15 June 2000).
- (d) The subject mark and the cited mark are aurally and visually different. SHIVA is trochaic : long syllable followed by a short syllable. It is thus pronounced 'Shēē-vuh' with the emphasis on the first syllable. SHIVAKI appears to follow the opposite, iambic phonetic : short first syllable followed by a long syllable - V A [A] K- and finished by a final short syllable -I-. It is thus pronounced 'She-vār-ki' where the stress is on the second syllable.
- (e) Persons in Hong Kong would be familiar with the difference between the two words and Japanese-sounding words are particularly easy to recognise which are quite clear to the majority of Hong Kong people.
- (f) SHIVA has two syllables and five letters, in contrast to SHIVAKI which has three syllables and seven letters. The final syllable "KI" is aurally and visually very striking and is a particularly strong ending.
- (g) Goods to which the respective marks are applied are different. The goods to which the Applicant's mark is applied are advanced network routers, the building blocks of corporate Intranets and of the Internet. The Applicant Company was recently bought by Intel Network Systems Inc. and now operates as its wholly owned subsidiary. The cited mark, however, is applied to

household goods, albeit registered under a wide description. The description of the Applicant's goods is narrowly defined and technically separate and distinct from those of the cited proprietor.

- (h) Copies of relevant invoices of the applicant, relevant pages of the Applicant's website and the relevant pages of the cited proprietor's website were produced at the hearing. In reliance on them, Dr. Firoz Nasir submitted that the type of goods that have been sold by the proprietor of the subject mark are expensive goods. The user profiles of those people who actually use SHIVA products show that the products are not sold in retail environments but are specifically ordered and delivered. They are specialized products tailored for specific users. The SHIVA products concern hardware combined with software in relation to networks between large corporations to be connected to the Internet. They are products that require significant post-installation service and support. The SHIVAKI products are mainly audio, video and home appliances. The products are consumer electronics e.g. television, videos, audios, washing machines, home appliances, kitchen appliances and so on.
- (i) The Applicant submitted a report prepared by one Kennoway Investigations Limited on "SHIVAKI" in order to indicate the sort of goods that the cited proprietor, Shivaki (Japan) Industries Limited, sell under the name of SHIVAKI and the trade channels through which the company distributes its goods. The report said that according to a Director of the cited proprietor, the cited proprietor did not have any catalogues or products bearing the name SHIVAKI in Hong Kong. The SHIVAKI brand was handled exclusively from the cited proprietor's office in Dubai. The SHIVAKI products had not been handled in Hong Kong for four to five years. The SHIVAKI brand appeared on 110 different consumer electronic products, all of which were controlled out of Dubai. In short, Counsel submitted that the products under the trade mark of SHIVAKI are not sold in Hong Kong.
- (j) The nature and kind of customers likely to buy the respective goods of the subject mark and the cited mark are different. The Applicant's goods are not marketed to the general public but to professionals or specialists skilled in this narrow area of technology requiring state of the art products.
- (k) The distribution channels are also different. The cited mark's goods appears to be general retail goods for mass distribution. The Applicant's goods, in contrast, would not generally be sold over the counter in a High Street retail shop; they would usually require on-site technical assistance. Both types of

products would require a great deal of discernment and care when being purchased, unlike buying a bag of sweets in a supermarket.

- (l) The common element objection can be fully answered since the "SHIVA" part of SHIVAKI does not form a readily separable and identifiable element *per se*, unlike "COLA" when comparing COCA COLA and PEPSI COLA (*Coca Cola Canada v. Pepsi Cola Canada* (1942) 59 RPC 127). This is because Cola has independent existence as a known description and was common in the trade; or the "ACCU" in comparing ACCUTRON to ACCURIST (*Accutron Trade Mark* (1966) RPC 152) where the "ACCU" signifies the idea of accuracy, which, in ACCURIST conjures up the idea of an accurate wrist watch; or the "PORTO" in PORTOBLAST which signified portability (*Portakabin Ltd v. Powerblast Ltd* (1990) RPC 471). SHIVA itself carries no readily discernible meaning, as understood by a person in Hong Kong, when conjoined with "KI". Similarly the public would not regard the prefix "KO" in KODAK as being a Korean surname. The respective marks have to be viewed as a whole as SHIVA is meaningless as a fractured word group.
  
- (m) A plethora of authorities can be found in Kerly's Law of Trade Marks on the importance of the first syllable. The rule that the first syllable of a word is far more important for the purpose of distinction arises from the observation of the Court of Appeal in *London Lubricants* (1925) 42 RPC 264 at 279 that there is a tendency of persons using the English language to slur the termination of words. This rule it is submitted can be distinguished. The vast majority of persons in Hong Kong being Chinese or familiar with Chinese pronunciations have a more acute tonal appreciation of words. There is also a local sensitivity to tri-syllabic words, the majority of Chinese names being tri-syllabic, such that there would, in this case particularly, be no concern that the "KI" would be slurred. If anything, in Hong Kong it would be emphasized.
  
- (n) That one of two words was in English and the other in a foreign language would in general diminish the probability of confusion through "imperfect recollection" (*Aristoc Ltd v. Rysta* (1945) RPC 65 at 72 and 73). Again, it should be borne in mind that the suffix "KI" is very strong and striking, is unlikely to be slurred and is easy to remember.
  
- (o) "Magnetic data carriers" cannot equate to "computer software". The former connotes a medium of storage or transmission. Computer software is quite different. The Australian Federal Court in *Apple Computer Inc v. Computer Edge Pty Ltd* [1984] FSR 481 defined it as "a concise set of instructions that

directs the computer to do the task required of it step by step and to produce the desired result". Whilst software can be stored by a magnetic data carrier it is not thereby or otherwise equivalent to it. The two types of product are separate and distinct.

- (p) "Electrical apparatus and instruments, data processing equipment" do not under the definition in Class 9 have such a wide ambit as to include the subject goods "computer hardware"; for to do so would be to deny the numerous distinctions in that class and would render, for example, the description "apparatus for recording sound or images" redundant since it would be included under "cinematographic apparatus" (*Pana Application* [1993] HKCU 181 at para. 43 and *British Sugar v. Robertson* (1996) RPC 281). Users of the respective goods would clearly not consider them to be the same.
- (q) In conclusion, the Applicant's mark, SHIVA is readily distinguishable by its easy recognition as a familiar word in Hong Kong and is not confusable with the cited mark SHIVAKI which gives an overwhelming impression of being Japanese in origin. There are also substantial aural and phonetic distinctions between the two words to which the Hong Kong public would be acutely sensitive. The description of goods to which the Applicant's mark is applied is much narrower in scope than the specifications of goods covered by the cited mark and purchasers of the latter would not be confused as they would not in the ordinary course of events come across the Applicant's goods in the retail market where the cited mark's goods would normally be offered for sale, nor indeed would they share the same marketing or advertising channels.
- (r) The Applicant's mark SHIVA does not in law or in fact nearly resemble the cited mark SHIVAKI, nor are the respective marks applied to the same or same description of goods, and that SHIVA should be accepted for registration accordingly.

8. I reserved my decision at the end of the hearing. By letter dated 4 July 2000, I informed the Applicant that I decided the citation should be maintained under Section 20(1) of the Ordinance and the application for registration must be refused.

9. Pursuant to Rule 20(2) of the Trade Marks Rules, the Applicant by letter dated 15 September 2000 requested me to state in writing the grounds of my decision and the materials used by me in arriving thereat.

## Decision

10. Section 20(1) of the Ordinance provides that :

“Except as provided by Section 22, no trade mark relating to goods shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a trade mark belonging to a different proprietor and already on the register in respect of :

- (a) the same goods;
- (b) the same description of goods; or
- (c) services or a description of services which are associated with those goods or goods of that description.”

11. Section 2(4) provides that :

“References in this Ordinance to a near resemblance of marks are references to a resemblance so near as to be likely to deceive or cause confusion.”

12. The two issues for determination therefore are, whether the goods for which the subject mark is sought to be registered, the same goods or description of goods as those of the registered mark; and if so, does the subject mark so nearly resemble the cited mark as to be likely to deceive or cause confusion.

13. The applicant’s specification of goods is “computer software and hardware serving multiple platforms for local area networks and wide area networks”. The goods for the cited mark are “scientific, nautical, surveying, electric, photographic, cinema-tographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines and data processing equipment; fire-extinguishing apparatus”.

14. The accepted test to be applied under Section 20 of the Ordinance is that stated by Evershed J. in *Smith Hayden & Co. 's Application* [1946] 63 RPC 97. Adapted to the matter in hand, the test may be expressed as follows :

“Assuming user by the proprietor of the cited mark “SHIVAKI” in a normal and fair manner for any of the goods covered by the registration of the mark, is the tribunal satisfied that there will be no reasonable likelihood of deception or confusion amongst a substantial number of persons if the applicant also uses its mark “SHIVA” normally and fairly in respect of any goods covered by its proposed registration?”

15. It is clear from the formulation of the above test that I must have regard to all of the goods covered by the cited mark’s registration and the Applicant’s proposed registration and not just to some part of the specifications in relation to which the Applicant and the cited proprietor may hitherto have used their marks. In assessing the risk of deception or confusion under Section 20(1) of the Ordinance, I must assume that both marks will be used in a normal and fair manner for all the goods covered by the registration or application in question. The cited proprietor may not at present offer goods under its mark in direct competition with the applicant’s present goods, but that is not the issue for there is nothing in its specification that would preclude it from rightfully doing so in the future.

16. I also find that the following passage from *The Australian Law of Trade Marks and Passing Off* by D.R. Shanahan Second Edition at 152 useful in summarising the position of the present case on the issue of whether the goods are the same or of the same description :

“In assessing the risk of deception or confusion contemplated by Section 33 (which is similar in terms to Section 20 of the Ordinance), the tribunal assumes that both marks will be used (in the words of Evershed J. in the *Smith Hayden case*) in a “normal and fair manner” for all the goods or services covered by the registration or application in question. The statutory rights of use must be compared rather than the actual modes of use and indeed neither mark need have been in use at all. Thus it will not avail an applicant that the goods or services proposed for registration are not “of the same description” as the particular products for which the cited mark is actually used if the cited registration covers other goods or services that are “of the same description”. The applicant’s proper course in that case is to seek a restriction of the cited registration for non-use pursuant to s.23. Similarly, the applicant must justify registration not only for the particular usage that is planned but for all manners of use within the scope of the registration sought.”

Therefore, the Applicant’s contention, based on a comparison of the actual goods of interest to the proprietor of the subject mark and the cited proprietor, that the goods of the subject mark and the cited mark are not the same or of the same description is misconceived and does not assist the Applicant.

17. Computers are electrical in the sense that they require an electricity supply and, thus, fall within the term “electrical apparatus” (*Merlin Trade Mark* [1997] RPC 871 at 879). I find that “electric apparatus and instruments” covered by the specification of the cited mark

includes computers. Dr. Firoz Nasir submitted that the computer goods of the Applicant are of a specialised type and the specification is narrowly defined. As pointed out in paragraph 16 above, the Applicant must justify registration not only for its actual goods of interest but for all the goods within the scope of the registration sought. The reasoning behind this is straightforward. Once the trade mark is accepted for registration, the proprietor of the trade mark is entitled to the exclusive use of the trade mark in relation to all the goods covered by the specification of the registration. Therefore, whether the actual goods of interest to the Applicant is of a specialised type is neither here nor there. I must look at the scope of the specification. I do not accept that the Applicant's specification is narrowly defined. I consider that "computer hardware serving multiple platforms for local area networks and wide area networks" can cover a wide range of computer hardware. In any event, if "electric apparatus and instruments" include computers, they must be wide enough to cover any type of computers including "computer hardware serving multiple platforms for local area networks and wide area networks" covered by the specification of the subject mark.

18. I also find that "calculating machines and data processing equipment" covered by the specification of the cited mark is wide enough to include the goods "computer hardware serving multiple platforms for local area networks and wide area networks" covered by the specification of the subject mark. The definitions of "calculating machine" and "data processing machine" in McGraw Hill Dictionary of Scientific and Technical Terms, Fifth Edition are as follows :

"calculator [COMPUT SCI] A device that performs logic and arithmetic digital operations based on numerical data which are entered by pressing numerical and control keys. Also known as calculating machine."

"data processing machine [COMPUT SCI] A computer or a component of a data processing system, such as a card reader or tape unit."

19. I further find that computer hardware and computer software have the same purpose and pass through the same channels of trade, and are therefore goods of the same description (*Merlin Trade Mark* [1997] RPC 871 at 881-882). I quote the relevant passage from the Merlin case as follows :

"Having decided that the specification of the opponents registered mark No. 657514 includes computers I must go on to consider whether or not computers are goods of the same description as computer programs. In answering this question I compare the respective goods in the light of the guidance set down in the *Jellinek's Application* (1946) 63 RPC 59 which indicates that I should consider their nature, purpose and channels of trade.

*Nature.* Computer are hardware made up of many components while software is a set of instructions in machine readable form which controls what the computer (or other electrical device such as a washing machine) does. However the distinction between them has become blurred as currently many of the components of modern computers are chips or electronic boards which consist of both hardware and software. Such devices are referred to as "firmware". In the absence of software being built into computers the machines would not respond when they are switched on an(d) would not allow operating systems nor application software to be installed. Even before the advent of firmware the relationship between hardware and software was intertwined, with neither being of use without the other. That said however, I take the view that software and computers are different in nature.

*Purpose.* A computer is a piece of electrical apparatus containing a significant amount of electronic circuitry and is designed to respond in a predetermined manner to a set of electronic instructions. Software is a set of instructions in machine readable form which controls electronic apparatus such as computers. In the context of their business use, for example, in relation to word processing activities, a computer is used to perform, in association with the appropriate software, the relevant function. One, without the other, will not perform word processing activities, and that being the case it must be that their purpose is the same.

*Channels of Trade.* This is the easiest of the three comparisons to decide. One only has to look at the computer press or visit a good computer shop to see all sorts of software advertised, promoted and sold through the same channels. Additionally, when one looks at the companies trading in a range of computer types, from personal computers up to mainframes, it is apparent that many also trade in software under the same trade marks. The channels of trade are therefore the same.

Not all three criteria need be satisfied for a finding that particular goods are of the same description and in this case it appears to me that as the purpose is the same and channels of trade are the same, the respective goods are of the same description. Indeed, this is the view that the registrar has taken in relation to these goods for many years and I am not aware that practice is disputed."

20. It follows that "electric apparatus and instruments; calculating machines and data processing equipment" covered by the specification of the cited mark and "computer software serving multiple platforms for local area networks and wide area networks" covered by the specification of the subject mark are, in law, goods of the same description.

21. Having decided on the first issue, I now turn to the second issue on whether the subject mark so nearly resembles the cited mark as to be likely to deceive or cause confusion. The onus is on the Applicant to satisfy the Registrar that the trade mark applied for is not reasonably likely to deceive or cause confusion, so that refusal to register does not involve the conclusion that the resemblance is such that either an infringement action or a passing-off

would succeed. In cases where the tribunal considers that there is doubt as to whether deception is likely the application should be refused (*Kerly's Law of Trade Marks and Trade Names - 12<sup>th</sup> Edition* paragraph 17-03).

22. The established test for comparison of word marks is stated by Parker J. in *Pianotist Co Ltd's Application* (1906) 23 RPC 774 at 777 :

"You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those marks is used in a normal way as a trade mark for the goods of the respective owners of the marks".

23. Both the subject mark and the cited mark are in plain block capitals. The first five letters of the cited mark "SHIVAKI" and the subject mark "SHIVA" are the same. The two marks as a whole look alike. The omission of the two letters "KI" in the subject mark does not diminish its resemblance to the cited mark "SHIVAKI" in its essential features. The addition of "KI" in the cited mark does not overshadow "SHIVA" visually.

24. "SHIVAKI" is an invented word with no inherent meaning. Though "SHIVA" is a dictionary word, it is not so commonly used that its meaning is immediately apparent. I do not consider that "SHIVA" is a well-recognised word amongst the general public in Hong Kong. Neither of the words conveys any meaning or idea to the likely purchasers in Hong Kong and thus they do not benefit from conjuring up distinct impressions. As a matter of first impression, the two marks are close to each other.

25. In *Rysta Ltd's Appn* (1943) 60 RPC 87 at 108, Luxmoore L.J. said :

"It is the person who only knows the one word, and has perhaps an imperfect recollection of it, who is likely to be deceived or confused. Little assistance, therefore, is to be obtained from a meticulous comparison of the two words, letter by letter and syllable by syllable pronounced with the clarity to be expected from a teacher of elocution. The court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description but also of the shop assistant ministering to that person's wants."

26. "SHIVAKI" is a word of three syllables, whereas "SHIVA" has two. No doubt, by some slurring of the third syllable due to imperfect recollection and careless pronunciation,

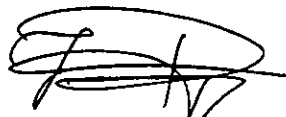
"SHIVAKI" can be rendered as a two-syllable word. Phonetically, when they are compared as a whole, they are similar.

27. As part of the goods of the proposed registration and the cited mark's registration overlap with one another or are of the same description, the goods can be sold and purchased through the same trade channels to the same class of purchasers paying the same price. The degree of care and attention of likely purchasers is to be considered in relation to the inherent nature of the goods. Computer software and hardware serving multiple platforms for local area networks and wide area networks covers a wide range of computer hardware and software. The parties' goods are generally purchased with normal care and attention, and the purchasers will make no more than averagely intelligent examinations of the marks.

28. It would not be surprising to learn that a person asking for "SHIVAKI" computer products from a shop assistant who only knew "SHIVA" computer products had been supplied with the latter and vice versa.

29. I believe that a person who knows of SHIVAKI only and who perhaps has an imperfect recollection of it will think, on meeting SHIVA, that this is the mark that he had in mind or had been told about. Even if he remembers SHIVAKI, he might think that he has misunderstood or misheard it and SHIVA is the correct mark. Alternatively, having regard to the highly distinctive common feature, it is likely the public may believe the subject mark, dependant on the common feature shared with the cited mark, belongs to the same series as the cited mark, suggesting that the goods marked with the subject mark come from the same source as the cited proprietor's goods or at least be caused to wonder whether that might not be so.

30. Having compared the marks as a whole bearing in mind all the circumstances, I decide that the citation should be maintained under Section 20(1) of the Ordinance. If there is a probability of deception, there is no discretion to the Registrar in the application of Section 20 and the application for registration must be refused.



(Ms Fanny Pang)

p. Registrar of Trade Marks  
14 November 2000