

TRADE MARKS ORDINANCE (CAP. 559)

OPPOSITION TO TRADE MARK APPLICATION NO. 301685296

MARK: MACTEL

CLASS: 9

APPLICANT: MACTEC ELECTRONICS

OPPONENT: APPLE INC.

STATEMENT OF REASONS FOR DECISION

Background

1. On 10 August 2010, Mactec Electronics (“the Applicant”) filed an application under the Trade Marks Ordinance (Cap. 559) (“the Ordinance”) for registration of the following mark -

MACTEL
 (“the suit mark”).

The application number assigned by the Registrar of Trade Marks (“the Registrar”) was 301685296 (“the subject application”).

2. Registration of the suit mark is sought in respect of the goods below in Class 9 -

“Mobile phone; mobile memory card; mobile hand free devices; mobile batteries; mobile spare parts; mobile charger; mobile keypad; mobile housing; mobile LCD; mobile cover; mobile accessories; telephone apparatus; mobile speaker” (“the applied for goods”).

3. Particulars of the subject application were published on 18 March 2011. On 16 June 2011, Apple Inc. (“the Opponent”) filed a Notice of Opposition with a Statement of Grounds of Opposition (“the subject proceedings”). On 9 September 2011, the Applicant filed a Counter-statement.

4. The opposition was fixed for hearing on 4 November 2014 (“the hearing”). By Form T12 dated 15 September 2014, Messrs Bird & Bird (“the Solicitors”) for the Opponent indicated intention to appear. Then by letter dated 3 November 2014, the Solicitors informed the Registrar that they would not appear. They nonetheless filed a written submission on the Opponent’s behalf on 5 November 2014 (“the Opponent’s written submission”). The Applicant, represented by IT&T Intellectual Property, filed neither a Form T12 nor any written submissions. Pursuant to rule 74(5) of the Trade Marks Rules (Cap.559, sub. leg.)(“the Rules”), both parties were treated as not intending to appear at the hearing. I will now proceed to decide on the subject proceedings without a hearing pursuant to rule 75(b) of the Rules.

Grounds of opposition

5. A number of grounds are pleaded in the Opponent’s Statement of Grounds of Opposition. The Opponent’s written submission confine them to those under sections 12(3), 12(4), 12(5)(a) and 11(5) of the Ordinance.

Counter-statement

6. The Applicant denies each and every ground of opposition, in particular, that -

- (a) the Opponent’s products registered in Class 9 under its trade marks are mainly computer, computer accessories, batteries for computers etc while the applied for goods are related to mobile phones and their accessories;
- (b) the Opponent fails to disclose whether its trade marks have been registered (or registrations being applied for) in respect of mobile phone products or their accessories;
- (c) the Opponent’s goods are distinguishable from those of the other traders by their special designs/outlook or unique operating systems/applications;
- (d) computers and mobile phones are usually sold separately and the Opponent’s mobile phone products are sold under the brand name “iPhone”; and

- (e) the suit mark is not similar to the Opponent's trade marks nor are the applied for goods similar to the Opponent's goods such that the use of the suit mark on the applied for goods is unlikely to cause confusion on the part of the public.

Relevant date

7. The relevant date for considering the opposition is 10 August 2010, the date of the application for registration ("the relevant date").

Evidence

8. Under rule 18 of the Rules, the Opponent filed on 11 March 2013 a statutory declaration of John Donald ("Mr Donald"), the Opponent's Principal Counsel, with exhibits, declared on 1 March 2013 ("JD's SD").

9. The Applicant did not adduce any evidence in reply.

Opponent's evidence

A. Opponent's history and business

10. JD's SD gives a detailed account of the Opponent's business since its incorporation on 3 January 1977 in California, U.S.A.,¹ which remains its principal place of business. Facts pertinent to the subject proceedings are summarised and discussed below, where necessary.

11. The Opponent designs, manufactures and markets a wide range of computers, electronics, computer peripherals, software, and related services. Since its launch of the first "Macintosh" (referred to as "Mac" or "MAC" in JD's SD and as "Mac" herein) personal computer in 1984, the Opponent's Mac brand is said to have become one of the most recognised brands in the world. The Opponent has since ventured into other electronic products such as the "iPod" media players and the "iPhone" communication device, the "Apple Store" retail stores and a variety of internet retail services including the "iTunes Store" etc.

¹ Exhibit JD-2 to JD's SD shows the Opponent's predecessor changed its name to "Apple Inc." on 9 January 2007. Unless otherwise stated, references in the footnotes herein to paragraph/s (§/§§) and exhibits are respectively those of and to JD's SD.

12. The Opponent has grown substantially since its incorporation. As at 20 August 2012 it had a market value of US\$623.5 billion and was said to be the world's most valuable corporation by market capitalization according to American history.²

13. Since its introduction in January 1984, the Mac personal computers have been the primary focus of the Opponent's business, accounting for much of its net sales. "MAC" was used as a "nickname" trademark for the Opponent's Mac branded computers.³ The Opponent's goods and services have since been advertised, promoted, marketed and offered under a number of the "MAC" trademarks and logos and their variants (collectively "the MAC Trademarks").

14. The Opponent has registered and used the MAC Trademarks in over 110 countries and territories including Hong Kong.⁴ The family of the MAC Trademarks includes "MACINTOSH", "MAC", "POWER MAC", "IMAC", "EMAC", ".MAC", "MAC MINI", "MACPRO", "MACBOOK", "MACBOOK PRO", "MACBOOK AIR" and "MAC OS". There are also design marks and their variants in the MAC Trademarks family.⁵

15. Mr Donald deposes in great detail to the Opponent's diverse lines of goods and services introduced, promoted and advertised under the MAC Trademarks over the years and that such products are available for sale through the Opponent's extensive sale and distribution network.⁶ Country-specific Apple Store websites are in operation in 40 countries and places including Hong Kong (in both the English and Chinese languages). The MAC Trademarks are prominently displayed on these Apple Store websites in connection with the Opponent's products.⁷

16. In May 2001, the Opponent opened its first Apple-branded retail store in California, U.S.A. to sell its own hardware and software including those branded under the MAC Trademarks and a variety of third party products, and to provide hardware support services for the Mac products. In Hong Kong the first Apple Retail Store was opened in September 2011. By March 2013, there were over 390 Apple Retail Stores worldwide. Such retail stores are said to have extremely high customer traffic and are among the highest performing retail stores in the world.

² Exhibit JD-4, article dated 20 August 2012 from "CNNMoney".

³ §15.

⁴ Exhibit JD-5, Opponent's trademark status reports of various dates from various sources.

⁵ §13.

⁶ §§15-62 & Exhibits JD-6 to JD-17.

⁷ §§65-68 & Exhibits JD-10 and JD-19.

Some or all of the MAC Trademarks are prominently displayed in each of the Apple Retail Stores worldwide by way of signage, products, advertising, packaging and invoices etc.⁸

17. Mr Donald's evidence also contains on-line dictionary entries for the word "MAC", defined as, inter alia, "*the line of computers manufactured by Apple Inc.*" or "*Macintosh computer made by Apple*" etc.⁹

B. Opponent's global advertising and sales

18. In paragraphs 120 through 137 of JD's SD, the deponent sets out, mostly for the fiscal years between 2001 and 2010, the Opponent's annual global advertising expenditures, annual net global sales, sales by different global operating segments, net sales in the Apple Retail Stores, annual sales by product and total sales of the Mac computers worldwide and by operating segments.¹⁰

19. The Opponent has all along strongly emphasized the promotion of the MAC Trademarks worldwide in connection with its goods and services. Advertisements appear on television and radio, in print, on billboards and bus panels, in conferences and exhibitions as well as on the internet. The Opponent's annual *global* advertising expenditure for the fiscal year of 1994 (ending 30 September 1994) was US\$158 million. By 2010, it reached US\$691 million. The total amount of such expenditure for the five years between 2006 and 2010 was close to US\$2.5 billion.¹¹

20. According to Mr Donald, as a result of the Opponent's persistent and vigorous advertising campaigns and its use of the MAC Trademarks, such trademarks have acquired extensive goodwill and have come to be readily identified with the Opponent's goods and services. The MAC Trademarks are demonstrably famous and are among the most valuable names and marks in the world. The fame of the MAC Trademarks has been recognised by the United States Patent and Trademark Office and the Mac branded computers have even become a part of American history.¹²

⁸ §§69-76 & Exhibits JD-20 to JD-22.

⁹ §143 & Exhibit JD-43.

¹⁰ There is no breakdown of figures exclusively for Hong Kong.

¹¹ §121, annual global advertising expenditures included those on the promotion of the Opponent's "APPLE" trade marks as well as the MAC Trademarks.

¹² §§80-114 & Exhibits JD-24 to JD-34.

21. The Opponent's sales volume and figures, by the Mac computers as well as overall, globally and by business region are all notably highly substantial.¹³

22. In the light of the above, what I find to be the case is that the Opponent has built up a substantial reputation and goodwill in the "MAC" sign which it incorporated into the MAC Trademarks.

C. Opponent's business in Hong Kong¹⁴

23. The Opponent first entered the Hong Kong market in 1985 and has been selling its products and services through the Opponent's authorised dealers / distributors / campus stores / education resellers, its official website and the Apple Retail Stores long before the relevant date (factually speaking the first Apple Retail Store in Hong Kong was opened after the relevant date)¹⁵.

24. The Opponent's products bearing the MAC Trademarks are widely advertised and promoted in Hong Kong on the Opponent's Hong Kong website, leaflets on product seminars or promotion programmes, outdoor advertisements, printed advertisements and articles in magazine, newspaper and third parties' websites etc.

25. The Opponent and its products and services, their technical features, reputation and status, promotional offers and news have frequently been the subject of third party reports in local newspapers and magazines. The word "Mac" or "MAC" has also been consistently used in connection with some other elements to form phrases such as "Mac people", "Mac community", "Mac-heads" and "Mac-friendly" etc in both the Chinese as well as the English media.¹⁶

26. Despite the lack of a breakdown in JD's SD on the Opponent's advertising expenses on its products marketed under the MAC Trademarks in Hong Kong, judging from the Opponent's promotion activities as described in its evidence, which are seemingly as persistent and vigorous as those carried out in its principal country of business, and the materials contained notably in Exhibit JD-41, it would not be unreasonable to infer that, as at the relevant date, the Opponent's goods and services

¹³ §§120-137 & Exhibit JD-37. There is no breakdown of figures exclusively for products sold under the MAC Trademarks in Hong Kong.

¹⁴ §§139-143 & Exhibits JD-38 to JD-43.

¹⁵ §70 of JD's SD and §16 hereof.

¹⁶ Exhibit JD-41 contains voluminous extracts from articles in local newspapers and magazines in the period between October 1998 and August 2010 on the Opponent's products marketed and sold under the MAC Trademarks.

have substantively edged into the Hong Kong market and that the MAC Trademarks have become readily identifiable with the Opponent's products. Suffice it to say that the Applicant never challenged the Opponent's presence or standing in the local market.

D. Opponent's registered trade marks in Hong Kong¹⁷

27. The Opponent is the owner of 19 MAC Trademarks registered in Hong Kong, covering goods and services in Classes 9, 16, 35, 37, 38, 41 and/or 42. The particulars of these 19 registered MAC Trademarks are set out in both JD's SD and the Opponent's written submission in support of the subject proceedings. Some of these MAC Trademarks will be further discussed below.

Opposition under section 12(3) of the Ordinance

28. Section 12(3) of the Ordinance provides that -

"A trade mark shall not be registered if –

- (a) the trade mark is similar to an earlier trade mark;*
- (b) the goods or services for which the application for registration is made are identical or similar to those for which the earlier trade mark is protected; and*
- (c) the use of the trade mark in relation to those goods or services is likely to cause confusion on the part of the public."*

29. Section 12(3) in essence prohibits the registration of a trade mark which would be likely to cause confusion on the part of the public as a result of its being similar to an earlier trade mark and because it is to be registered in respect of goods or services the same as or similar to those of the earlier trade mark.

30. This ground of opposition is premised on the existence of an "earlier trade mark", a term defined in section 5 of the Ordinance, relevant provisions of which are as follows -

"(1) In this Ordinance, "earlier trade mark", in relation to another trade mark, means –

- (a) a registered trade mark which has a date of application for*

¹⁷ §142 & Exhibit JD-42.

registration earlier than that of the other trade mark, taking into account the priorities claimed in respect of each trade mark, if any; or

...”

31. According to section 7(1) of the Ordinance, in determining whether the use of a trade mark is likely to cause confusion on the part of the public, the Registrar may take into account all factors relevant in the circumstances, including whether the use is likely to be associated with an earlier trade mark.

32. The basic principles regarding the assessment of similarity between signs and the likelihood of confusion between them are set out in the cases of *Sabel BV v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] F.S.R. 77 and *Specsavers International Healthcare Ltd v Asda Stores Ltd* [2012] F.R.S. 19. Such principles have been adopted in Hong Kong and most recently by the Court of Appeal in *Tsit Wing (Hong Kong) Co Ltd v TWG Tea Co Pte Ltd* [2014] HKEC 2004. In *Tsit Wing*, Lam VP cited (at paragraph 35) the propositions endorsed by Kitchen LJ in *Specsavers* (at paragraph 52) as follows -

“On the basis of these and other cases the Trade Marks Registry has developed the following useful and accurate summary of key principles sufficient for the determination of many of the disputes coming before it:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;*
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;*
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;*
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex*

- mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;*
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;*
 - (f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;*
 - (g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;*
 - (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;*
 - (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;*
 - (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;*
 - (k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.”*

Relevant public

33. In comparing the marks, I have to consider the perception of the marks in the mind of the average consumer of the goods in question. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. His/her level of attention is likely to vary according to the category of goods in question.

34. The applied for goods, namely *mobile phone, mobile memory card, mobile hand free devices, mobile batteries, mobile spare parts, mobile charger, mobile keypad, mobile housing, mobile LCD, mobile cover, mobile accessories, telephone apparatus and mobile speaker*, are electronic telecommunications apparatus and their spare parts, peripherals and accessories for everyday use. Such goods are

directed at members of the general public in Hong Kong who are interested in acquiring them. Given the common and broad-scale use nowadays of goods related to telecommunications by the public at large in Hong Kong, the relevant consumers are not expected to exercise a high level of care and attention, and the level of care and attention would be average.

35. I would first deal with the comparison of the applied for goods and the goods and/or services covered by the MAC Trademarks relied on by the Opponent.

Comparison of goods

36. The well-known tests for assessing similarity in goods are found in *British Sugar v Robertson and Sons Ltd* [1996] R.P.C. 281 and *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* (supra). The court considered that all relevant factors relating to the goods in question should be taken in account. They include, *inter alia*, their nature, intended purpose, method of use, whether the goods are in competition with each other or are complementary, as well as their users and the channels through which they reach the market.

37. Goods and services are considered identical if they fall within the ambit of terms within the competing specification.¹⁸ Goods and services are considered complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods and services lies with the same undertaking.¹⁹

38. Out of the 19 MAC Trademarks registered in Hong Kong and relied on by the Opponent (paragraph 27 above), I find the Opponent's products covered by *eight* of such registrations ("the Eight MAC Trademarks") to be relevant to the subject proceedings, those products either being similar to or in competition with or being complementary to the applied for goods. The Eight MAC Trademarks cover goods and services mainly in the fields of information technology and telecommunications, the particulars of which are set out in the Annex hereto.

39. All of the Eight MAC Trademarks have dates of application for registration earlier than that of the suit mark. According to section 5(1)(a) of the

¹⁸ *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-133/05.

¹⁹ *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)*(OHIM) Case T-325/06.

Ordinance, those marks are earlier trade marks in relation to the suit mark.

Mobile phone and telephone apparatus

40. The contested *mobile phone* and *telephone apparatus* are devices intended to be used as telecommunication instruments where the user can make and receive telephone calls. *Personal digital assistant/s* contained within the specification of

^A **MACPRO**

the Opponent's "^B **MAC PRO**" mark (registration no. 300640809), one of the Eight MAC Trademarks, is a lightweight consumer electronic device that looks like a hand-held computer but performs specific tasks like managing personal information, performing word processing and voice recording functions, interacting with personal computers, and accessing the Internet etc, and can serve as a diary, a personal database, a telephone or an alarm clock etc.²⁰ *Personal digital assistant* shares similar nature and purpose with *mobile phone* and *telephone apparatus* and will attract the same end users, they are considered to be *in competition* with each other. It is also possible that these goods are produced by the same manufacturer and available through the same trade channels.²¹ They are therefore similar.

Other items of the applied for goods

41. The remaining contested goods are spare parts, peripherals and accessories of *mobile phones*. Based on my finding on similarity of goods in the preceding paragraph, these contested goods are considered to be similar to *parts and accessories for all the aforesaid goods* (*personal digital assistants...parts and accessories for all the aforesaid goods*, collectively "the relevant specification")

^A **MACPRO**

which are also covered by the Opponent's "^B **MAC PRO**" mark.

42. Incidentally *personal digital assistants* are also an item contained within the specification of the Opponent's "**MACBOOK AIR**" mark (registration no. 301031714).

43. Furthermore, although *telecommunication services, electronic*

²⁰ <http://www.thefreedictionary.com/>

²¹ *KYE Systems Corporation v G7 Systems Private Limited* (Opposition No B 1 735 417) (Office for Harmonization in the Internal Market Opposition Division) (29 June 2011).

transmission and retrieval of data, images, audio, video and documents, including text, cards, letters, messages, mail, animations, and electronic mail, over local or global communications networks, including the Internet, Intranets, Extranets, television, mobile communication, cellular and satellite networks in Class 38

contained within the Opponent's **“.MAC”** mark (registration no. 200408533) may be different in nature from the contested *mobile phone* and *telephone apparatus*, they are nonetheless such kinds of services that would be rendered through the use of these goods, making them indispensable to one another. I consider that a complementary character exists between them. These goods and services may also coincide in origin, distribution channels and end users. They are hence also *similar*.

44. There are in fact other instances of similarity between the Opponent's goods and services under the other five of the Eight MAC Trademarks and the applied for goods in a like manner. I would nonetheless not dwell on them but

MACPRO

proceed to consider and compare the Opponent's “**MAC PRO**” mark (“the “MACPRO” mark”) with the suit mark. If the Opponent succeeds on the section 12(3) ground based on the “MACPRO” mark, it will not be necessary for me to (further) discuss the other marks within the Eight MAC Trademarks or undergo the comparison with them.

The “MACPRO” mark

45. The “MACPRO” mark consists of a series of two word marks (A) “MACPRO”, a single-word mark; and (B) “MAC PRO”, a two-word mark. Both of the two marks, each containing 6 letters of the English alphabet, are expressed in an ordinary uppercase uniform typeface without any stylization. There are no other elements or components in them. Despite the space separating “MAC” and “PRO” in mark (B), the fact that the two marks are put up as a series of mark reflects that they are not distinctive of each other and customers would have no difficulty recognising that “MACPRO” is made up of “MAC” and “PRO”.

46. The word “MACPRO” has no meaning in English or Chinese and is not descriptive of the goods and services covered by its registration as a trade mark. The mark is hence inherently distinctive. Furthermore, “MAC” is a word with meaning which points to and is highly distinctive of the Opponent and its products (paragraphs 13 to 22 above). While I recognise that the Opponent has not adduced

evidence on the use of the “MACPRO” mark on the applied for goods per se, there is evidence on its use on the Opponent’s computer products which I consider to be closely related to mobile phones and ancillary products in a sense that they both are major electronic products used by the general public.

The “MACTEL” mark

47. The suit mark “MACTEL” is, exactly like the “MACPRO” mark, a pure word mark consisting of six letters of the English alphabet expressed in the ordinary uppercase uniform typeface without any stylization. The suit mark is likely to be perceived as being constituted by conjoining the two words “MAC” and “TEL”. The “TEL” element is, in my view and as submitted by the Solicitors, a commonly recognized abbreviation for words including “telephone”. In the context of the applied for goods, an average consumer may indeed perceive “TEL” as denoting something related to telephones or their use. I hence agree with the Solicitors that it would not attract as much attention as the “MAC” element of the suit mark.

Comparison of marks

48. A comparison of the marks concerned has to be based on an overall appreciation of the visual, aural and conceptual similarities of the marks in question, taking into account the overall impressions given by the marks, and bearing in mind particularly their distinctive and dominant components. I must consider whether there are similarities between the suit mark and the “MACPRO” mark and the respective goods and services covered, and whether they would combine to create a likelihood of confusion.

49. It is the Opponent’s case that “MAC” is the distinctive and dominant element of the MAC Trademarks, hence of the “MACPRO” mark as well. The word “MAC” is shown to have been defined as “*the line of computers manufactured by Apple Inc.*” and the suit mark “MACTEL” fully adopts the “MAC” element. As “MAC” is the initial element in the suit mark, it will be perceived as the more significant element. The “TEL” element in the suit mark is an abbreviation for “telephone”, “telegram” or “telegraph”.²² It can be perceived as merely denoting that the goods concerned are or are parts of mobile phones or are used for or in relation to mobile phones. As such, the “TEL” element is purely descriptive of the applied for goods and would not attract much attention as compared to “MAC”, the dominant and distinctive element. The Opponent submits that the suit mark is

²² §145 & Exhibit JD-44.

visually, aurally and conceptually similar to the MAC Trademarks, hence the “MACPRO” mark.²³

50. Visually, “MAC” is the beginning of the “MACPRO” mark, which is what primarily catches the consumer’s attention. Its latter part “PRO” could be recognized as a shorten form of the adjective or noun “*professional*”²⁴ and could suggest that the goods and services concerned are geared for use by professionals. The “PRO” element is generic and would attract less attention as compared to the frontal “MAC” element.

51. The “MACPRO” mark and the suit mark “MACTEL” share the identical initial element “MAC”. The difference between them lies in their distinct ending letters “P-R-O” and “T-E-L” which are dull in both marks. It has indeed been recognized that consumers generally pay more attention to the frontal part of a mark, taking into account the fact that they read from left to right and that the beginning of a word sign is on the left.²⁵ Given the identical dominant frontal element and allowing for imperfect recollection, I find the two conflicting marks *visually similar*.

52. Aurally, both the conflicting marks are pronounced with two-syllables, (mæ k-proh) and (mæ k-tel), with a usual accent on the “æ k” sound in the frontal part of both marks. In view of the accent on the entirely reproduced dominant element and taking the marks as a whole, I find them *aurally similar*.

53. Conceptually, like the word “MACPRO”, the word “MACTEL” carries no meaning in English or Chinese. The element “MAC” common to the two marks, however, carries a dictionary meaning. Although not dictionary defined, the word “MACTEL” has been referred to in a number of Internet websites as “*Macintosh Intel*” meaning “*a Mac computer with an Intel processor*”, pointing directly to the Opponent.²⁶ While such a reference may not be readily apparent to the general public in Hong Kong except those in the field of information technology and/or telecommunication, the presence of the common distinctive and dominant element in the conflicting marks may likely imply a connection between them. The suit mark and the “MACPRO” mark are thus considered *conceptually similar to a high degree*.

²³ §5-11, the Opponent’s written submission.

²⁴ <http://www.oxforddictionaries.com/definition/english/>

²⁵ *Citigroup v. OHIM - Link Interchange Network Ltd* (Case T 325/04), at paragraph 82, judgment of the Court of First Instance of the European Communities (Second Chamber) of 27 February 2008.

²⁶ §10, the Opponent’s written submission.

54. Having regard to the conflicting marks as a whole and their visual, aural and conceptual similarities, I find the *two marks similar*.

Likelihood of confusion

55. The likelihood of confusion must be appreciated globally, taking into account all relevant factors. The matter must be judged through the eyes of the average consumer of the goods in issue who is deemed to be reasonably well-informed and reasonably observant and circumspect. A lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods or services, and vice versa (*Canon v Metro-Goldwyn-Mayer* (supra)).

56. One also has to bear in mind that the average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind.

57. The distinctive character of the earlier trade mark is a factor to be taken into account in the assessment of the likelihood of confusion. It is well established that where the earlier mark has a highly distinctive character either because of its inherent qualities or because of the use that has been made of it, there is a greater likelihood of confusion (*Sabel v Puma* (supra)).

58. It is also stated in paragraph 9-030 of *Kerly's Law of Trade Marks and Trade Names* (15th Edn.) that -

*“The global appreciation assessments in relation to the relative grounds in s.5²⁷ must be made on the basis of **fair and notional use** of the earlier and later marks, rather than by taking into account the actual use in the marketplace as required in the equivalent assessments in relation to infringement (under s.10²⁸). This may have the consequence that, for example, a tribunal finds that on the basis of notional and fair use there was a likelihood of confusion between the earlier and later mark under s.5(2)²⁹ and therefore the later mark was refused registration; but another tribunal later finds no infringement of the later mark under s.10(2)³⁰ by reason of the circumstances of actual use of the registered mark and the defendant's mark that the original tribunal refused to register.”* [emphasis added]

²⁷ Section 5 of the UK Trade Marks Act 1994 is similar to section 12 of the Ordinance.

²⁸ Similar to section 18 of the Ordinance.

²⁹ Similar to sections 12(2)-(3) of the Ordinance.

³⁰ Similar to sections 18(2)-(3) of the Ordinance.

59. Such established legal principle requires that when considering the ground of opposition under section 12(3) of the Ordinance, the Registrar should consider the notional and fair use of the relevant mark in relation to the goods concerned. The Applicant's point that the Opponent's mobile phone products are sold under the brand name "iPhone" (paragraph 6(d) above) (as opposed to the Mac brand) therefore falls outside the scope of my consideration.

60. Moreover, it is not uncommon for manufacturers to use sub-brands to distinguish goods between different product lines. As discussed in paragraphs 23 to 26 above, the Opponent has been an active player in the Hong Kong market as at the relevant date. The appearance of "TEL" after "MAC" in the suit mark can possibly be perceived by the average consumer as denoting a new sub-brand or a subsidiary line of the Opponent's goods and services in the field of telecommunications.

61. I have found the applied for goods to be similar to the Opponent's goods under the relevant specification "*personal digital assistants parts and*

MACPRO

accessories for all the aforesaid goods of the "**MAC PRO**" mark.³¹ I have also

MACPRO

found the suit mark and the "**MAC PRO**" mark to be similar.³² The similarities between the marks could only increase by virtue of the reputation and goodwill built upon the element "MAC" by the Opponent through its use of the MAC Trademarks on computer products which I found to be closely related to mobile phones and ancillary products. Given such findings, I come to the view that when the suit mark is used in relation to the applied for goods, there is a risk that the public might believe that the goods so provided and goods within the relevant specification

MACPRO

provided under the "**MAC PRO**" mark come from the same or economically-linked undertakings, and such risk constitutes a likelihood of confusion within the meaning of section 12(3) of the Ordinance.

62. To conclude, I find that the ground of opposition under section 12(3) of the Ordinance has been made out. Given such finding, it is not necessary for me to consider the other marks under the Eight MAC Trademarks.

³¹ §§39 & 40 hereof.

³² §§46 to 52 hereof.

Honest concurrent use

63. A trade mark that is prevented from registration under section 12 of the Ordinance may nonetheless be allowed to register, under section 13 of the Ordinance, if there has been an honest concurrent use of the trade mark and the earlier trade mark or other earlier right, or if by reason of other special circumstances it is proper for the trade mark to be registered.

64. The Applicant did not plead in its Counter-statement nor adduce evidence to show that the suit mark should be allowed to register for reason of honest concurrent use or other special circumstances under section 13 of the Ordinance. As such, the Applicant would not be able to invoke under the provision to substantiate a claim of honest concurrent use.

Other grounds of opposition

65. Given my findings above in relation to section 12(3) of the Ordinance, it is not necessary for me to consider the other grounds pleaded in the Statement of Grounds of Opposition.

Costs

66. As the opposition has succeeded, I award the Opponent costs. Subject to any representations as to the amount of costs or calling for special treatment, which either party makes within one month from the date of this decision, costs will be calculated with reference to the usual scale in Part I of the First Schedule to Order 62 of the Rules of the High Court (Cap. 4A) as applied to trade mark matters, unless otherwise agreed between the parties.

(Elsie Tse)
for Registrar of Trade Marks
31 March 2015

Annex

The Opponent's Eight MAC Trademarks registered in Hong Kong mentioned in paragraphs 38 to 44 above.

Registration No. Trade mark Date of registration	Class / Goods or Services	
300640809 A MACPRO B MAC PRO 17.5.2006	9	Computers; computer hardware; computer software; computer peripherals; notebook computers; laptop computers; tablet computers; computer servers; handheld computers; mobile computers; hard drives; audio speakers; speakers for computers; personal digital assistants; electronic organizers; electronic notepads; magnetic data carriers; computer gaming machines; microprocessors; memories boards; monitors; displays; keyboards; computer input devices; computer cables; modems; printers; parts and accessories for all the aforesaid goods.
301031714 MACBOOK AIR 15.1.2008	9	Computers; notebook computers; computer hardware; computer software; computer operating system software; computer utility software; computer peripherals; computer batteries; remote controls; disk drives; power cords; power converters; video cameras; speakers for computers; microprocessors; computer memory boards; keyboards; computer docking stations; computer displays and monitors; touchscreens; computer mice; trackballs; trackpads; cables and connectors; flash memory drives; modems; personal digital assistants; video disc players; audio disc players; still cameras; digital cameras; semiconductors; integrated circuits; instructional manuals in electronic form packaged with the above.
	16	Printed materials and publications, user guides, instructional manuals, magazines, data sheets, newsletters, catalogs, pamphlets, and periodicals concerning computers, computer software, computer peripherals, and consumer electronic devices.
	37	Installation, maintenance, and repair of computers, computer hardware, computer peripherals and consumer electronic devices; consultancy services in relation to installation, maintenance and repair of computers, computer hardware, computer peripherals and consumer electronic devices.
	42	Computer programming for others; designing and implementing web sites for others; computer project management services; design of computers for others; design of new products for others; software design, development, and programming for others; research in the field of computer software for others; consulting services relating to software; providing access to digital images via the Internet; maintenance, installation and repair of computer software; updating of computer software; technical support, maintenance, and consulting services pertaining to computer software and consumer electronics; computer diagnostic services; consulting services in the field of

		selection, implementation and use of computer hardware and software systems for others; computer data recovery.
19903112 MAC 31.1.1989	16	stationery, paper, printed matter including manuals, catalogues, magazines, advertising material, decals, office requisites all included in Class 16.
19912682 MACINTOSH 31.1.1989	16	stationery, paper, manuals, catalogues, magazines, advertising material, decals, office requisites all included in class 16.
200314278 .MAC 16.5.2002	35	providing advertising space on communications networks, including the Internet; electronic billboard services; electronic distribution of advertising materials; electronic storage of data, images, documents, software and technical information; storage of electronic media, including images, text, audio, and video data; data processing; database management; business information storage and retrieval; data verification and file management; on-line ordering services in the field of personalised digital greeting cards and animations; database management, consultancy information and advisory services for all the aforesaid services; all included in Class 35.
200408532 .MAC 16.5.2002	38	telecommunication services; electronic transmission and retrieval of data, images, audio, video and documents, including text, cards, letters, messages, mail, animations, and electronic mail, over local or global communications networks, including the Internet, Intranets, Extranets, television, mobile communication, cellular and satellite networks; electronic transmission of computer software over local or global communications networks, including the Internet, Intranets, Extranets, television, mobile communication, cellular, and satellite networks; electronic mail services; facsimile transmission; web site portal services; providing access to databases and local or global communications networks, including the Internet, Intranets, Extranets, television, mobile communication, cellular, and satellite networks; Internet service provider services; all included in Class 38.
200408533 .MAC 16.5.2002	42	computer services; computer data recovery; data analysis being computer services; computer programming; updating of computer software; maintenance of computer software, computer and communications networks, and computer systems; research and development of computer hardware and software; website design, creation, hosting services; customised imprinting and design of messages, correspondence and other written communication which are delivered by electronic transmission; computer on-line services for the search, retrieval, indexing and organisation of data on computer and communication networks; providing use of on-line, non-downloadable software; providing use of on-line, non-downloadable software for communications via local or global communications networks, including the Internet, Intranets, Extranets, television, mobile communication, cellular, and satellite networks; analysing data to detect, eradicate and prevent the occurrence of computer viruses; computer services relating to the protection of computer hardware, computer software, computer networks and computer systems against

		<p>computer viruses, attacks, or failures; computer services for enhancing the performance, security and functionality of computer and communications networks; computer help-line services; technical support services relating to computers, computer software, telecommunications, and the Internet; consultancy and provision of information and advice relating to the aforesaid; all provided on-line from a computer database or provided from facilities on local or global communications networks, including the Internet, Intranets, Extranets, television, mobile communication, cellular, and satellite networks; all included in Class 42.</p>
<p>300650015 MACEXPO 1.6.2006</p>	<p>16</p>	<p>Paper, cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks; printed publications; books; magazines; newsletters; brochures; booklets; booklets (all being sold together with audio tapes); pamphlets; manuals; journals; leaflets; greeting cards; advertising and promotional material; catalogues; catalogues relating to computer software; computer brochures; computer handbooks; computer hardware publications; computer hardware reference manuals; computer hardware users guide; computer instruction manuals; computer manuals; publications relating to technology, digital technology and gadgets; display materials of paper or cardboard; decalcomanias; posters; calendars; stickers; mounted or unmounted photographs; printed patterns for T-shirts and sweatshirts.</p>
	<p>35</p>	<p>Advertising; business management; business administration; office functions; advertising and marketing services; promotion services; market surveys; analysis of advertising response and market research; arranging and conducting of commercial, trade and business exhibitions, trade shows and trade fairs; arranging and conducting trade shows, expositions, exhibitions, business seminars, and business conferences in the fields of computers, computer software, computer peripherals, portable and/or handheld electronic devices, online services, high technology, communications, information technology, information services, music entertainment and publishing; arranging and conducting of fairs and exhibitions for business and advertising purposes; conducting an on-line trade show exhibition, in the fields of computers, computer software, computer peripherals, portable and/or handheld electronic devices, online services, high technology, communications, information technology, information services, music entertainment and publishing; retail store services in the fields of computers, computer software, computer peripherals, portable and/or handheld electronic devices, online services, high technology, communications, information technology, information services, music entertainment and publishing; retail services in the fields of computers, computer software, computer peripherals, portable and/or handheld electronic devices, online services, high technology, communications, information technology, information services, music entertainment and publishing; provided via a general merchandise catalogue by mail order or by means of telecommunications, the</p>

	<p>Internet and other electronic and communications networks; data storage and retrieval services; computerised data storage services; data storage of electronic music; information, advisory and consultancy services relating to all the aforesaid.</p>
41	<p>Education; providing of training; entertainment; sporting and cultural activities; arranging and conducting of commercial, trade and business conferences; arranging, organising and conducting conferences, exhibitions and seminars; arranging, organising and conducting conferences, exhibitions and seminars for educational purposes; educational services, namely, conducting on-line exhibitions and displays and interactive exhibits in the fields of computers, computer software, computer peripherals, portable and/or handheld electronic devices, online services, high technology, communications, information technology, information services, music entertainment and publishing; production of radio, television and Internet broadcasts of exhibitions; provision of electronic publications (not downloadable); providing on-line electronic publications; publication of electronic books and journals on-line; providing publications from a global computer network or the Internet which may be browsed; computer assisted education services; computer assisted teaching services; computer assisted training services; computer based educational services; education services relating to computer software; editing of audio-tapes; editing of tine-films; editing of video-tapes; editing of written text; film editing (photographic); videotape editing; digital imaging services; digital music (not downloadable) provided from MP3 web sites on the Internet; digital music (not downloadable) provided from the Internet; information, advisory and consultancy services; all relating to the aforesaid.</p>