

**TRADE MARKS ACT 1994**

**IN THE MATTER OF  
APPLICATION NO. 1543160  
BY TESCO STORES LIMITED TO REGISTER A  
TRADE MARK IN CLASS 9**

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#### **DECISION**

##### **Background**

10 On 30 July 1993, Tesco Stores Limited of Cheshunt, Hertfordshire, applied under the Trade  
Marks Act 1938 (as amended) for registration of the mark COMPUTERS FOR SCHOOLS in  
15 respect of the following goods in Class 9:

Computers, computer hardware and computer software; microprocessors; visual display  
20 apparatus; visual display apparatus for use with computers; print-out apparatus; parts and fittings  
for all the aforesaid goods; computer programmes; magnetic tapes; discs and cards, all for the  
recordal of data; all included in Class 9.

Objection was taken to the application on the grounds that the mark did not qualify for acceptance  
25 under paragraphs (c), (d) and (e) of Section 9(1) of the Act and that it was not capable of  
distinguishing the applicants' goods under the terms of Section 10. Following a hearing at which  
the objections were maintained the application was converted to have the registrability of the mark  
determined under the 1994 Trade Marks Act. The date of the application is now 31 October  
1994, the date of implementation of the new Act.

30 Objection was again taken to the application, this time under Section 3(1)(b) and (c) of the Act  
because the mark consists of the words "computers for schools", being words that other traders  
may legitimately wish to use on, eg, computers and equipment for use in schools.

Evidence of use of the mark was filed during August 1996 with the purpose of showing that the  
35 mark had acquired a distinctive character. However, the evidence was not considered sufficient  
to overcome the objections and a hearing was requested by the applicant. Further evidence in  
support of the application was filed after the hearing but the objection was maintained.

##### **Hearing and decision**

40 At a hearing at which the applicant was represented by Mr J A Groom of Trade Mark Owners  
Association Limited, the objection was maintained. Further evidence in support of the application  
was filed in December 1997 and December 1998. I was not persuaded by this additional evidence  
that the mark had acquired a distinctive character and following refusal of the application under  
45 Section 37(4) of the Act, I am now asked under Section 76 of the Act and Rule 56(2) of the  
Trade Marks Rules 1994 to provide a statement of the reasons for my decision.

The relevant parts of the Act under which the objections were taken are as follows:

Section 3(1):

“The following shall not be registered-

- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services.

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

### **Section 3(1): Absolute grounds for refusal of registration**

#### **The prima facie case for registration**

I must first consider whether the mark is prima facie acceptable under Section 3(1)(b) and (c).

The mark consists of the common dictionary words “computers for schools”. Their individual and combined meanings are self evident and therefore I do not need to make any reference to a dictionary in order to define what is meant by this phrase. It is clear from the meaning of “computers for schools” that when used in relation to the goods, which include “computers”, that the public would understand the mark to mean that these goods are specifically for school use.

Thus, I reach the conclusion that the mark consists exclusively of a sign which may serve in trade to designate the kind and intended purpose of the goods and is debarred from registration under Section 3(1)(c) of the Act. It follows that the mark is also devoid of any distinctive character under Section 3(1)(b). In this regard I take account of the comments made in the British Sugar PLC and James Robertson and Sons Ltd decision (1996) RPC 281, page 306, line 1 (referred to hereafter as the TREAT decision), in which Jacob J said:

*“Next, is “Treat” within Section 3(1)(b). What does devoid of any distinctive character mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark? A meaningless word or a word inappropriate for the goods concerned (“North Pole” for bananas) can clearly do. But a common laudatory word such as “Treat” is, absent use and recognition as a trade mark, in itself (I hesitate to borrow the word inherently from the old Act but the idea is much the same) devoid of any distinctive character.”*

I take the view that these comments apply equally to descriptive words and in the present case the public would have to be educated that COMPUTERS FOR SCHOOLS is a trade mark.

However, that is not the end of the matter since I have to consider the evidence filed in order to persuade me that the mark has acquired a distinctive character as a result of the use made of it.

**Acquired distinctiveness: the applicant's evidence**

5 The evidence comprises three statutory declarations, two of which were accompanied by exhibits.

The first of these was by Martin John Field, Assistant Company Secretary of Tesco Stores Limited. The declaration states that the mark was first used in 1992 and Mr Field explains how the mark is used. Customers shop at Tesco supermarkets and for every £25 spent in the course  
10 of a single transaction the customer is given a "computer voucher". These vouchers are then given to local schools which are participating in the scheme and the school is then entitled to exchange such vouchers through the applicant for a range of electrical and electronic equipment, in particular, computers and goods for use with computers.

15 Mr Field says that for the three years from the date of first use of the mark up to October 1994, the following figures represent the number of vouchers issued by his company:

	<b>Year</b>	<b>Number of Vouchers Issued</b>
20	1992	20 million
	1993	44 million
	1994	31 million

The following represents the retail price of computers and computer related equipment purchased  
25 by schools from the applicant:

	<b>Year</b>	<b>Retail Price of Equipment Purchased</b>
30	1992	£3 million
	1993	£8 million
	1994	£4.8 million

The following sums were spent in specifically advertising the mark:

	<b>Year</b>	<b>Advertising/Promotion Expenditure</b>
35	1992	£2 million
	1993	£2.5 million
	1994	£980,000

40 The statutory declaration was accompanied by exhibits which show examples of booklets bearing the mark (Exhibit A), copies of the vouchers issued in conjunction with the scheme (Exhibit B) and press advertisements showing the mark in use (Exhibit C).

45 A second statutory declaration was made by Anita John, a research assistant employed by the applicant's trade mark agent. Ms John says that she assisted in conducting a survey in connection

with the mark. In order to obtain an appropriate list of contacts, Ms John states she contacted the Ministry of Education which provided a mailing list comprising a selected list of 2000 schools throughout England and Wales (Exhibit AJ1). A short questionnaire was prepared and forwarded to the various schools with a covering letter marked for the attention of the School Secretary (Exhibit AJ2). The questionnaire comprised five questions, namely:

5

- 1: Have you heard of the term COMPUTERS FOR SCHOOLS?
- 2: If YES, which organisation or company do you associate the term with?
- 3: Does your school use computers as a teaching aid?
- 4: How do you fund the purchase of these computers?
- 10 5: Would you be willing to confirm the answers given above in the form of a statutory declaration?

In her analysis of the replies to this survey, Ms John says that as at the date of the declaration, 602 replies have been received. Of these, 389 respondents positively identified COMPUTERS FOR SCHOOLS with Tesco Stores Limited (Exhibit AJ3 contains these replies). Ms John states that 40 schools identified COMPUTERS FOR SCHOOLS as a particular brand but were uncertain of the precise origin (Exhibit AJ4 contains these replies). The number of schools which failed to recognise COMPUTERS FOR SCHOOLS was 152 (Exhibit AJ5). Some 21 schools either declined to cooperate or returned the letters (Exhibit AJ6).

20

Ms John concludes by saying it is clear from the response that the overwhelming majority of the respondents identified and associated the term COMPUTERS FOR SCHOOLS with Tesco Stores.

25

The third and final statutory declaration was made by Tania Clark, a trade marks executive working with the applicant's trade mark agent. Ms Clark says that she conducted a brief survey in connection with the application. Ms Clark contacted seven of the major supermarkets in the UK by telephone, namely Asda, Sainsburys, Waitrose, Co-op, CRS, Budgens and Safeway. She says that in each case she asked for the customer relations department and enquired whether they had a voucher scheme whereby parents could collect vouchers when they shopped at their stores which could be exchanged by the school for equipment. If they had a scheme, Ms Clark says she asked for its names and further information. If not, she enquired as to whether they had run one in the past and what it was called and whether they were setting up a similar scheme in the future.

30

35

Ms Clark says that her enquiries elicited the following replies:

ASDA: They formerly had a scheme called COMPUTERS FOR KIDS but they did not know whether they would be running one again;

40

SAINSBURYS: Their scheme is called SCHOOL REWARDS which allows the electronic transfer of points to a nominated school's account.

WAITROSE: No.

45

CO-OP: They formerly operated a system called MUSIC FOR SCHOOLS which provided musical equipment for schools. There are no plans to reintroduce it.

5 CRS: They had a system called SPORTS EQUIPMENT FOR SCHOOL which finished in 1998 and do not think that they will do it again in the future.

BUDGENS: No.

10 SAFEWAY: No.

**Acquired distinctiveness: decision on the evidence**

15 It is my view that the evidence has not established that COMPUTERS FOR SCHOOLS has acquired a distinctive character as a trade mark in its own right.

20 As can be seen from a selection of the exhibits (see Annex) the words COMPUTERS FOR SCHOOLS are shown in proximity to TESCO. Whilst I acknowledge that it is possible to have two trade marks which are both capable of serving as independent and distinct trade marks, where one of the marks is highly descriptive, that mark is not itself likely to be taken as a badge of origin.

In the TREAT decision, Jacob J made the following comments (page 299, line 36):

25 *“I turn to consider how the word “Treat” is used here. I have no evidence from the public in relation to this question. I have some evidence of internal thinking at Robertson’s, but the most important thing of all must be my own impression from the label and all the surrounding circumstances. Looking at the label I think the average customer would not see “Treat “ used as a trade mark. It is true that is written as part of a phrase “Toffee Treat” but this is done in a context where the maker’s name is plain.*  
30 *It is of course the case that you can have two trade marks used together (“Ford Prefect”), but whether the secondary word is used as a trade mark is a question of fact. If it is a fancy word, then obviously it is a trade mark because it could not be taken as anything else. But where it highly descriptive I see no reason why a member of the public should take the mark as a badge of origin.”*

35 At the hearing, I informed Mr Groom that even though the use of COMPUTER FOR SCHOOLS by the applicant was substantial, I took the view that because of the way the mark was used, it was unlikely that the public would perceive it as a badge of trade origin. I am fortified in this view by the comments made by Jacob J, again in the TREAT decision (page 302, line 22):

40 *“I have already described the evidence used to support the original registration. It was really no more than evidence of use. Now it is all too easy to be beguiled by such evidence. There is an unspoken and illogical assumption that “use equals distinctiveness”. The illogicality can be seen from an example: no matter how much use a manufacturer made of the word “Soap” as a purported trade mark for soap the word*  
45 *would not be distinctive of his goods. He could use fancy lettering as much as he liked,*

whatever he did would not turn the word into a trade mark. Again, a manufacturer may coin a new word for a new product and be able to show massive by him and him alone of that word for the product. Nonetheless the word is apt to be the name of the product, not a trade mark. Examples from old well known cases of this sort of thing abound. The Shredded Wheat saga is a good example. Lord Russell said:

5

“A word or words to be really distinctive of a person’s goods must generally speaking be incapable of application to the goods of anyone else”.

10

It is precisely because a common laudatory word is naturally capable of application to the goods of any trader that one must be careful before concluding that merely its use, however substantial, has displaced its common meaning and has come denote the mark of a particular trader. This all the more so when the mark has been used in conjunction with what is obviously taken as a trade mark.”

15

The comments by Jacob J in relation to laudatory words apply equally to descriptive phrases.

20

In order to overcome the doubts I expressed about the manner in which the mark was used, the applicant carried out a survey with the aim of establishing that the relevant public recognised COMPUTERS FOR SCHOOLS as an indication of origin of the products marketed by Tesco Stores Limited. I have no reason to doubt the validity of the data produced but I attach little weight to this evidence.

25

Regarding the questionnaires and levels of response, I acknowledge that 65% of those who replied recognised COMPUTERS FOR SCHOOLS as a term associated with the applicant. However, the terminology used presents a problem in itself - the schools’ secretaries were first asked whether they had heard of the *term* COMPUTERS FOR SCHOOLS. It is therefore unsurprising that Ms John in her analysis of the replies does not refer to there being unequivocal recognition of COMPUTERS FOR SCHOOLS as a trade mark or brand name. Moreover, I have to criticise the question that followed which asked “If yes, which organisation or company do you associate the term with?” This clearly invites the respondent to guess the name of a business rather than attempting to discover by means of an open question whether the respondent attaches any trade mark significance to COMPUTERS FOR SCHOOLS. Questions such as “Do you recognise this sign” and “what, if anything, does it signify to you?” would more likely draw out a spontaneous reply.

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In relation to the concept of distinctiveness and the considerations which have to be taken into account in establishing whether a mark has acquired a distinctive character, the following comments were made in the judgement of European Court of Justice in conjoined cases C-108/97 and C107/97, Windsurfing Chiemsee v Huber and Windsurfing Chiemsee v Attenberger:

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2) *The first sentence of Article 3(3)\* of the First Council Directive 89/104/EEC is to be interpreted as meaning that:*

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(\* Article 3(3) is reflected in the 1994 Act under the proviso to Section 3(1)(b),(c) and (d)).

**S** *a trade mark acquires distinctive character following the use which has been*

*made of it where the mark has come to identify the product in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product from goods of other undertakings;*

5           *S     it precludes differentiation as regards distinctiveness by reference to the perceived importance of keeping the geographical name available for use by other undertakings;*

10           *S     in determining whether a trade mark has acquired a distinctive character following the use which has been made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking and thus to distinguish that product from goods of other undertakings;*

15           *S     if the competent authority finds that a significant proportion of the relevant class of persons identify the goods as originating from a particular undertaking because of the trade mark, it must hold the requirement for registering the mark to be satisfied;*

20           *S     where the competent authority has particular difficulty in assessing the distinctive character of a mark in respect of which registration is applied for, Community law does not preclude it from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment.*

25           Although the above decision of the ECJ was specifically made in relation to a mark which is the name of a geographical location, the principles set out by the Court apply equally to marks which designate other characteristics of goods or services.

30           Taking all of the above factors into consideration, I am of the view that the evidence is not persuasive in demonstrating that there is significant recognition amongst the relevant public that COMPUTERS FOR SCHOOLS has supplanted its ordinary meaning as the name of a scheme and has become a distinctive trade mark. The survey may have proved that COMPUTERS FOR SCHOOLS has achieved significant recognition as the name of scheme involving the issuing and redemption of vouchers for computers and related equipment but I am not convinced that public has come to recognise the mark applied for as badge of trade origin for these goods which are  
35           supplied in association with the scheme.

40           Following rejection of the survey evidence on the grounds it fell short in establishing that COMPUTERS FOR SCHOOLS had achieved recognition as a trade mark , further evidence was filed which sought to demonstrate whether other retailers operated similar schemes and what names (if any) they attached to them.

45           I do not attach any weight to this evidence at all. The fact that other retailers operate similar schemes with similar names (or names which connote the same idea) is irrelevant in the



consideration of whether COMPUTERS FOR SCHOOLS is a distinctive trade mark of Tesco Stores Limited. Such evidence merely serves to demonstrate that businesses wish to use these types of descriptions in order to designate the schools' computer schemes which they operate.

**Conclusions**

5

The mark is not acceptable prima facie because it is debarred from registration under Sections 3(1) (b) and (c) of the Act;

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The evidence filed to substantiate the claim that the mark has acquired a distinctive character is not sufficient to satisfy the proviso to Sections 3(1) (b), (c) and (d) of the Act.

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In this decision I have considered all the documents filed by the applicant and all the arguments submitted to me in relation to this application and for the reasons given above it is refused under the terms of Section 37(4) of the Act.

Dated this 7 day of September 1999.

20

25 CHARLES HAMILTON  
For the Registrar  
The Comptroller General

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35

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**TESCO**

29000013

Computers  
for Schools

GIVE THIS VOUCHER TO YOUR CHILDREN  
TO TAKE TO SCHOOL TO HELP YOUR  
LOCAL SCHOOL GET FREE  
COMPUTER EQUIPMENT



COMPUTER VOUCHER

**ANNEX**

Computers  
for Schools

**18th APRIL-12th JUNE 1994**

**HELP YOUR  
LOCAL SCHOOL  
GET FREE  
COMPUTER  
EQUIPMENT**

**SEE OVER FOR  
DETAILS**



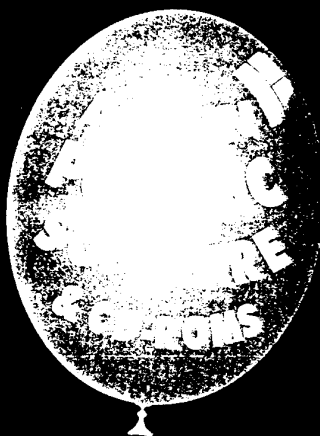
TESCO

5<sup>th</sup>  
YEAR

# Computers for Schools

## 1996 School Catalogue

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