

**IN THE MATTER OF Application No 2047589
by European Industrial Services Limited
for the registration of a trade mark in Classes
6, 7, 8 & 9**

**AND IN THE MATTER OF Opposition
thereto under No 47049 by Black & Decker**

Background

1. On 3 December 1995, European Industrial Services Limited applied to register the letters PZ and PZD as a series of two trade marks under the Trade Marks Act 1994. The goods in respect of which registration is sought are as follows:-

Class 6

Screws, fasteners; screw threaded and drive threaded fasteners; ironmongery, hardware.

Class 7

Power operated tools, for tightening and releasing threaded fasteners; dyes, punches all being for use with machine tools; bits; power operated hand tools; parts and fittings for all the aforesaid goods.

Class 8

Hand tools; hand implements; hand tools and implements for tightening or releasing threaded fastening fasteners; bits, dyes and punches; parts and fittings for all the aforesaid goods.

Class 9

Gauges.

2. Following examination the applicant decided to delete the trade mark PZ from its application. The trade mark PZD was subsequently published for opposition purposes.

3. On 19 June 1997, Black & Decker filed notice of opposition. The grounds of opposition (insofar as they were pursued before me) are as follows:-

- (i) a number of different manufacturers and merchants of screwdrivers and screwdriver bits, including the opponents, are known to have used the sign 'PZ' to the extent that it is (and was before the date of application in suit) a descriptive term referring to a particular form of cross-head;
- (ii) in view of the common use in trade of the sign 'PZ' it must be open to relevant manufacturers to refer, in good faith, to different signs on

other varieties of the products as, for example, 'PZ-1', 'PZ-2', 'PZ-3', 'PZ-A', 'PZ-B', 'PZ-C', 'PZ-D' etc;

- (iii) the fact that the applicant originally applied for the marks 'PZ' and 'PZD' as a series of two marks should be taken as an admission that the respective signs share substantially the same identity;
- (iv) registration of the application in suit would be contrary to the provisions of Sections 3(1)(a), 3(1)(b) and 3(1)(d) of the Trade Marks Act 1994.

4. The applicant subsequently filed a counterstatement in which it admitted that the designation 'PZ' had, prior to the date of the application in suit, been used in the UK in relation to screwdrivers and screwdriver bits, having a particular form of cross-head, which was the subject of an expired patent. However, the applicant contends that the signs 'PZ' and 'PZD' have been used by the applicant and by other parties with the permission of the applicant as an abbreviation of the applicant's registered trade mark POZIDRIV.

5. That mark is said to be the subject of trade mark registrations in the United Kingdom in Classes 6, 7, 8 and 9. The earliest registrations are said to date back to 1965. The applicant also claims to be the proprietor of two United Kingdom registrations of the trade mark 'PZD POZIDRIV' in Classes 7 and 8. These registrations are said to date back to 1978.

6. The applicant denies that the filing of the marks 'PZD' and 'PZ' as a series of two marks should be regarded as an admission that the marks share substantially the same identity.

7. The applicant points out that marks consisting of three letters may be registrable under the Trade Mark Registry's practice as set out in its published work manual. It denies that the letters PZD are excluded from registration by ss3(1)(a),(b) or (c) of the Act.

8. Both sides ask for an award of costs.

9. The matter came to be heard on 16 December 1999 when the applicant was represented by Mr Mitcheson of Counsel, instructed by Forrester Ketley & Co, and the opponent was represented by Mr Moody-Stewart of Counsel, instructed by Carpmaels & Ransford.

Opponent's evidence

10. The opponent's evidence consists of four Statutory Declarations. The first is by Mr Anthony Richard Saunderson, who is the Vice President and General Manager of Black & Decker. Mr Saunderson states that:-

"Black & Decker have sold cross-head type screwdriver bits bearing the identification marking PZ since at least 1985 as a descriptive term to identify screwdriver bits compatible with screws sold by the applicants under the mark POZIDRIV. This marking has been stamped directly on to all screwdriver bits themselves together with a number of designation for a particular size of screwdriver bit, ie PZ1, PZ2, PZ3 etc. Such screwdriver bits have been sold in the United Kingdom by Black & Decker under the BLACK & DECKER trade mark, the PIRANHA trade mark, and the DeWalt trade mark whereby the packaging of such screwdriver bits also bears the designation PZ as an indication of the type of screwdriver bit and a number indicating the size of such bits."

11. Exhibits BD1, BD2 and BD3 to Mr Saunderson's Declaration consists of samples of screwdriver bits, packaging and artwork showing the use of the letters PZ as described in his Declaration.

12. Mr Saunderson continues that sales over the four years leading up to the date of his Declaration (26 June 1998) of bits bearing the designation PZ were in excess of £2 Million, with sales of kit sets including screwdriver bits marked PZ being in excess of £2.5 Million. He confirms that all these sales have been within the United Kingdom.

13. Mr Saunderson further states that:-

"The use of the designation PZ to identify a particular form of cross-head screwdriver bit suitable for use with POZIDRIV screws is common to the trade of screwdriver and screwdriver bits having a particular form of cross-head."

14. Exhibit BD7 to Mr Saunderson's Declaration consists of eight brochures published by competitors featuring screwdriver bits. In each brochure there are examples of the letters PZ being used as a designation of kind of screwdriver bit. Four of the brochures are dated before the date of the application. The other four are dated after the relevant date. Mr Saunderson states that whilst some of the competitors are based outside of the United Kingdom, all of the brochures included within the Exhibit are in English, or include English language descriptions, and all were available in the United Kingdom at the dates he provides.

15. Exhibit BD10 to Mr Saunderson's Declaration consists of a copy of British Standard BS2559, "Specification for Screwdrivers and Screwdriver Accessories" which came into affect on 15 January 1994. This document contains numerous examples of the designation PZ to identify a kind of cross-head screwdriver or screwdriver bit. There is nothing to suggest that the designation PZ or like terms used throughout the document are used so as to indicate the goods of particular undertakings. In contrast the letters PZ appear to be used generically.

16. Mr Saunderson further states that:-

"In 1989 Black & Decker were approached by the applicants for the application in suit by their trade mark agents, Ipsley Intellectual Property Services, in relation to Black & Decker's use of the mark POZIDRIV. Following this approach the applicants offered Black & Decker (B&D) a draft customer licence, which was never executed by B&D. There is now produced and shown to me marked Exhibit BD6 the applicants original approach to B&D in 1989 and the draft customer licence as sent to B&D in February 1990. Particular reference is directed to clause 3.2 which specifically held to restrict any licensee from use of the designation PZ in relation to any screwdriver bits, and specified that the term PZ (amongst others) was, in the applicants' opinion a 'colourable imitation or abbreviation' of their trade marks."

and

"Furthermore, apart from clause 3.2 in the proposed customer licence, no reference nor objection was made by the applicants at that time (1990) to Black & Decker's use of the designation PZ despite their being fully aware of the product sold by B&D at that time bearing the designation PZ."

17. The opponent's evidence also includes three Statutory Declarations from two trade experts and a competitor. Mr Harry Greene states that he is an adviser to leading brand manufacturers in the DIY and Home Improvements trade and has written numerous books on the subject. He says he is also a television presenter on DIY issues for both the BBC and the Satellite channel QVC. He has forty years experience in the DIY and Home Improvements trade. Mr Greene states that he has been aware of the term PZ since at least 1985 and is of the view that PZ is a descriptive term used to indicate a type of cross-head screw. Mr Greene says that the term PZ is generic and not an indication of origin.

18. Mr David Holloway says that he has been an expert on DIY and home improvement for more than 25 years. He was editor of a quarterly magazine published by the Consumers Association from 1972 up to 1983 called Handyman Which? Since then he has been independent consultant, writer and broadcaster. Mr Holloway says that:-

"I have been aware of the terms "Pozidriv" (and for that matter "Phillips") to describe a particular recessed screw-head shape for all that time and more and, as Editor and writer, have always been careful a) to give it a capital letter, b) to spell it correctly (both are widely misspelt) and c) to use it specifically rather than generically.

From the consumer's point of view, it is vital to know which screwdriver and which screwdriver bit (for example, a small bit fitting into a magnetic holder designed to be used in an electric drill or cordless screwdriver) fits which screw. The difference between the screws is fairly obvious, but the difference between the bits less so and the labelling PZ (and PH) as a descriptive term has long been commonplace as an indication as the type of cross-head screw

which the screwdriver (or bit) fits, with a number to indicate the appropriate sizes of screw. I believe this PZ (or PH) labelling is something which other traders (eg manufacturers of screwdrivers and screwdriver bits) may honestly - and legitimately - wish to use to identify their products in the course of trade. In my professional view, the term PZ (as used to describe screwdriver bits) is generic and is an indication of type rather than of origin - so no one party can claim exclusivity in its use."

19. The third Declaration is from Mr David Mills who is a Purchasing Director of Draper Tools Limited. Mr Mills gives evidence of his company's use of the term PZ commencing in July 1996. That is after the date of the application. His evidence is therefore irrelevant and I will say no more about it.

20. The applicants filed no evidence in response.

Decision

21. The relevant statutory provisions are as follows:

Section 1(1) and]

1.-(1) In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.

Section 3(1)

3.-(1) The following shall not be registered -

- (a) signs which do not satisfy the requirements of section 1(1),
- (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,
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade:

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.

22. On the evidence before me it seems clear that the sign PZ was generic for a certain type of screwdriver and screwdriver bit at the date of the application.

23. Mr Moody-Stewart submitted that the sign PZD shared substantially the same identity as the sign PZ and that, in the result, both signs were incapable of distinguishing the goods of one undertaking from those of other undertakings and therefore excluded from registration by Section 3(1)(a) of the Act. In support of his position, Mr Moody-Stewart relied upon the comments of Aldous L.J. in Philips Electronics NV v Remington Consumer Products Ltd (1999 RPC 809 at 817 and 818). In Mr Moody-Stewart's submission, the sign PZD has insufficient "capricious alteration" to enable it to acquire a secondary meaning as a trade mark.

24. I indicated at the hearing that I rejected that submission. In the Philips case, Aldous L.J. used the mark WELDMESH as an example of a sign which contained sufficient "capricious alteration" (from the words 'welded mesh') to enable it to acquire a secondary meaning as a trade mark. In my view the sign PZD has at least as much "capricious alteration" from the sign PZ as the word WELDMESH has from the generic words 'welded mesh'. The opposition under Section 3(1)(a) must therefore fail.

25. The opposition under Section 3(1)(d) also fails. The provision excludes trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade. For the reasons I have already given, I do not believe that can be said of the letters PZD. There is some evidence that other traders have used the designation PZ in combination with numerals, such as PZ1, PZ2 etc. The numeral in these combinations appears to be used to designate the size of the screw for which the PZ screwdriver or screwdriver bit is adapted. There is no evidence of comparable use of letters for this purpose.

26. That brings me to the question of whether the mark PZD is devoid of any distinctive character. Mr Mitcheson relied upon the Registrar's published practice as set out in the Registry's Work Manual, which is as follows:-

"All three letter marks or three letter words should be accepted in the prima facie unless they are objectionable in their own right as well known acronyms etc."

27. Mr Mitcheson argued that, even if the letters PZ were generic (which the applicant does not concede) the letters PZD could not be said to be wholly generic or descriptive. On this basis Mr Mitcheson argued that the mark put forward for registration was not devoid of any distinctive character, and was therefore not excluded from registration by Section 3(1)(b).

28. Mr Moody-Stewart submitted that the generic nature of designation PZ contaminated the mark PZD to the extent that it lacked an inherently distinctive character.

29. He accepted that the original application for the marks PZ and PZD as a series of two trade marks could not be regarded as a binding admission that the marks shared substantially the same identity. Nevertheless, he submitted that this was a relevant factor to be taken into account because it was an indication of the applicant's thinking at the time of the application.

30. The Registrar's practice is not the law. Whatever the Registrar's normal practice may be, if the application of that practice results in an opposition, it must be decided on its merits after a fresh look at the relevant case law. In any event, I do not believe that the Registrar's practice says any more than that three apparently random letters will normally possess the necessary distinctive character.

31. It has now been said on numerous occasions that the essential function of a trade mark is to guarantee the trade origin of the goods or services in respect of which it is used. The recitals to Directive 89/104/EEC are specific on this point. It must follow that a trade mark which, at the date it is put forward for registration, is not capable of performing this function is devoid of the necessary distinctive character.

32. I do not accept Mr Mitcheson's submission that the generic nature (or otherwise) of the letters PZ is irrelevant in assessing whether the letters PZD had any distinctive character at the relevant date. The significance of the letters PZ must at least have the potential to affect the public's reaction to the trade mark PZD. The question I have to answer is whether the addition of the letter D to the generic term PZ is sufficient to turn the resulting sign into a trade mark.

33. I note that although Aldous L.J. considered the word WELDMESH to be capable of distinguishing the goods of one undertaking, he indicated (at page 819 lines 17-19) that the word would be devoid of any distinctive character until such time as it acquired a secondary meaning as a trade mark through use. In Mr Moody-Stewart's submission, the mark PZD was so close to the letters PZ that it was in the same position as WELDMESH.

34. Neither party has filed evidence which bears directly on the public's reaction (or likely reaction) to the letters PZD. That might be a significant factor if there were a burden of proof on one party or the other. However, as Robert Walker L.J. observed in Procter & Gamble Ltd the Registrar of Trade Marks (1999 RPC page 1234), it is doubtful whether it is helpful to think of the judgment that the Registrar has to make (in respect of an unused mark) in terms of a burden of proof. The position would appear to be different where an applicant relies upon evidence of acquired distinctiveness. In that case the burden of proof would appear to be on the applicant. See the comments of Lloyd J in Dualit Application (1999 RPC page 5578).

35. In the absence of any evidence that bears directly on this point, I must base my

decision under Section 3(1)(b) on my own assessment of the public's likely reaction to the mark PZD in the light of the facts I have before me. In that connection it appears that I should consider the matter through the eyes of the average consumer of the relevant class of goods. See Lloyd Schuhfabrik Meyer v Klijsen Handel BV (1999 ETMR 690) and Bach Flower Remedies Limited v Healing Herbs Limited, Court of Appeal, 21 October 1999 - unreported.

36. It seems to me that, at the date of the application, the average consumer of screwdriver and screwdriver bit, being reasonably circumspect and observant, is likely to have been aware that the term PZ was a generic indication of a type of screwdriver and screwdriver bit. In these circumstances, it seems to me that on the balance of probabilities, the average consumer was more likely to have regarded PZD as a descriptive variant to the generic letters PZ, indicating the type of screwdriver or screwdriver bit, than as an indication of the trade source of such goods.

37. It follows from that finding that the ground of opposition under Section 3(1)(b) of the Act succeeds, at least insofar as screwdrivers and screwdriver bits are concerned. The opponent's Statement of Grounds of Opposition, and the evidence filed in support of those grounds, focus on the objection to the registration of the mark for screwdrivers and screwdriver bits. However, the grounds of opposition are not limited to those goods. The opponent appears to ask for a full, rather than a partial, refusal. The opposition should therefore be regarded as having been filed in respect of all the goods and services covered by the application.

38. It is clear from the opponent's evidence that traders in screwdrivers and screwdriver bits used the term PZ *"since at least 1985 as a descriptive term to identify screwdrivers and bits compatible with screws sold by the applicants under the mark POZIDRIV."* It seems likely that the letters PZ were originally devised as a code for POZIDRIV. There is no evidence that, before the date of application, the designation PZ was used generically in relation to screws as such. I have not overlooked the evidence of Mr Greene, but I find it ambiguous. In the light of the other evidence (particularly the more detailed evidence of Mr Holloway) I think it likely that Mr Greene is also referring to the descriptive use of the letters PZ in relation to screwdrivers and screwdriver bits.

39. In the circumstances described above, I do not think it would be safe for me to further infer from the evidence that the generic use of the sign PZ in relation to screwdrivers and bits has contaminated the distinctive character of the letters PZD as a trade mark for screws, or for any of the other goods within the specification.

40. In coming to this decision I have taken no account of the registrations that the opponent claims to have in Classes 7 and 8 for the mark PZD POZIDRIV. The applicant has not provided any further details of these registrations for the purposes of these proceedings. Although Mr Moody-Stewart did not dispute the existence of these registrations he informed me that the applicant had in any event disclaimed any exclusive right to the letters PZD as a condition of registration. This was not

disputed.

41. Accordingly, if the applicant files a Form TM21 within one month of the period allowed for appeal of this decision, the application may proceed to registration in respect of:-

Class 6

Screws, fasteners; screw threaded and drive threaded fasteners; ironmongery, hardware

Class 7

Dyes, punches all being for use with machine tools; power operated hand tools; parts and fittings for all the aforesaid goods; but not including powered hand tools adapted to be used as screwdrivers or bits.

Class 8

Hand tools; hand implements; dyes and punches; parts and fittings for all the aforesaid goods; but not including screwdrivers or bits.

Class 9

Gauges.

42. The opposition has succeeded in part. I believe the opponent is entitled to a contribution towards its costs. I will therefore order the applicant to pay the opponent the sum of £750.

Dated this 17 Day of February 2000

**Allan James
For the Registrar
The Comptroller General**