TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION No. 2315570 STANDING IN THE NAME OF CRYSTAL WINDOWS & DOORS LIMITED

AND

IN THE MATTER OF A REQUEST FOR A DECLARATION OF INVALIDITY THERETO UNDER NO. 83079 BY CRYSTAL WINDOWS AND CONSERVATORIES LIMITED

BACKGROUND

- 1) On 9 November 2002, Crystal Windows and Doors Ltd applied to register the trade mark CRYSTAL. The trade mark was applied for in respect of the following goods:
 - Class 19: Doors, door frames and door surrounds made wholly or principally of non-metallic materials; windows, window frames and window surrounds made wholly or principally of non-metallic materials; conservatories made wholly or principally of non-metallic materials; soffits and facias made wholly or principally of non-metallic materials; parts and fittings for all the aforesaid goods.
 - Class 36: Financial loans, credit agreements and accounts relating to home improvements.
 - **Class 37**: Building and construction services of porches and modification of brickwork (or similar) openings to facilitate installation of doors and windows; installation, repair and maintenance of windows, window frames, window surrounds, doors, door frames, door surrounds, conservatories, porches, soffits, facias and glazing.
- 2) The application was examined, subsequently amended and then accepted on the basis of honest concurrent use with registration number 1293024, 1581051, 2137004, 2221443, M676654 & E814152. The trade mark was published for opposition purposes. No opposition was filed, and the registration procedure was completed on 18 June 2004.
- 3) On 15 November 2007, Crystal Windows and Conservatories Ltd applied for a declaration of invalidity, subsequently amended, under sections 1(1) & 3(1) of the Trade Marks Act 1994 (the Act). The grounds are, in summary:
 - a) Both the applicant and the registered proprietor have registered very similar names at Companies House, in 1995 in the case of the registered proprietor and in 1997 in the case of the applicant.
 - b) "Prior to 1997 both companies have been using a trade name very similar to the other and although the trade mark was registrable neither party took the steps for registration until the Respondent company did so in 2002. It is submitted that the trade mark "Crystal" does not denote anything unique as far as the manufacturing of doors and windows from PVC materials is concerned. Therefore there is nothing to justify protecting the trade mark of "Crystal" in that respect."
 - c) The applicant makes windows, doors etc from PVC materials, as do several other manufacturers. Because of this. the registered proprietor has not established any unique proprietary rights to the actual goods and services provided. It is claimed that customers do not associate the trade mark exclusively with the goods or services of the registered proprietor.
 - d) "As a consequence the word "Crystal" appears to be purely a "generic" term. It is not capable of serving essential trade mark functions of distinguishing the products or services

from the products or services of other businesses and manufacturers. Therefore, it should not be afforded any legal protection by registration as required by Section 1(i) and Section 3(i) of the TMA 1994."

- e) The applicant also relied upon unspecified EEC legislation and the fact that a French company has the mark registered in respect of glassware and lead crystal glasses etc.
- 4) On 18 January 2008 the Registered Proprietor filed a counter-statement which consists, in essence, of a denial of the grounds on which the request for invalidation is based. Further, the registered proprietor states that it has a strong reputation in its mark.
- 5) Only the applicant filed evidence in these proceedings. Neither party wished to be heard, although both submitted written submissions which I shall refer to as and when relevant. Both ask for an award of costs.

APPLICANT'S EVIDENCE

6) This consists of two witness statements, dated 5 August 2008 and November 2008, both by Ireneusz Czarnocki, a Director of the applicant company. She states that before her company was formed she traded in the manufacture and fittings of windows, doors, conservatories etc. with the accompanying building work required to fit the same. In 1997 she formed her company, and in May 1997 it was incorporated. She states that despite the fact that the registered proprietor was aware of the activities of the applicant it delayed taking action to protect its trade mark until June 2007. Introducing exhibit IC3 she claims that as others are using the term "Crystal" in relation to UPVC window frames and doors etc then the registered proprietor has not established any unique property right. The contention that the term "Crystal" has become genericized is repeated. She also provides the following exhibits:

IC1: A credit report on each company from July 2008.

IC2: two invoices from the applicant company one of which is dated by hand, 20 November 1998.

IC3: A bundle of pages from the internet dated 3 July 2008. These show that in addition to the registered proprietor the term "crystal" is used by other companies. I will only list those in the UK, who appear to be in the same line of business as the two parties in the instant case. Crystal Glaze Conservatories, Crystal Windows and Conservatories, Crystal Window and Door Systems Ltd, Crystal Clear Windows, Crystal Glazing, Crystal Clear Windows, Crystal Windows, Crystal Windows.

IC4: More pages from the internet showing companies who use the term "crystal" but have nothing to do with upvc window frames and doors, apart from the pages from the applicant's own website.

7) That concludes my review of the evidence filed in these proceedings insofar as I consider it necessary.

DECISION

8) Section 47 of the Act reads as follows:

"47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been

made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.
(2)

(4)

(3)

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed."

9) Insofar as it is relevant, sections 1(1) and 3(1) of the Act reads as follows:

"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.

(2) References in this Act to a trade mark include, unless the context otherwise requires, references to a collective mark (see section 49)or certification mark (see section 50).

3 (1) The following shall not be registered -	

(a)..... signs which do not satisfy the requirements of section 1(1),

4

- (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."

- 10) The applicant for invalidity has not been specific in its statement of grounds as to which part of section 3(1) it was relying upon. Even in response to the registered proprietor's charge that they had not particularised their claim they merely replied that the mark in suit is "generic", "it is not capable of serving the essential trademark functions of distinguishing the products or services from other business and manufacturers" and that "the word "crystal" did not denote anything unique in the manufacturing process at that time nor at the current time". They claim that they were using the mark in suit at the same time as the registered proprietor. Nor did the applicant restrict its action to part of the specification.
- 11) The applicant for invalidity has to show that at the date of application, 9 November 2002, the mark in suit did not meet the requirements of section 3(1). The mark in suit consists of the word "Crystal". According to the Collins English Dictionary (third Edition) this word has the following meaning:

"Crystal: 1. a piece of solid substance, such as quartz, with a regular shape in which plane faces intersect at definite angles, due to the regular internal structure of its atoms, ions or molecules. 2. a single grain of a crystalline substance; 3. anything resembling a crystal, such as a piece of cut glass; 4. a highly transparent and brilliant type of glass, often used in cut-glass tableware ornaments etc. 5. something made of or resembling crystal; 6. crystal glass articles collectively; 7. a crystalline element used in certain electronic devices as a detector, oscillator, transducer etc; 8. a transparent cover for the face of a watch usually of glass or plastic; 9. of or relating to a crystal or the regular atomic aarangement of crystals; 10 resembling crystal, transparent."

- 12) To my mind the mark in suit meets the requirements of section 1(1) and 3(1)(a) and the applicant has offered no submissions to the contrary. The application for invaildity under section 3(1)(a) therefore fails.
- 13) I now turn to section 3(1)(b), (c) and (d). It is clear from the views expressed by the European Court of Justice in *Companyline* [2003] E.T.M.R. 20, *Linde AG* (and others) v Deutsches Patent-und Markenamt, Journal Cases C-53/01 to C-55/01, and the High Court in Have a Break [2002] EWHC 2533 (Ch) that Section 3(1)(b) has separate and independent scope from Section 3(1)(c). Therefore, I have to consider each section separately.

14) I take into account Kerly's Law of Trade Marks and Trade Names (14th Edition) at paragraphs 8-048 – 8-053 which read as follows:

"8-048. The wording used in Sections/Arts 3(1)(b), (c) & (d) appears, at first sight, to set an absolute and very low requirement for distinctive character: "devoid of any distinctive character" and "trade marks which consist exclusively" of, essentially non-distinctive signs or indications. Faced with this language, applicants have argues repeatedly that they need only show a scintilla of distinctive character in order to overcome these hurdles and/or that the hurdle is very low.

8-049. Underlying many of the arguments out forward by applicants seeking to overcome Art.7(1)(b)/3(1)(b) grounds is the beguiling notion that there is a sliding scale of distinctiveness from, say, 0 to 100, where 100 is wholly distinctive and 0 is wholly devoid of distinctive character/wholly descriptive/completely generic. The notion of a scale of distinctiveness can be useful to explain how a mark may be distinctive yet also convey a message which is descriptive of the goods or services in question, and also how the message conveyed by a mark may change over time. This notion can be mis-used. Applicants like the concept of a sliding scale because they can argue that a low score of 1, 2, 3, x etc must be sufficient to overcome these absolute grounds. If the tribunal or Court then says, well, a minimum degree of distinctive character is more than x, then the applicant argues his mark is just over that minimum level. This type of argument is essentially bogus and there are two ways to explain why.

8-050. First, this "sliding scale" argument ignores the fact that marks below the borderline set by these absolute grounds suffer from a disability or inertia. In truth, the only way to overcome such a disability or inertia is through the correct type of use on a substantial scale so that the public are educated to understand the mark conveys an origin message. The "sliding scale" argument allows the disability or inertia to be ignored and this is illegitimate.

Second if the "sliding scale" notion is adopted, it should be recognised that it works down to a notional point, but then there is a cliff or step. Marks with sufficient inherent distinctive character are able to step up out of the morass of non-distinctive matter.

8-051. The further point is that the assessment of distinctive character has to be undertaken through the eyes of the average consumer of the goods or services in question. The average consumer test itself contains a threshold, in this sense; an applicant may be able to show that a small proportion of people do understand his mark to convey an origin message, but that is not sufficient to show that the average consumer would so understand the mark.

8-052. These considerations in fact provide the answer as to why the absolute grounds are expressed as they are. They do not need to be expressed or interpreted in terms of minimum level of distinctive character because of the nature of distinctive character. It carries with it its own threshold.

8-053. Many of the problems caused by setting too low a standard for distinctive character could be overcome if the ECJ were to state clearly that the basic requirement for registration of any mark is that it must possess a distinctive character, whether inherent or acquired."

And

- 8-086. "The appeals in BABY-DRY proceeded only on the Art.7 (1)(c) ground [equivalent here to the s. 3(1) (c) ground] and Art.7(1)(b) [equivalent to s. 3(1)(b)] was not in issue. It is possible that if the Art. 7(1)(b) ground had remained in issue, so that the Court had been forced to focus more clearly on "distinctive character", such an objection would have been upheld."
- 15) I also take account of the following principles derived from the ECJ cases referred to below:
 - a) for a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
 - b) a mark may be devoid of distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive (*Koninklijke KPN Nederland v Benelux Merkenbureau*, paragraph 86);
 - c) a trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought and by reference to the relevant public's perception of that mark (*Libertel Group BV v Benelux Merkenbureau*, Case C-104/01 paragraphs 72-77);
 - d) the relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).
- 16) For ease of reference I reproduce the registered proprietor's specification below:
 - Class 19: Doors, door frames and door surrounds made wholly or principally of non-metallic materials; windows, window frames and window surrounds made wholly or principally of non-metallic materials; conservatories made wholly or principally of non-metallic materials; soffits and facias made wholly or principally of non-metallic materials; parts and fittings for all the aforesaid goods.
 - Class 36: Financial loans, credit agreements and accounts relating to home improvements.
 - **Class 37**: Building and construction services of porches and modification of brickwork (or similar) openings to facilitate installation of doors and windows; installation, repair and maintenance of windows, window frames, window surrounds, doors, door frames, door surrounds, conservatories, porches, soffits, facias and glazing.
- 17) In the instant case the average comsumer would consist of the general public and also various building professionals from architects to general builders including window and door specialists.

- 18) I do not believe that the mark in suit can be seen as devoid of distinctive character when used on the above goods and services. The word crystal is, in my experience, most often used in conversation in the phrase "crystal clear". In this manner one might consider that the financial documents accompanying the services in Class 36 would be easily understood. It might be taken to refer to the windows, in particular the glass in the windows, in the Class 19 goods and Class 37 services. However, the mark in suit is the word "crystal" solus. It does not seem to be descriptive of any of the goods or services. Only when other matter is added does it provide the average consumer with the necessary information for the term to be considered non-distinctive. In my view, the mark in suit meets the requirements of Section 3(1)(b) and is distinctive. The application for invalidity under Section 3(1)(b) therefore fails.
- 19) I now turn to section 3(1)(c). There are a number of European Court of Justice judgments which deal with the scope of Article 3(1)(c) of First Council Directive 89/104 and Article 7(1)(c) of Council Regulation 40/94 (the Community Trade Mark Regulation), whose provisions correspond to Section 3(1)(c) of the UK Act. I derive the following main guiding principles from the cases noted below:
 - subject to any claim in relation to acquired distinctive character, signs and indications which may serve in trade to designate the characteristics of goods or services are deemed incapable of fulfilling the indication of origin function of a trade mark (*Wm Wrigley Jr & Company v OHIM* Case 191/01P (Doublemint) paragraph 30;
 - thus Article 7(1)(c) (Section 3(1)(c)) pursues an aim which is in the public interest that descriptive signs or indications may be freely used by all *Wm Wrigley Jr v OHIM*, paragraph 31;
 - it is not necessary that such a sign be in use at the time of application in a way that is descriptive of the goods or services in question. It is sufficient that it could be used for such purposes *Wm Wrigley Jr v OHIM*, paragraph 32;
 - it is irrelevant whether there are other, more usual signs or indications designating the same characteristics of the goods or services. The word 'exclusively' in paragraph (c) is not to be interpreted as meaning that the sign or indication should be the only way of designating the characteristic(s) in question *Koninklijke KPN Nederland NV v Benelux Merkenbureau*, Case C-363/99 (Postkantoor), paragraph 57;
 - if a mark which consists of a word produced by a combination of elements is to be regarded as descriptive for the purposes of Article 3(1)(c) it is not sufficient that each of its components may be found to be descriptive, the word itself must be found to be so *Koninklijke KPN Nederland NV v Benelux Merkenbureau*, paragraph 96;
 - merely bringing together descriptive elements without any unusual variations as to, for instance, syntax or meaning, cannot result in a mark consisting exclusively of such elements escaping objection *Koninklijke Nederland v Benelux Merkenbureau*, paragraph 98;

- however such a combination may not be descriptive if it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements *Koninklijke Nederland NV v Benelux Markenbureau*, paragraph 99.
- 20) The applicant has not provided any submissions as to how the mark in suit is descriptive of the goods and services covered in the specification, other than in the most general terms. It can be said to allude to the glass in the window being "crystal clear" or "as clear as crystal" however, both phrases have added matter. The term "crystal" on its own even when applied to window frames with the glass added does not, on its own, provide anywhere near enough information of itself to be useful or to be viewed as an attempt to describe a characteristic of the goods or services. Windows and doors are chosen with a great deal of care as they are usually quite expensive, they are highly visible being commonly called the "eyes" of a house, and often have to meet planning conditions. Therefore, to my mind, the mark in suit would not be viewed by the average consumer as descriptive for the goods for which it is registered, but would be seen as a trade mark. The application for invalidity under Section 3(1)(c) therefore fails.
- 21) Lastly, I turn to consider the position under 3(1)(d). Article 7(1)(d) is the equivalent of section 3(1)(d) of the Act. I therefore take into account *Telefon & Buch Verlagsgesellschaft mbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-322/03 the CFI stated:
 - "49 Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, by analogy, Case C-517/99 Merz & Krell [2001] ECR I-6959, paragraph 31, and Case T-237/01 Alcon v OHIM Dr. Robert Winzer Pharma (BSS) [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public's perception of the mark (BSS, paragraph 37).
 - 50 With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (*BSS*, paragraph 38).
 - 51 Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering trade in the goods or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).
 - 52 Finally, signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services covered by that mark are not capable of distinguishing the goods or services

of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark (see, by analogy, *Merz & Krell*, paragraph 37, and *BSS*, paragraph 40)."

- 22) I accept that there is evidence that other companies in the same field have used the mark in suit as part of their company name. However, the evidence is dated 2008 whilst I have to consider the position in 2002, but even if the evidence of their existence were timely it is not evidence that the mark in suit is used by the industry. There is no evidence that these other companies even trade, simply evidence of a website. The applicant states that they have used the mark at the same time as the registered proprietor. However, other than the name of their company they have offered no evidence as to the manner of its use as a trade mark. It could be that they are merely using it as part of a phrase or slogan in a purely laudatory manner. If this is the case and there is evidence to back this up, not shown in he evidence in the instant case, then it may serve as a defence against an infringement action although this is by no means certain. What the evidence in the instant case clearly does not show is that the mark in suit consists "exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade". The application for invalidity under Section 3(1)(d) therefore fails.
- 23) I order the applicant, Crystal Windows and Conservatories Limited, to pay to the registered proprietor, Crystal Windows and Doors Limited, the sum of £800. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 10th day of March 2009

G W Salthouse For the Registrar the Comptroller-General