

O-397-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NUMBER 2460895
BY LG ELECTRONICS INC
TO REGISTER THE FOLLOWING MARK IN CLASSES 9:
Intelligent Sensor**

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To register the following trade mark in class 9:
Intelligent Sensor**

Background

1. On 9 July 2007, LG Electronics ("the applicant") applied to register trade mark application number 2460895, consisting of the word mark "Intelligent Sensor" for the following goods:

Class 09 Computer hardware; television apparatus; telecommunications apparatus; apparatus for recording, transmission or reproduction of sound or images; photographic apparatus; notebook computers; computers; printers for use with computers; pre-recorded computer software; pre-recorded computer programs; Personal Digital Assistants (PDA); semi-conductors; television receivers (TV sets); cellular phones; facsimile machines; camcorders; Universal Serial Bus (USB), namely hubs, ports, cables) cables; telecommunications cables; electric flat irons Video Tape Recorders (VTR); adaptors; headphones; microphones; earphones; Digital Versatile Disc (DVD) players; MPEG audio player-3 (MP3) players; speakers; Compact Disc Players (CDP); digital cameras; unprocessed audio-video compact discs.

2. On 31 July 2007, the UK Intellectual Property Office issued an examination report in response to the application. In the report, an objection was raised under section 3(1)(b) and (c) of the Trade Marks Act 1994 ("the Act"), on the basis that the mark was devoid of any distinctive character, in that the mark "consists exclusively of 'Intelligent Sensor', being a sign which may serve in trade to designate the characteristic of the goods e.g. goods connected with or containing intelligent sensors".

3. A period of three months from the date of the examination report was given for reply, (up to 31 October 2007), with the Registrar confirming that "...the application would be refused if the applicant did not reply by the relevant date requested".

4. On 9 January 2008 a letter was issued refusing the mark in totality under Section 37(4) providing a further period of one month (up to 9 February 2008) for submission of a TM5.

5. On 8 February 2008 a TM5 was submitted, requesting that the Registry issue a full statement of its reasons for refusing the application. In a letter attached to the TM5, the applicant stated that it wished "...to appeal against the rejection of this application for a restricted specification of goods to 'Television receivers (TV sets); cellular phones'".

6. The TM5 was received at the Intellectual Property Office on 8 February 2008, but was not forwarded to the examination unit due to an administrative error in the Registry. The specification was not limited at examination or refusal stage.

7. As a consequence of the error, which led the examiner to believe that a TM5 had not been submitted, the case was formally refused on 14 July 2009.

8. On 23 July 2009 the applicant's attorney faxed a letter referring the Registry to the "missing" TM5 of 8 February 2008, attaching a copy of the form.

9. In response to this, the examiner conducted some investigations which revealed that the TM5 clearly had been received on 8 February 2008, i.e. within the relevant date.

10. In his letter dated 8 February 2008, the agent stated that he wished to appeal against rejection in respect of "Television receivers (TV sets); cellular phones". As the application was refused in *totality*, I am not entirely sure of the agent's intentions in this respect. It is likely that these were goods of most interest to the applicant, hence the agent's reference in his letter. However, the actual refusal of the application related to the application *in full*, and I am diligent to present reasons for that refusal accordingly. However, given the agents comments, I will first concentrate on "Television receivers (TV sets); cellular phones".

11. In the event that I am found to be in error in concentrating on the limited goods, I will also address the refusal in respect of all the remaining goods specified.

Decision

12. "3.-(1) The following shall not be registered –

(a)

(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)

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."

13. The above provisions mirror Article 3(1)(b) and (c) of First Council Directive 89/104 of 21 December 1988. The proviso to Section 3 is based on the equivalent provision of Article 3(3).

Relevant authorities – general considerations

14. The European Court of Justice (ECJ) has repeatedly emphasised the need to interpret the grounds for refusal of registration listed in Article 3(1) and Article 7(1), the equivalent provision in Council Regulation 40/94 of 20 December 1993 on the Community Trade Mark, in the light of the general interest underlying each of them (Case C-37/03P, *Bio ID v OHIM*, paragraph 59 and the case law cited there and, more recently, Case C-273/05P *Celltech R&D Ltd v OHIM*).

15. The general interest to be taken into account in each case must reflect different considerations according to the ground for refusal in question. Thus, in the case of the registration of colours *per se*, not spatially delimited, the Court has ruled that the public interest is aimed at the need not to restrict unduly the availability of colours for other traders in goods or services of the same type. Also, in relation to Section 3(1)(b) (and the equivalent provisions referred to above) the Court has held that “...the public interest ... is, manifestly, indissociable from the essential function of a trade mark” (Case C-329/02P, SAT.1 *SatellitenFernsehen GmbH v OHIM*). The essential function thus referred to is that of guaranteeing the identity of the origin of the goods or services offered under the mark to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin (see paragraph 23 of the above mentioned judgment). Marks which are devoid of distinctive character are incapable of fulfilling that essential function. Section 3(1)(c) on the other hand pursues an aim which reflects the public interest in ensuring that descriptive signs or indications may be freely used by all – *Wm Wrigley Jr v OHIM (Doublemint)*, C-191/0P paragraph 31.

The Mark

16. The mark consists of two words, “intelligent” and “sensor”. Collins Dictionary defines “intelligent” as meaning *inter alia*:

“5. (of computerized functions) able to modify action in the light of ongoing events”.

and “sensor” as meaning:

“Anything, such as a photoelectric cell, that receives a signal or stimulus and responds to it. [C19: from Latin *sēnsus* perceived, from *sentīre* to observe]”.

Section 3(1)(c)

17. There are now a number of judgments from the ECJ 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. In terms of the issues before me in this case 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 – (Doublemint)* paragraph 30;
- there must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of the category of goods and services in question or one of their characteristics – *Ford Motor Co v OHIM, Case T-67/07*;
- a sign’s descriptiveness may only be assessed, first, in relation to the goods or services concerned and, secondly, in relation to the perception of the target public, which is composed of the consumers of those goods or services – *Ford Motor Co v OHIM*;
- 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 and Benelux-Merkenbureau, Case C-363/99 (Postkantoor)*, paragraph 57;
- it is in principle irrelevant whether the characteristics of the goods or services which may be the subject of the description are commercially essential or merely ancillary – *Postkantoor*, paragraph 102.

18. Section 3(1)(c) of the Act excludes signs which may serve, in trade, to designate the kind of goods or other characteristics of goods. It follows that in order to decide this issue it must first be determined whether the mark designates a characteristic of the goods in question. As indicated at Paragraph 12 above, I shall first concentrate on those goods which I believe to be of the most importance to the applicant, given its comments in the letter of 8 February 2008, i.e. “Television receivers (TV sets); cellular phones”.

19. It appears reasonable when applying the normal rules of English language and grammar, that the two words when used in combination are descriptive of sensors that are able to modify action without human intervention.

20. Television receivers (TV sets) and cellular phones’ are both electronic goods and as such are likely to contain sensors of some description. Sensors can play a part in all goods, but in particular in today’s market it is common for electronic goods to be remote controlled. These remote control features are possible, in part, because of the use of sensors. I am aware from personal experience that it is possible to alter the picture quality, sound, channel, framing etc. on a television receiver remotely.

21. That being the case, it is pertinent to consider whether there is any difference between a sensor *per se* and an “intelligent sensor”. To make a sensor “intelligent”, it would have to be able to modify actions without the direct intervention of a human. An intelligent sensor would therefore be able to change the settings on an electronic good automatically, in response to ongoing events such as an increase in the ambient noise levels, resulting in the volume increasing, or changes in the natural light resulting in changes in the contrast, brightness, or colour palette etc. of the screen.

22. The relevant consumer for these goods would be the public at large. Television receivers (TV sets) and cellular phones’ would demand a reasonably high unit price, and are not an everyday purchase, with a moderate level of attention and knowledge applied when purchasing these goods.

23. In my view the relevant consumer of the goods and services in question would see the words “Intelligent Sensor”, on first impression, as a normal means of designating a nature or other characteristic of the goods and services for which registration is sought, i.e. television receivers (TV sets) and cellular phones’, goods with an intelligent sensor function. Consequently, I have concluded that the mark applied for consists exclusively of a sign which may serve, in trade, to designate the kind of goods and services and is, therefore, excluded from registration by Section 3(1)(c) of the Act.

24. I find support for this conclusion in the judgment of the European Court of Justice in the *Postkantoor* case, C-363/99 where the following view was expressed:

“5. Article 3(1)(c) of Directive 89/104 must be interpreted as meaning that a mark consisting of a word composed of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, is itself descriptive of the characteristics of those goods or services for the purpose of that provision, unless there is a perceptible difference between the word and the mere sum of its parts: that assumes either that because of the unusual nature of the combination in relation to the goods or services the word creates an impression which is sufficiently far removed from that produced by the mere combination of meanings lent by the elements of which it is composed, with the result that it is now independent of its components. In the latter case, it is necessary to ascertain whether a word which has acquired its own meaning is not itself descriptive for the purposes of the same provision.”

This is simply not the case here.

25. Having found that this mark is to be excluded from registration by Section 3(1)(c) of the Act, that effectively ends the matter. However, in case I am found to be wrong in this decision, I will go on to determine the matter under section 3(1)(b) of the Act.

Section 3(1)(b)

26. In relation to (b) it was held in *Postkantoor* that:

“86. In particular, a word mark which is descriptive of characteristics of goods or services for the purposes of Article 3(1)(c) of the Directive is, on that account, necessarily devoid of any distinctive character with regard to the same goods or services within the meaning of Article 3(1)(b) of the Directive. A mark may none the less be devoid of any distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive.”

27. I approach this ground of objection on the basis of the following principles derived from the ECJ cases referred to below:

- an objection under Section 3(1)(b) operates independently of objections under Section 3(1)(c) – (*Linde AG (and others) v Deutsches Patent-und Markenamt*, Joined Cases C-53/01 to C-55/01, paragraphs 67 to 68);
- 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);
- 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 (*Postkantoor* paragraph 86);
- 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);
- 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*).

28. Further, I do not consider that an application may escape objection if it is considered too imprecise a term and to indicate a direct and specific relationship with the goods or services at issue without further thought, but is, in some sense, more generally non-distinctive. In particular, I note that it was held in *Imperial Chemical Industries plc v OHIM*, case T-224/07:

“21 For a finding that there is no distinctive character, it is sufficient that the semantic content of the word mark in question indicate to the consumer a characteristic of the goods or service which, whilst not specific, represents promotional or advertising information which the relevant public will perceive first and foremost as such, rather than as an indication of the commercial origin of the goods or service (*REAL PEOPLE, REAL SOLUTIONS*, paragraphs 29 and 30, and Case T-128/07 *Suez v OHIM* (Delivering the essentials of life), not published in ECR, paragraph 20).”

29. Even if the mark falls short of conveying the requisite level of specificity to support an objection under section 3(1)(c) I would nevertheless hold that it would not be capable of performing the essential function of a trade mark without the relevant public being educated into seeing it that way. In my view consumers would not consider that the mark to be that of any particular manufacturer or supplier of electronic equipment: it could properly be at home on the goods of any of them. On this basis the (b) objection is also made out.

30. I have concluded that the mark applied for will not be identified as a trade mark without first educating the public that it is a trade mark. I therefore conclude that the mark applied for is devoid of any distinctive character and is thus excluded from *prima facie* acceptance under Section 3(1)(b) of the Act.

The remaining goods

31. As stated in paragraph 10 above, the agent stated that he wished to appeal against rejection in respect of “Television receivers (TV sets); cellular phones”, even though the application was refused in totality. In respect of the remainder of the goods applied for, it would appear that all of them could be broadly categorised as being either “hardware” or “software”.

32. For the purposes of this assessment, it is reasonable for me to make this distinction between these goods that fall as “hardware” and “software”.

33. The Collins dictionary defines hardware as *inter alia*:

2. Computing the physical equipment used in a computer system, such as the central processing unit, peripheral devices, and memory. Compare software.
3. mechanical equipment, components, etc.

Accordingly I would clarify all the following goods as being hardware:

Computer hardware; television apparatus; telecommunications apparatus; apparatus for recording, transmission or reproduction of sound or images; photographic apparatus; notebook computers; computers; printers for use with computers; Personal Digital Assistants (PDA); semi-conductors; facsimile machines; camcorders; Universal Serial Bus (USB), namely hubs, ports, cables) cables;

telecommunications cables; electric flat irons; Video Tape Recorders (VTR); adaptors; headphones; microphones; earphones; Digital Versatile Disc (DVD) players; MPEG audio player-3 (MP3) players; speakers; Compact Disc Players (CDP); digital cameras.

34. I consider that it is reasonable to expect that sensors would play a key role in the above goods. For example, photographic apparatus will contain sensors which ascertain light levels and focusing distance. Such sensors could modify their action according to input. These could be considered features of the product and could reasonably be defined by the term "intelligent sensor". When sensing the level of light or focal length, an intelligent sensor could respond by opening or closing the shutter to change the level of light or change the lens arrangement to change the focal point. As another example, facsimile machines will contain sensors which determine when a fax is received, when the paper levels are low or when the ink levels are low. Such sensors could modify their action automatically by sending a message reporting that a fax has been received, that levels of paper or ink are low. Similarly electric flat irons will contain sensors which will sense the level of water, level of steam or whether the iron is overheating. Such sensors could modify the level of water, steam or temperature, which could be considered features of the product. The ability to sense and change accordingly could be reasonably be defined as an "intelligent sensor".

35. As such I find that the Section 3(1)(b) and (c) objection, as detailed above in relation to television receivers and cellular phones is equally valid in relation to all goods defined as being hardware.

36. The Collins dictionary defines software as *inter alia*:

1. Computing the programs that can be used with a particular computer system. Compare hardware (2).

Accordingly I would clarify all the following goods as being software, or being capable of carrying software:

pre-recorded computer software; pre-recorded computer programs; unprocessed audio-video compact discs.

37. I consider that it is reasonable to expect that software could facilitate functionality for an intelligent sensor to operate within a product. The software could process data received from a sensor and command that specified pre programmed changes are made. As an example, software within personal digital assistants would process the data received from sensors responding to keying actions ensure the correct data is displayed. Software in conjunction with sensors allow for a predictive text feature on some goods. This could be considered a feature of the product. The ability to sense and offer a suggestion of the next word to be keyed could accordingly be reasonably defined as an "intelligent sensor".

38. As such I find that the Section 3(1)(b) and (c) objection, as detailed above in relation to television receivers and cellular phones is equally valid in relation to all goods defined as being software.

Conclusion

39. In this decision I have considered all the documents filed by the applicants and all the arguments submitted to me in relation to this application and, for the reasons given, it is refused under the terms of Section 37(4) of the Act because it fails to qualify under Sections 3(1)(b) and 3(1)(c) of the Act.

Dated This 22nd day of December

**Andrew Lingard
For the Registrar
The Comptroller-General**