# **TRADE MARKS ACT 1994**

# IN THE MATTER OF APPLICATION NUMBER 2537918 BY CROCODILIO LTD

TO REGISTER THE FOLLOWING MARKS IN CLASS 35

FeedbackMatters FEEDBACKMATTERS feedbackmatters

#### **TRADE MARKS ACT 1994**

IN THE MATTER OF AN APPLICATION NO 2537918
TO REGISTER A TRADE MARK
BY CROCODILIO LTD
IN CLASS 35

### **DECISION AND GROUNDS OF DECISION**

# **Background**

1. On 2<sup>nd</sup> February 2010 Crocadilio Ltd applied under the Trade Marks Act 1994 to register the following series of three trade marks:

FeedbackMatters FEEDBACKMATTERS feedbackmatters

2. Registration is sought for the following services in class 35:

"Advertising; business management; business administration; office functions; electronic data storage; organisation, operation and supervision of loyalty and incentive schemes; advertising services provided via the Internet; opinion polling; data processing; provision of business information".

- 3. Objection was taken against the application under Section 3(1)(b) of the Act "as the marks consist of the words "FeedbackMatters", "FEEDBACKMATTERS" and "feedbackmatters" conjoined, being a non-distinctive sign that other traders may wish to use for example as advice to customers that their feedback matters".
- 4. Following a hearing, which was held on 19 May 2010, the objection was maintained. A notice of refusal of the application was issued on 27 May 2010.
- 5. I am now asked under Section 76 of the Act and Rule 69(2) of the Trade Mark Rules 2008 to state in writing the grounds of my decision and the materials used in arriving at it.
- 6. No evidence of acquired distinctiveness has been put before me and I understand the applicants have only just starting using the mark. I have, therefore, only the *prima facie* case to consider.

### The applicant's case for registration

7. Prior to the hearing, Mr Bates of the applicant company provided several written submissions in support of his claim that the mark is sufficiently distinctive for acceptance. In particular, he wrote on 12 February 2010 disagreeing with the examiner's assessment of the mark. He contended that the conjoining of the words FEEDBACK and MATTERS was grammatically incorrect, that his research did not identify commercial usage of the words "feedback" and "matters" in the UK, and that the granting of the mark would not impinge upon other traders using grammatically

correct and non-distinctive variations of the words. Mr Bates contended that the marks were sufficiently distinctive and went on to point out other marks accepted by the Registry which include the word MATTERS. Mr Bates also pointed out that their company had registered a comprehensive suite of domain names using this form.

- 8. On the 26 February 2010 the examiner responded to Mr Bates' submissions. He agreed that the fact that the words are conjoined is slightly unusual but this did not detract from the fact that the two words together still convey the same message, that of "feedback matters". The examiner pointed out that the test for registration of domain names is not as stringent as that for the registration of trademarks. The examiner maintained the objection because he considered that the mark is "merely a non-distinctive sign that sends a message other than that of a trade mark message". When replying the examiner included several hits from the Internet showing that "feedback matters" is in common usage, especially when companies are soliciting information from purchasers of their goods or services.
- 9. On 20 April 2010 Mr Bates responded, he pointed out that the Internet examples provided all related to the words "**Your** feedback matters" and the applicants had no intention of using the word "your" within the mark. He went on to say why he felt the examiners assessment of the mark was incorrect, giving details of his knowledge of trade mark law. He once again pointed out that they have a number of domain names registered which include the words "Feedback".

## The hearing

- 10. At the hearing, Mr Bates reiterated those arguments already presented in his written submissions. He also went on to say that the Trade Marks Act 1994 states that a mark has to be "devoid of **any** distinctive character" to be unacceptable but in correspondence the examiner has stated that the mark "was devoid of distinctive character". Mr Bates considered the omission of the word **any** by the examiner indicated that the mark had some distinctive character. Mr Bates went on to say that the test in the Act is clear, unless there is a total absence of distinctive character a mark is acceptable, if a sign is unusual then it must have some distinctive character. He contended that we had given a higher threshold of distinctiveness than the law required.
- 11. I will now give my reasons for maintaining the objection.

#### The Law

- 12.. Section 3(1)(b) of the Act reads as follows:
  - "3.-(1) The following shall not be registered
    - (b) trade marks which are devoid of any distinctive character,"

#### **Decision**

- 13. 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*).
- 14. The general interest to be taken into account in each case must reflect different considerations according to the ground for refusal in question. Thus, for example, 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 – C-191/0P, Wm Wrigley Jr v OHIM (Doublemint, paragraph 31.
- 15. In assessing whether the mark applied for falls foul of section 3(1)(b), I refer to a judgement issued by the European Court of Justice in Joined Cases C-53/01 to C-55/01 *Linde AG, Windward Industries Inc and Rado Uhren AG* (8 April 2003) where, in paragraphs 37, 39 to 41, and 47, the following is stated:
  - "37. It is to be noted at the outset that Article 2 of the Directive provides that any sign may constitute a trade mark provided that it is, first, capable of being represented graphically and, second, capable of distinguishing the goods and services of one undertaking from those of other undertakings.
  - 39. Next, pursuant to rule 1 Article 3(1)(b) of the Directive, trade marks which are devoid of distinctive character are not to be registered or if registered are liable to be declared invalid.
  - 40. For a mark to possess distinctive character within the meaning of that provision it must serve 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 products of other undertakings (see *Philips*, paragraph 35).
  - 41. In addition, a trade mark's distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought and, second, the perception of the relevant persons, namely the consumers of the goods or services. According to the Court's caselaw, that means the presumed expectations of an average consumer of *the category of goods or services in*

question, who is reasonably well informed and reasonably observant and circumspect (see Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 31, and *Philips*, paragraph 63).

- 47. As paragraph 40 of this judgement makes clear, distinctive character means, for all trade marks, that the mark must be capable of identifying the product as originating from a particular undertaking, and those distinguishing it from those of other undertakings."
- 16. On the basis of those comments presented above, it is clear that any assessment of a mark's distinctiveness pursuant to Section 3(1)(b) must take into account both the nature of the goods and services claimed, and the likely perception of the relevant consumer using those goods and services. By considering such factors, I will be able to determine the likelihood of any potential consumer perceiving the sign applied for as a distinctive indicator of trade origin or simply as a sign that is unlikely to be considered to be a "symbol" of a particular trader. In this sense, the word "any" in Section 3(1)(b) does not represent a measure of a minimum level of distinctiveness but rather corresponds to a test of the likely reaction of the average consumer, essentially: Is the sign in question a trade mark or not? I will return to this point further below.
- 17. In relation to the average consumer of the services at issue, this will not be the general public, but those engaged in commerce. To such people, advice relating to the running and advertising of their business is essential.
- 18. The principle dictionary definition of the word FEEDBACK is
  - "... information about reactions to a product, a person's performance of a task, etc. which is used as a basis for improvement".

And the most relevant dictionary definitions of MATTER is:

"... a subject or situation under consideration: a great deal of work was done on this matter, financial matters.

To be of consequence or importance".

- 19. Regarding the word MATTERS, it is merely the plural of the word MATTER. Both these meanings could equally apply to the mark i.e. that feedback is important or that the subject matter of the services is feedback. The fact that the sign in question could be seen to have these two different meanings does not mean that it is acceptable or distinctive. In this respect I refer to the findings by the ECJ in C-191/01 *OHIM v Wm Wrigley Jr Co (Doublemint)*,at paragraph 32:
  - "32. In order for OHIM to refuse to register a trade mark under Article 7(1)(c) of Regulation No 40/94, it is not necessary that the signs and indications composing the mark that are referred to in that article actually be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that

provision itself indicates, that such signs and indications could be used for such purposes. A sign must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned."

20. It is clear to me that the messages conveyed by the marks are plain and simple: the applicant deals with opinions and reactions to something intended to provide useful information for future decisions and development – and that this process is important. To the average consumer – the businessman as referred to above – it is essential that they obtain information, i.e. feedback, about the performance of their companies and of its goods and services in order to provide a good service and remain competitive. This is certainly the significance given to the term by Mr Bates himself. In his letter of 20 April 2010 he states that "The group has commenced the development and launch of a novel system, called FeedbackMatters, which solicits feedback from a range of services users (within our clients' marketplaces) for data mining and analysis purposes. The output of this enables improvements to business processes/services to be made by our clients ...". I want to consider this shared understanding in relation to the various services the applicant has applied for.

- First, "business management, business administration services" and the
  "organisation, operation of loyalty and incentive schemes". It would be
  common practice for businesses engaged in the latter to seek feedback
  from customers as part of an assessment as to how they are operating and
  developing. Any search on the Internet will reveal numerous companies
  inviting feedback from their customers, as a means of indicating the
  effectiveness of their operations.
- Next, "opinion polling". It is facile to state that the latter is specifically all about "feedback" of some form or another. The "provision of business information" includes opinion polling.
- As for "advertising services" (internet or otherwise) this activity would routinely involve the assessments of the success of particular campaigns. There many examples of the latter on the Internet.
- Turning to "electronic data storage" and "data processing" services I consider the meaning of the sign to indicate that the subject matter of the data (or its analysis) is feedback that is, the sign will be taken to indicate content and the importance thereof in a general sense, i.e. the analysis or storage of data will be concerned with, or a repository of, feedback information. Once again I do not consider the sign would be seen by the average consumer as indicating trade origin.
- 21. It is less clear whether the sign would be seen as a trademark for "office functions". If the services provided by the applicant are specific office functions such as duplicating and photocopying services, the taking of telephone messages and the like, then it is likely that the term could "work as a trade mark" for such services. If the applicants can be more specific about the nature of the services in this context they are seeking to protect, it is possible that the objection here could be waived.

- 22. Turing, now, to Mr. Bates specific contentions, he argues that use of the words FeedbackMatters in a conjoined form is grammatically incorrect and it has not been possible to identify any commercial use of the term in this linked form. I do not believe the average consumer would give the conjoining of the words any trade mark significance, largely because it is unlikely that connecting the words in this way would be granted any import by the average consumer. The phrase is simply too well known and a natural break is formed, space or no space. In this respect I refer to the comments in *Koninklijke KPN Nederland NV and Benelux-Merkenbureau*, Case C-363/99 (*Postkantoor*) where the ECJ held:
  - "98 As a general rule, a mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics for the purposes of article 3(1)(c) of the Directive. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned
  - 99 However, such a combination may be not descriptive within the meaning of article 3(1)(c) of the Directive, if it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word mark, which is intended to be heard as much as to be read, that condition must be satisfied as regards both the aural and the visual impression produced by the mark.
  - 100 Thus, 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 those characteristics for the purposes of article 3(1)(c) of the Directive, unless there is a perceptible difference between the word and the mere sum of its parts"
- 23. Although that Judgement refers to Section 3(1)(c) of the Act I consider the same principle must apply to Section 3(1)(b) of the Act. I do not consider that the words FEEDBACK MATTERS have any distinctive character for the services provided and the conjoining of the words does not create a different impression from those words presented separately.
- 24. Mr Bates has stated in correspondence that "simple logic dictates that FeedbackMatters is non descriptive with respect to all aspects of the ECJ guidances, it must therefore possess distinctive qualities". This is not correct. A mark can be devoid of distinctive character and yet still not be directly descriptive as such. The whole purpose of Section 3(1)(b) is to prohibit the registration of signs, which although not generic and not caught by the parameters set out by Sections 3(1)(c) & (d) of the Act are, nevertheless, incapable of distinguishing the goods and services of one undertaking from those of other undertakings: an example might be where a nongeneric mark is devoid of any distinctive character because it sends a message that could equally apply to any business in a particular trade and therefore is unlikely to be indicative of one. Geoffrey Hobbs QC in BL O/561/01 the "Cycling IS..." decision emphasised the clear distinction between Section 3(1)(b) and Section 3(1)(c):

"...it would be remarkable if the Court had decided in passing, in a judgment not given under the provisions of Section 3(1)(b) to deprive those provisions of independent effect... moreover, to hold that a sign or indication must be regarded as distinctive for the purposes of registration if it is not wholly descriptive of the relevant goods or services would be to ignore the reality of everyday experience: distinctiveness is a matter of fact and degree and signs which are not wholly descriptive do not always or necessarily possess a distinctive character".

Also it was stated in the *Postkantoor* case (referred to above) at paragraph 86:

- "....a mark may be devoid of distinctive character in relation to goods or services for reasons other than the fact it may be descriptive".
- 25. Despite these submissions, it seems to me that the mark **is** directly descriptive in relation to some of the services applied for. In particular, the descriptiveness of this sign in relation to advertising, business management, the provision of business information and opinion polling is so direct and specific that a 3(1)(c) objection could have been argued to apply in this case. Although the latter has not been raised as a ground, it seems to me that the application of a 3(1)(b) objection cannot be avoided in these cases as a consequence. Section 3(1)(b) wholly encompasses within its ambit Section 3(1)(c); see *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* Case C-363/99 [2004] ETMR 57, at paragraph 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."

26. Some consideration now needs to be given to the use of the word 'any' in s. 3(1)(b). In Mr Bates' letter of 20 May 2010, and at the hearing, he pointed out that the Act states that Section 3(1)(b) refers to marks which devoid of **any** distinctive character, and he contends that the fact that the examiner has omitted the word "any" in correspondence means that he is indicating that the marks possess "at least some degree of distinctive character". In correspondence with Mr Bates, the Registrar pointed out that "...the use of this word cannot be intended to mean that any minor embellishment or departure from the "norm" would make a descriptive word a trade mark. If this were the case, one could register 'puregold' for jewellery because the words are conjoined or are presented in a slightly unusual font." This point is made in a number of decisions of the Courts, by which the Office is bound, in the UK and Europe . I refer to the comments in C-37/03P, *Bio ID v OHIM:* 

- "74. Moreover, as OHIM observed in paragraph 21 of the contested decision, the figurative and graphic elements are so minimal in nature that they do not endow the trade mark applied for as a whole with any distinctive character. Those elements do not possess any feature, in particular in terms of fancifulness or as regards the way in which they are combined, allowing that mark to fulfil its essential function in relation to the goods and services covered by the trade mark application.
- 75. Accordingly, the trade mark applied for is devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94. In those circumstances, the appellant's action against the contested decision must be dismissed."
- 27. The essence of the word 'any' (and the same principle applies to the word 'exclusively' in Section 3(1)(c)) is whether the marks amount to nothing more than a non-registerable sign within the perception of the average consumer. The phrase "any distinctive character" does not mean "something" or even "anything" that is non-typical. In other words, the provision in the Act and the Directive do not amount to precluding only the "least departure from the norm". What it does amount to is a legal test as to whether something is devoid of any distinctive character, that is, a negative answer to the question "Does the sign have the capacity to act as a mark of trade?". The phrase is not designed to set a minimum standard; it is intended to exclude all those signs that cannot (*sans* use) perform this function. In this case, the reason why FEEDBACKMATTERS cannot, without first educating consumers that it is the indicium of one trader, is because its meaning is obvious, and it is used with that meaning in a manner that is thoroughly and comprehensively ubiquitous. To illustrate this point, when the sign is entered into the search engine Bing on the Internet, 123,000,000 results were brought back. The following are just some of the examples found:

Engage Mutual Assurance – stating that "your feedback matters" - <a href="http://www.engagemutual.com/contact-us/">http://www.engagemutual.com/contact-us/</a>

Peopleperhour.com – also stating that feedback matters - http://www.peopleperhour.com/feedback matters.php

Gold City UK Sales – inviting feedback and stating that "your feedback matters" – . http://www.goldcitysales.co.uk/

These are just three of a vast number of examples that could be cited – and indicate just how important to businesses feedback is.

28. I do not consider that the mark has sufficient linguistic imperfection, peculiarity, inventiveness or other creative application which might help endow it with the necessary capability to function as a trade mark. In this respect I refer to the ECJ's guidance in '*Vorsprung durch Technik*', case, C-398/08 *OHIM Audi AG v OHIM* at paragraph 47:

- "47 As regards the General Court's finding in paragraph 41 of the judgment under appeal that the mark '*Vorsprung durch Technik*' can have a number of meanings, or constitute a play on words or be perceived as imaginative, surprising and unexpected and, in that way, be easily remembered, it should be noted that, although the existence of such characteristics is not a necessary condition for establishing that an advertising slogan has distinctive character, as is apparent from paragraph 39 of the present judgment, the fact remains that, as a rule, the presence of those characteristics is likely to endow that mark with distinctive character".
- 29. This decision of the ECJ requires one to add to the 'mix' of factors one has to consider in the acceptance of a sign for registration including the nature of the mark, the reaction of the average consumer in the trades concerned. Even if one takes account of the double meaning in the phrase (i.e. "matters" as in "important" and as in "material" or "something under consideration"), and the fact that the words are conjoined, one is not left with enough to override the principle, quotidian and commonly used understanding of "feedback matters", that it is important, in commerce. In this context, the average consumer will not perceive this word as amounting to anything perceptibly imaginative, surprising or unexpected. And certainly there will not be not enough to lift the sign out of the mass of non-distinctive material commonly used in trade particularly when the meaning is so generally understood.
- 30. Mr Bates pointed out that the words FEEDBACKMATTERS and variations thereof have been accepted as domain names. As I explained in my hearing report, the criteria for acceptance of domain names are different to that of trade marks. It appears that Mr Bates, because our Examination Guide states that we do accept domain names as trade marks, is under the misapprehension that all domain names are acceptable as registrable trade marks. However, the Guide clearly states "... the Registrar will, **subject to the usual criteria of the Act**, permit domain names to be registered as trade marks". In order for a domain name to be acceptable it must pass the usual tests for distinctiveness and other matters that we apply to all trade mark applications.
- 31. In correspondence Mr Bates referred to the acceptance of other marks which include the word MATTERS, as I pointed out at the hearing we do not know the circumstances surrounding the acceptance of those marks. Whilst I have carefully considered these marks, their acceptance cannot bind me in the present case. The comments made in the *MADAME* case (1966) RPC page 545 were re-stated by Mr Justice Jacob in the *TREAT* trade mark case (1996) RPC page 25:

"In particular the state of the Register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the Registrar to put the marks concerned on the Register. It has long been held under the old Act that comparison with other marks on the Register is in principle irrelevant when considering a particular mark tendered for registration, see e.g. Madame TM and the same must be true under the 1994 Act."

32. I also note the following from T-230/05, Golf USA, Inc v OHIM:

10

- "57 In the light of the arguments raised by the applicant in the context of the plea alleging infringement of Article 14 of the ECHR, the Court considers that the applicant is in fact relying on the general principal of equal treatment, which constitutes a general principal of Community law. Thus, the plea will be examined accordingly.
- As regards the applicant's first argument that similar marks have been registered by OHIM, is sufficient to observe that, whilst factual or legal grounds contained in an earlier decision may constitute arguments to support a plea alleging infringement of a provision of Regulation No 40/94, the legality of the decisions of Boards of Appeal must nevertheless be assessed solely on the basis of this regulation, as interpreted by the Community judicature, and not on the basis of a previous decision-making practice (*STREAMSERVE*, cited in paragraph 28 above, paragraph 66, and Case T-123/04 *Cargo Partner* v *OHIM* (*CARGO PARTNER*) [2005] ECR II-3979, paragraph 68).
- Two hypotheses therefore exist in that regard. If, by accepting, in a previous case, the registrability of a sign as a Community mark, the Board of Appeal correctly applied the relevant provisions of Regulation No 40/94 and, in a later case comparable to the previous one, the Board of Appeal adopted a contrary decision, the Community judicature will be required to annul the latter decision because of infringement of the relevant provisions of Regulation No 40/94. In this first hypothesis, the plea alleging breach of the principle of equal treatment is therefore ineffective (*STREAMSERVE*, cited above in paragraph 28, paragraph 67; Case T-323/00 *SAT.1* v *OHIM* (*SAT.2*) [2002] ECR II-2839, paragraph 61; and *CARGOPARTNER*, cited in paragraph 58 above, paragraph 69).
- On the other hand, if, by accepting, in a previous case, the registrability of a sign as a Community mark, the Board of Appeal erred in law and, in a later case, comparable to the previous one, the Board of Appeal adopted a contrary decision, the first decision cannot be successfully relied on to support an application for the annulment of the latter decision. It is clear from the case-law that observance of the principle of equal treatment must be reconciled with observance of the principle of legality, according to which no person may rely, in support of his claim, on unlawful acts committed in favour of another. In this second hypothesis, the plea alleging breach of the principle of equal treatment is therefore also ineffective (STREAMSERVE, cited in paragraph 28 above, paragraph 67; SAT.2, cited in paragraph 59 above, paragraph 61; and CARGO PARTNER, cited in paragraph 58 above, paragraph 70).
- The applicant's first argument must therefore be rejected. In those circumstances, it is no longer necessary to examine whether the earlier registrations of the Community trade marks pleaded by the applicant most of which are disputed by OHIM have identical characteristics to the mark applied for, as claimed by the applicant, or different ones, as claimed by OHIM".

11

33. I consider that the average consumer, when seeing the words FEEDBACKMATTERS will, absent use or education, see an origin neutral message that will convey no trade mark significance.

## Conclusion

34. 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 Section 3(1)(b) of the Act.

Dated this 19th day of August 2010

Linda Smith
For the Registrar
The Comptroller-General