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TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NUMBER 2523554

BY MORTON FRASER

**TO REGISTER THE FOLLOWING MARK
IN CLASSES 16, 35, 36 AND 45**

Outstanding Lawyers

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Background

1. On 12 August 2009 Morton Fraser ('the applicant') applied to register the mark **OUTSTANDING LAWYERS** for the following goods and services:

Class 16 – Paper; printed matter; stationery; packaging materials; printed publications.

Class 35 – Advertising; business management; business administration; office functions; electronic data storage; organisation; accountancy; trade fairs; data processing; provision of business information.

Class 36 – Insurance; financial services; real estate agency; financial services provided via the Internet; provision of financial information.

Class 45 – Legal services; conveyancing services; consultancy services relating to health and safety.

2. On 26 August 2009 the Intellectual Property Office ('IPO') issued an examination report in response to the application. In the report, an objection was raised under sections 3(1)(b) and (c) of the Trade Marks Act 1994 ('the Act') on the basis that the mark is descriptive of goods and services provided by those outstanding in the legal field. A period of two months was given for a reply, confirming that the application would be refused if no reply was received within that period.

3. The applicant responded to the examination report on 26 October 2009 in conjunction with a response to a co-pending application (2523336 'Natural Born Lawyers') pointing out that other marks including the word 'outstanding' have been accepted in the past, and asking us to reconsider our objection.

4. On 26 November 2009, the examiner responded stating that he did not agree that the marks quoted in the applicant's letter were on all fours with this application. He also pointed out that a number of those marks were accepted at the Community Trade Mark Office ('OHIM'), and stressed that IPO is not bound by those acceptances. He went on to say that in his view there was a direct descriptive relationship between the mark and the goods and services at issue.

5. The applicant failed to respond by the due date of 26 January 2009, and on 16 March 2010 a formal notice of refusal was issued. A request for a Statement of Reasons for the Registrar's Decision was submitted on 25 March 2010. Under section 76 of the Act and Rule 69(2) of the Trade Mark Rules 2008 the Registrar is required to state in writing the grounds of decision and the materials used in arriving at it.

Decision

6. Section 3 of the Act reads as follows:

“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.”

7.. 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 principles

8. 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 (EC) No. 207/2009 of 26 February 2009 (formerly Council Regulation (EC) 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*).

9. The general interest to be taken into account in each case must reflect different considerations according to the ground for refusal in question. 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.

Section 3(1)(c)

10. 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;

11. 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.

12. Although the examiner had taken a blanket objection across the entire scope of the application, I do not consider it was appropriate to take a 3(1)(c) objection against *all* goods and services in the specification. In this case it appears reasonable to consider that the 3(1)(c) objection applies to both the legal and conveyancing services in class 45, and the business, insurance and financial services overseen by lawyers, in classes 35 and 36. I think it is unlikely that the mark would be seen as denoting a characteristic of the remaining goods and services. This is not to say I consider the mark to be free of objection for those goods and services, but I will address that matter when considering the mark under section 3(1)(b) of the Act.

13 When considering a mark's distinctiveness, we must take into account the perception of the relevant persons, namely the consumer of the goods or services. According to established case law, 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 circumspect (see Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 31, and *Phillips*, paragraph 63).

14. In relation to identifying the relevant consumer, I consider that the goods and services covered by the application are such that they could be purchased by two different categories of end users. For products such as advertising services, business management, business administration, office functions, electronic storage, accountancy, trade fairs, data processing, the provision of business information and consultancy services relating to health and safety, the average consumer is likely to be a business person who would use these services in connection with the running of their business. These consumers are likely to be reasonably well informed and circumspect, and would take care in the purchase of these services.

15. For products such as insurance services, real estate agency, financial services, conveyancing services and legal services, the average consumer could be both the general public and business people. The nature and cost of these services are such

that the level of attention of the consumer is likely to be high. No specialist knowledge would be required by the general public when selecting, for example an accountant or a solicitor, but a reasonable level of care is likely to be given to their selection. The cost of these services, and the financial implications of a poor choice of service provider, is likely to direct the consumer of these services to give their selection some care and consideration.

16 Whereas for the remaining goods, namely paper, printed matter, stationery, packaging materials and printed publications, the level of attention paid to their purchase, whether by the general public or businesses, is unlikely to be as high as the attention given to the services mentioned above.

17. Having considered the average consumer of the goods and services, I will now go on to consider the mark from a purely semantic perspective in order to assess whether the words are capable of performing the essential functions of a trade mark. One of the dictionary definitions of the word 'outstanding' is:

“exceptionally good: the team's outstanding performance”.

The dictionary definition of the word 'lawyer' is

“a person who practises or studies law, especially (in the UK) a solicitor or a barrister or (in the *US*) *an attorney*”

(Both definitions taken from the Oxford Dictionary of English – 2nd Edition).

18. The relevant public will perceive, first and foremost, the laudatory connotation of the words rather than affording them any trade mark significance. The combination of words forms a perfectly clear, grammatically correct descriptive phrase using plain English, with no additional embellishments that would confer distinctive character.

19. I consider the message sent by these words relate to the quality of the services being provided i.e. that the services are provided by lawyers who are outstanding in their field and, as a result, are services perceived to be superior to those provided by lawyers who are not outstanding in their field. The level of expectation of the average consumer will be high.

20. 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.”

I do not consider the combination of the words creates an impression other than that the services are provided by lawyers who are outstanding in their field. There is nothing unusual in the combination which would create a different impression in the mind of the consumer. Therefore for legal services, conveyancing services, business services and financial services the mark is refused under section 3(1)(c) of the Act because the mark serves in trade to designate a characteristic of the services i.e. services provided by lawyers who are outstanding in their field of law.

3(1)(b)

21. Having found that, for the services detailed above, the mark is to be excluded from registration by section 3(1)(c) of the Act, that effectively ends the matter in respect of those services, but in case I am found to be wrong in this, I will go on to determine the matter under section 3(1)(b) and also in respect of the remaining goods and services in the specifications.

22. 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 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*)

23. 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).”

24. The question then arises as to how distinctiveness is assessed under section 3(1)(b). A mark can be devoid of distinctive character and yet still not be 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) are, nevertheless, incapable of distinguishing the goods and services of one undertaking from those of other undertakings. A mark that is not generic may still be devoid of any distinctive character because it sends a message that could apply to any undertaking and is not therefore capable of individualising the goods or services of one undertaking from those of another. Geoffrey Hobbs QC in the "Cycling IS..." case (2002) RPC 37 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".

25. 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”.

26. Even if the mark falls short of being directly descriptive to support an objection under section 3(1)(c) for the goods in class 16, and certain services in classes 35 and 36 such as data storage, office functions and real estate agency, 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. The term “outstanding” is one that is used in every walk of life to describe somebody with a special ability in their field. Although you do not need lawyers to fulfil the functions of an estate agent, or to provide data storage, stationery and office functions, it is desirable for these goods and services to be provided by a person with ability. As an outstanding lawyer would be expected to have a high degree of skill and intelligence, you would expect such goods and services to be superior to those provided by other, less gifted, people. The sign conveys a positive message about the undertaking providing those services, i.e. that you are dealing with gifted professionals and you will be able to trust those service providers to give an expert service. If the words merely convey a positive message about the qualities of the undertakings providing the goods and services, I do not consider the sign can function as an indicator of trade origin. The more apt the words are to be used to promote and describe (including, of course, in advertising) a characteristic of the product or company responsible, the less capacity such words have to distinguish those products as being from a single undertaking. In my view the average consumer, who I have identified above as being both the general public and those in business, would not give the sign any trade mark significance

27. I refer to the ECJ's guidance in '*Vorsprung durch Technik*', case, C-398/08 v OHIM Audi AG v OHIM, that guidance makes it clear that we cannot object to a mark simply because it would be seen as an advertising slogan. However, a mark does need certain qualities to function as an indicator of origin and I refer to the comments in 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.

28. I do not consider that this mark to be either imaginative, surprising or unexpected. It merely states that the goods and services are being provided by a lawyer with a particular gift in matters of the law and as stated above, would not give the sign any trade mark significance

29. The applicant had referred to other previous registrations which incorporate the word 'outstanding' emphasising one in particular, namely Community Trade mark Registration Number 3683224 'Outstanding Service Setters'. Addressing this, I must point out that the individual circumstances surrounding each application are paramount and precedents cannot be decisive. The Registrar's disinclination to be persuaded by previous registrations has already been confirmed in the MADAME case (1966) RPC page 545, as 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.”

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.

31. Conclusion. In this decision I have considered all of the arguments submitted in relation to the application and for the reasons given, it is refused under the terms of section 37(4) of the Trade Marks Act because it fails to qualify under section 3(1)(b) and (c) of the Act.

Dated this 31 day of January 2011

**Linda Smith
For the Registrar
The Comptroller-General**