

O/214/12

TRADE MARKS ACT 1994

**IN THE MATTER OF INTERNATIONAL REGISTRATION NO 775693
IN THE NAME OF VERLAG STAHLSCHLÜSSEL WEGST GMBH
FOR THE TRADE MARK**

KEY TO STEEL

IN CLASSES 9, 16, 35 AND 38

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY THEREOF
UNDER NO 16149
BY KEY TO METALS AG**

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Background

1. On 22 November 2001, Verlag Stahlschlüssel Wegst GmbH (“Verlag”) requested protection of the above international registration (“IR”) in the United Kingdom with a priority date of 29 May 2001 based on a German application.

2. The request was considered to satisfy the requirements for protection and particulars of the IR were published in the Trade Marks Journal of 24 April 2002 for the following specification:

Class 9

Software; computer programs and data stored on data carriers

Class 16

Printed matter; books, manuals, brochures, loose-leaf collections, newspapers

Class 35

Internet services, namely the collection of data; databank services, namely the collection of data

Class 38

Internet services, namely the provision and transmission of information and data; databank services, namely the provision and transmission of information and data.

3. No opposition to the grant of protection was received. Consequently, the IR was protected in the UK with effect from 24 July 2002.

4. On 24 June 2010 Key to Metals AG (“Metals”) filed an application for the invalidation of the granting of protection. Applications for invalidation of a trade mark registration are covered by section 47 of the Trade Marks Act 1994 (“the Act”) and applies to the protected IR by virtue of article 3 of the Trade Marks (International Registration) Order 2008.

5. Metals seeks the invalidation under the provisions of sections 3(1)(b) and 3(1)(c) of the Act. Metals claims KEY TO STEEL is devoid of distinctive character and consists exclusively of signs or indications which may serve, in trade, to designate the kind, intended purpose and/or nature of the goods and services or their essential characteristics.

6. Verlag filed a counterstatement essentially denying all grounds under which the application is sought. In the alternative, it claims the mark has acquired a distinctive character as a result of its use.

7. Both parties filed evidence and submissions and neither requested to be heard. I give this decision after a careful review of all the papers before me.

Summary of evidence

8. Much of the evidence consists, in fact, of submission and, for this reason, I do not summarise it in full (but do take it into account and will refer to it, as necessary, in my decision). The main points of fact arising from the evidence are as follows:

Metals' evidence in chief

First witness statement of Colin Bell dated 2 June 2011

9. Mr Bell is a solicitor employed by Brabners Chaffe Street LLP, Metals' legal representatives in these proceedings. In support of his claim that the mark is devoid of distinctive character he exhibits, at CB1, a printout taken from Verlag's own website on 25 May 2011. The exhibit shows Verlag to describe itself thus:

“since 1951 the publisher of the worldwide unique cross reference manual Key to Steel –Stahlschlüssel, well-known to everyone dealing with steel. Available as book or on CD-ROM (material database including search program for Windows) ready to decipher /decode the steel materials of the world and find equivalent steels”.

10. Mr Bell introduces a number of exhibits (CB3-8) which show extracts from various dictionaries giving meanings for the word KEY as well as entries for this word from a thesaurus and a synonym finder.

11. At CB9, Mr Bell exhibits numerous webpages downloaded in March and June 2011 which, he states, confirms the common usage of the term 'key to' to refer to guide books or information manuals.

12. Mr Bell exhibits, at CB10, definitions of the word STEEL taken from the Trade Marks Registry's own file and compiled as part of the process of examination. He states the inclusion in the mark of the word STEEL means the mark is not capable of having distinctive character in relation to steel and steel products.

13. At CB11, Mr Bell exhibits what he says is a translation of a decision issued by the German Federal Patent Court in an action between the parties and relating to the cancellation of the trade mark KEY TO STEEL as was registered in Germany. I do not know who is responsible for the translation and it has not been certified.

Witness statement of Neil Baumann

14. Mr Baumann is Chief Operating Officer of Metals, a position he has held since 2010. Mr Baumann states that steel is an alloy. Depending on the types and amount of alloying elements used, the qualities of the resultant steel will be altered. He states that steel is widely used across many industries and the form and grade of steel used in any particular application is of crucial importance. At NB1 he exhibits pages for the entry 'steel' downloaded in May 2011 from the Wikipedia website.

15. Mr Baumann states that KEY TO STEEL is "a general description within the steel trade" which those within the industry would "logically assume [...] was a reference tool relating to the various forms and properties of the metal alloy". He does not explain the basis for this claim but exhibits, at NB3, what he says are examples of books and online facilities providing guidance on steel specification and standards. The exhibit consists of approximately 50 pages downloaded from the Internet in May 2011 taken from 11 different websites, including westyorksteel.com, a publishing company going under the name MEPS and amazon.co.uk. The pages refer to tables, reports and other publications which are presented under the heading or title 'comparison of foreign standards', 'comparison charts', 'specification and comparison chart', 'international metal specifications cross reference database', 'comparing international standards', 'world-wide metal cross-references' and 'steel and cast iron designations'. As far as I can see, none make any reference to the phrase KEY TO STEEL.

Witness statement of Rainer Böhm

16. Mr Böhm is a solicitor employed by Eisenführ, Speiser & Partner Patentanwälte Rechtsanwälte, Metals' legal representatives within German jurisdictions. Mr Böhm's evidence serves to introduce a decision relating to a mark registered by the German Patent and Trade Mark Office. The registration was later cancelled by the German Federal Patent Court. It appears to be the same decision as already filed by Mr Bell.

Verlag's evidence in support

Witness statement of Micah Wegst

17. Mr Wegst states that, along with his father Claus Wegst, he is the owner and director of Verlag, a publishing company founded in 1958. (This is slightly at odds with submissions in the counterstatement which indicate the company was established in 1951. Nothing turns on this apparent discrepancy.) He states that the company publishes and distributes the standard cross reference work under the name KEY TO STEEL, the German title of which is Stahlschlüssel. The publication contains "comprehensive information on steel and alloys including standards and designations from more than 24 countries regarding steel categories, steel brands and supplier, steel characteristics, etc." which is "continuously compiled and updated".

18. Mr Wegst states that the book was first published in 1951 under the German title Stahlschlüssel. A new edition is published every three years with the latest, 22nd, edition being published in 2010. It is published as a book, a pocket book and, since

1995, on CD-ROM and, later, as an online database. He states it is published in German, English and French and that the book, CD-ROM and booklet for the CD-ROM prominently feature both Stahlschlüssel and KEY TO STEEL. At MW1 he exhibits example of titles dating back to the 1960s. In each case the word Stahlschlüssel is prominent (either alone or in combination with the device of a key). The words KEY TO STEEL appear in much smaller font on some pages, along with other words in other languages (some of which I am familiar with) which appear to me to be that language's equivalent of Stahlschlüssel.

19. Mr Wegst states the work, aimed at professional users, is distributed by direct marketing and the Internet as well as through 16 distribution partners in countries including Great Britain. At MW2 he exhibits a list of these partners. Two are shown to be within the UK, one responsible for 'Great Britain' the other for 'Europe and the middle east'. Mr Wegst states "the number of copies of books and CD-ROMS published worldwide in the last years has been in the five-figures-range, with a revenue in the seven-figures-range". At MW3 he exhibits copies of various, heavily redacted, invoices said to have been issued to distribution partners and customers in Great Britain. At MW4, he exhibits copies of two items of correspondence. Both refer to Verlag's book and are from the British Iron and Steel Federation. They are dated April and May 1958.

20. Mr Wegst states that the publication is advertised via the Internet, in printed leaflets and brochures and in reviews by professional journalists. He exhibits examples of these at MW5 and MW6. I will refer to these in more detail later in this decision.

21. Mr Wegst states that there is an absence of internationally standardised nomenclature or standards which allows for the comparison of different steels and alloys but that KEY TO STEEL has become a standard work in the relevant business environment. Verlag works with the British Standards Institute ("BSI"), which provides it with its own standards. At MW7, he exhibits screenshots of the BSI website. I do not know when the screenshot was downloaded but it indicates that the BSI's comprehensive database of worldwide standards includes "Stahlschlüssel-KEY TO STEEL, Book 20, edition 2004". Examples of extracts said to be from professional textbooks, screenshots from library catalogues and international reviews are exhibited at MW8 and MW9. Some of the pages have been taken from websites or relate to publications from outside the UK and, in some cases, where the substance of the text is not in English. The vast majority of the other pages refer to Stahlschlüssel-KEY TO STEEL (many with the words Key To Steel in brackets).

22. Mr Wegst states KEY TO STEEL is well established and "considered as (sic) indication of our cross reference work" by the relevant public and is referred to simply as "the 'Key to Steel' or 'stahlschlüssel', i.e. without further reference to our company". At MW10 he exhibits material to support his claim. I can see only one reference to the term KEY TO STEEL without the word Stahlschlüssel in this material. That is in what appears to be a technical document (I know not where and when it was published) which contains the sentence "Otherwise the value prescribed in the German Key to Steel for".

23. Mr Wegst states the term 'KEY TO STEEL' is not descriptive but merely provides a vague reference to some 'means of access' to a certain topic. At MW11 he exhibits a copy of an article which is entitled *Veni, Vidi, Vanadium: The Key To Steel*, which he says, shows how the term KEY TO STEEL is "ambiguous". He gives no further explanation of his claim. The article is seven pages long and refers to the element Vanadium which is used, amongst other things, in making steel. The only reference to KEY TO STEEL is in the title.

Witness statement of Dr. Heiko Vogler

24. Dr Vogler is a legal attorney of the German bar with BRP Renaud & Partner, Verlag's legal representatives in these proceedings. Dr Vogler criticises Metals as being inconsistent in its argument given that it has applied in several jurisdictions, including the UK, to register a mark KEY TO METAL in respect of similar and identical goods and services to those now under consideration. It is submitted that Metals' actions may be regarded as *venire contra factum proprium*. Whilst I understand these comments, I see nothing that would give rise to any estoppel. I am dealing solely with the application for invalidation now before me and which is brought under the provisions of section 47 of the Act based on grounds under sections 3(1)(b) and (c) of the Act which are absolute grounds only and any applications or registrations Metals may have in other jurisdictions, and the arguments they may (have) employ(ed) in the pursuance of them, play no part in this decision.

25. Referring to the decision of the German court mentioned earlier in this summary, Dr Vogler states that parallel invalidation actions by Metals in other European countries against Verlag's registration of the mark KEY TO STEEL have not been successful. He exhibits at HV4, a copy of a decision from the Madrid court along with an English translation thereof which, he says, shows that court to have found the mark does not lack distinctiveness.

26. Dr Vogler states an Internet search was carried out using the term KEY TO STEEL and, at HV6 exhibits the results of that search. He states that of the 29 search results, 17 refer to Verlag's publication, 5 to Metals' product and the remainder to other topics. The printouts show the search to have been carried out in November 2010 using the website www.google.de. Many of the results contain little or no English.

Metals' evidence in reply

Second witness statement of Colin Bell dated 2 February 2012

27. Most of Mr Bell's lengthy second witness statement is given to submissions and commentary on evidence filed on behalf of Verlag. He does, however, state that Metals commissioned "an independent survey of those in the metal industry". At CB3 he exhibits results of what he calls a pilot survey of 51 interviews. At CB4 he exhibits updated survey results of 166 interviews carried out in what he calls an intermediate study and, at CB5, the survey results of 321 interviews. At CB6 he exhibits a copy of correspondence he exchanged with the company carrying out the survey. I will return to this evidence later in this decision.

Third witness statement of Colin Bell dated 2 March 2012

28. Again, much of Mr Bell's lengthy witness statement is given to submissions and commentary. He states that as a result of what he calls "the paucity of the evidence" supplied by Verlag, Metals commissioned the survey exhibited to his second witness statement from a company called Saville Rossiter-Base. He gives details as to how it was conducted and states it was commissioned "to determine whether or not the Trade Mark is capable of distinguishing the goods and services of the Registered Proprietor".

Witness statement of Paul Sheppard

29. Mr Sheppard states he is a Research Manager at SRB, which, I presume, is the company referred to by Mr Bell in his third witness statement. Mr Sheppard provides his analysis of the results of the survey.

Decision

30. The application for a declaration for invalidity was filed on 24 June 2010 and, consequently, the Trade Marks (International Registration) Order 2008 applies. The Order provides for an application to be made to invalidate an IR's protection in the UK under section 47 of the Act. The matter must be judged as of the date Verlag requested protection of its IR in the UK i.e. 22 November 2001.

31. The application for invalidation of the trade mark is based on grounds under the provisions of section 3 of the Act, the relevant sections of which state:

"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 characteristic 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."

General principles applicable to consideration of the application under sections 3(1)(b) and (c) of the Act

32. In *Koninklijke KPN Nederland NV v Benelux-Merkenbureau*, Case C-363/99, the CJEU said in relation to article 3 of the regulation, the equivalent of section 3(1)(c) of the Act:

“54. As the Court has already held (*Windsurfing Chiemsee*, para.[25], *Linde*, para.[73], and *Libertel*, para.[52]), Art.3(1)(c) of the Directive pursues an aim which is in the public interest, namely that such signs or indications may be freely used by all. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.

55. That public interest requires that all signs or indications which may serve to designate characteristics of the goods or services in respect of which registration is sought remain freely available to all undertakings in order that they may use them when describing the same characteristics of their own goods. Therefore, marks consisting exclusively of such signs or indications are not eligible for registration unless Art.3(3) of the Directive applies.

56. In those circumstances, the competent authority must, under Art.3(1)(c) of the Directive, determine whether a trade mark for which registration is sought currently represents, in the mind of the relevant class of persons, a description of the characteristics of the goods or services concerned or whether it is reasonable to assume that that might be the case in the future (see to that effect *Windsurfing Chiemsee*, para.[31]). If, at the end of that assessment, the competent authority reaches the conclusion that that is the case, it must refuse, on the basis of that provision, to register the mark.

57. It is irrelevant whether there are other, more usual, signs or indications for designating the same characteristics of the goods or services referred to in the application for registration than those of which the mark concerned consists. Although Art.3(1)(c) of the Directive provides that, if the ground for refusal set out there is to apply, the mark must consist exclusively of signs or indications which may serve to designate characteristics of the goods or services concerned, it does not require that those signs or indications should be the only way of designating such characteristics.

58. Similarly, whether the number of competitors who may have an interest in using the signs or indications of which the mark consists is large or small is not decisive. Any operator at present offering, as well as any operator who might in the future offer, goods or services which compete with those in respect of which registration is sought must be able freely to use the signs or indications which may serve to describe characteristics of its goods or services.”

33. In *BioID AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case C-37/03 P the CJEU stated that in order for a term to be viewed as descriptive of a characteristic of goods and services:

“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 goods and services in question or one of their characteristics (see Case T-19/04 *Metso Paper Automation v OHIM (PAPERLAB)* [2005] ECR II-2383, paragraph 25 and the case-law cited).”

34. In *Combi Steam Trade Mark* (BL O/363/09) the appointed person commented on section 3(1)(b) of the Act and stated:

“7. It has been said that lack of distinctive character is the essence of any objection under section 3(1)(b), (c) or (d) of the Act and that, despite its position in the list, section 3(1)(b) performs “a residual or sweeping-up function”, backing up the other two provisions, which contain specific and characteristic examples of types of marks that lack distinctive character: *Procter & Gamble Ltd’s Trade Mark Application* [1999] RPC 673 (CA) per Robert Walker LJ at 679. If a trade mark is entirely descriptive of characteristics of goods or services (and thereby prohibited from registration under section 3(1)(c)), it will also be devoid of any distinctive character under section 3(1)(b): *Case C-363/99 Koninklijke KPN Nederland BV v Benelux-Merkenbureau (POSTKANTOOR)* [2004] ETMR 57 (ECJ) at [86]. However, the converse is not true: a mark which is not descriptive may nevertheless be devoid of distinctive character for other reasons (*ibid.*).

8. When a trade marks examiner assesses the distinctiveness of a trade mark within the meaning of section 3(1)(b), s/he must do so firstly by reference to the goods or services listed in the specification, and secondly by reference to the perception of the mark in relation to such goods or services by the relevant public, which consists of average consumers of the goods or services in question, who are deemed to be reasonably well informed, observant and circumspect: *Joined Cases C-53/01 to C- 55/01 Linde AG, Winward Industries Inc and Radio Uhren AG* [2003] ETMR 78 at [41].

9. It is not necessary to show that a mark has a particular level of creativity or originality in order to establish distinctive character: *Case C-329/02P SAT.1 Satelliten Fernsehen GmbH v OHIM* [2005] ETMR 20 (ECJ) at [41]. While the Court of First Instance (“CFI”) has repeatedly referred to “a minimum degree of distinctive character” as being sufficient to avoid article 7(1)(b) of the CTMR/article 3(1)(b) of the Directive (for example, *Case T-34/00 Eurocool Logistik GmbH & Co. KG v OHIM (“EUROCOOL”)* [2003] ETMR 4 at [39]; *Case T-128/01 Daimler Chrysler Corp v OHIM* [2003] ETMR 87 at [33]; *Case T-320/03 Citicorp v OHIM (“LIVE RICHLY”)* at [68]), the ECJ has not adopted this wording and has deemed it unnecessary to give any more precise definition to the possible dividing line between lack of distinctiveness and the minimum distinctiveness to which the CFI refers: *Deutsche Krankenversicherung AG v OHIM (“COMPANYLINE”)* [2002] ECR I-7561 at [20].

10. The ECJ approaches the issue of distinctiveness by reference to the underlying purpose of article 3(1)(b) of the Directive/7(1)(b) CTMR, which in the Court's view is to preclude registration of trade marks that are incapable of performing the essential function of guaranteeing the identity of the origin of the marked product 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: SAT.1 v OHIM at [23]; Case C-37/03 P Biold AG v OHIM [2005] ECR I-7975 (ECJ) at [27].”

35. The tests to be applied were summarised by the appointed person in *Flying Scotsman* O-313-11 when it was stated:

“19. Since there is no obligation to rule on the possible dividing line between the concept of lack of distinctiveness and that of minimum distinctiveness when assessing the registerability of a sign under Section 3(1)(b), see Case C-104/00 P Deutsche Krankenversicherung AG v OHIM (COMPANYLINE) [2002] ECR I-7561 at paragraph [20], it is not necessary to dwell on the question of how far Section 3(1)(b) may go in preventing registration beyond the scope of Section 3(1)(c). It is sufficient to observe that a sign may be:

(1) distinctive for the purposes of Section 3(1)(b), with the result that it cannot be regarded as descriptive for the purposes of Section 3(1)(c) and must be unobjectionable on both bases; or

(2) neither distinctive for the purposes of Section 3(1)(b), nor descriptive for the purposes of Section 3(1)(c), with the result that it must be objectionable on the former but not the latter basis; or

(3) descriptive for the purposes of Section 3(1)(c), with the result that it cannot be regarded as distinctive for the purposes of Section 3(1)(b) and must be objectionable on both bases.

36. From these cases it is clear that in order for the application to succeed under section 3(1)(c) there must be a “sufficiently direct and specific relationship” between Verlag's trade mark and the goods and services for which it is protected such as “to enable the public concerned immediately to perceive, without further thought, a description of the goods in question or one of their characteristics”.

37. For the application to succeed in respect of the objection brought under section 3(1)(b) I must find the mark not to be distinctive first, “by reference to the goods or services listed in the specification and, secondly, by reference to the perception of the mark in relation to such goods or services by the relevant public, which consists of average consumers of the goods or services in question.”

The relevant public for the goods and services

38. The goods and services for which the IR is protected are set in paragraph 2 above.

39. In its pleadings, Metals states:

“The average consumer ofthe goods and services is a specialised market and the relevant public is therefore an expert group which primarily deal in the relevant industry...”

40. In its counterstatement, Verlag indicates that the relevant market is:

“industrial and commercial producers, traders and processors of steel and alloys”.

41. Whilst no direct evidence is given on the matter, and whilst many of the items within the exhibit have been redacted in such a way as to obliterate, inter alia, the prices charged, exhibit MW3 to Mr Wegst’s witness statement includes:

- An invoice from February 2004 (page 55) which shows a single user CD-ROM selling at €400 with the book available at €125;
- An email from March 2004 (page 63) which lists the CD-ROM to be available on licence with prices ranging from €400 for a single user up to €3910 for 30 users.

These prices are significant and support my view that the relevant goods and services are highly specialised and will be used by those in the relevant business environment for technical purposes.

The objection under section 3(1)(c) of the Act

42. I intend to deal first, with the objection made under the provision of section 3(1)(c) of the Act. In relation to its claim under this section, Metals states the trade mark consists “exclusively of signs or indications which may serve, in trade, to designate the kind, quality, intended purpose, value, geographical origin, the time of production of goods or rendering of services, or other characteristics of goods or services because:

[It] consists exclusively of the words, term or phrase KEY TO STEEL which:

- (a) Serves in trade to designate the goods and services or their essential characteristics;
- (b) Directly describes the goods or services or their essential characteristics;

- (c) An average consumer would regard as a normal way of designating or referring to the goods or services or of representing their essential features;
- (d) Describes in plain language the intended purpose of the goods and services;
- (e) Is capable of being used as a designation of the goods/services; and
- (f) It is likely that other traders may wish to use the word, term or phrase KEY TO STEEL as an indication of the products or services which are identical to or similar to the goods and/or services concerned.”

43. The mark consists of three words, KEY TO STEEL. They are presented in plain block capitals. The individual words in the mark are everyday ones which will be well-known to the relevant public and whose meanings are unlikely to have changed despite the passage of time.

44. There is no dispute that STEEL is a type of metal alloy. Metals has filed several dictionary extracts showing the definition of the word KEY. One of these, which is taken from Chambers Twentieth Century Dictionary (no edition number is apparent) gives the following definition:

“a scheme or diagram of explanation or identification”

45. The extract taken from the Pocket Oxford Dictionary of Current English (8th Ed. Clarendon Press) includes the following definition:

“ 5. means of advance , access, etc (*key to success*)...7. a. solution or explanation. b. word or system for solving a cipher or code. c. explanatory list of symbols, used in a map, table etc,”

46. I also note that the Collins English Dictionary, 3rd Ed, provides the following definition:

“a list of explanations of symbols, codes, etc.”

47. Metals submits the mark directly describes the goods and services covered by the IR as it describes a guide which will give further information about steel. It points to Verlag’s own website wherein it describes itself as being “the publisher of thecross reference manual...[which is] ready to decipher /decode the steel materials of the world and find equivalent steels...”

48. For its part, Verlag submits that the dictionary extracts show:

“that the term KEY TO STEEL is not of descriptive character and is in fact a clever and distinctive allusion to the topic of the goods and services provided hereunder.”

It goes on to submit:

“The term “key to” in habitual language expresses, in an abstract sense, some means of access or a solution as illustrated in common combinations like “key to success” or “key to happiness”.

49. Verlag refers, in its counterstatement, to various trade mark applications or registrations which include the words “KEY TO” or “KEYS TO” and submits that this strengthens its claim that “the mark KEY TO STEEL is perfectly able to serve as a trademark for the goods and services registered”. As Metals points out, all but one of the marks referred to relate to applications made in countries other than the UK and that the words KEYS TO are different from KEY TO (and may have a different meaning). It also submits that the marks referred to include other words which make the marks as wholes distinctive.

50. The single UK application referred to is for the mark KEY TO LIFE and is registered in respect of “Books and booklets, all pertaining to grammar and language comprehension; all being course materials; all included in Class 16”. Whilst the acceptance of this mark does not bind me in any event, in my view, KEY TO LIFE is a very different mark to the mark now under consideration given the meaning of the word LIFE coupled with the particular specification of goods involved. In my view it does not assist Verlag’s case.

51. Both parties have referred me to decisions involving them and issued in other jurisdictions regarding the mark KEY TO STEEL. Each party has filed a decision which has gone in its favour. Whilst this could, to some extent, be regarded as something of ‘a score draw’ between the parties, both were decided in countries where English is not the first language. I have to consider the matters afresh taking the relevant public into account.

52. The evidence shows the mark is used in respect of goods which are publications either in electronic form (class 9) or in paper form (class 16) and which contain lists of data, all of which, as Verlag’s own website entry shows, provide a “cross-reference manual.....ready to decipher/decode the steel materials of the world and find equivalent steels”.

53. Mr Wegst’s evidence also indicates that his company’s products give the purchaser “comprehensive information on steel and alloys including standards and designationsregarding steel categories, steel brands and supplier, steel characteristics”..

54. In my view, the mark KEY TO STEEL has a number of possible meanings. In relation to the goods in question it may, for example, indicate something that is key (crucial) to providing an explanation about steel or, alternatively, it could indicate something which provides a key (an explanatory list) to decipher, interpret or otherwise identify (properties of) steel. Indeed, I note in passing that some of those who were interviewed as part of the survey submitted by Metals, indicated that, whilst they had not heard of KEY TO STEEL, they took it to be a guide to different

types of steel (Exhibit CB2 to Mr Bell's third witness statement). I also note that at page 315 of exhibit MW6 is an extract taken from *Modern Purchasing* which refers to publication of the 12th edition of the *Stahlschlüssel (Key to Steel)* under the heading STEEL GUIDE.

55. In *Wm Wrigley Jr v OHIM, Doublemint* (2003) Case C-191/01 P, it was stated that where a sign has more than one meaning, as long as at least one of those meanings is descriptive of the goods concerned then that sign shall be refused for registration. It stated:

“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.”

56. Taking all matters into account, and contrary to Verlag's claim that the term is merely a “clever and distinctive allusion to the topic of the goods ... in question”, I consider the mark does serve, in trade, to designate the intended purpose of each of the goods. I have no doubt that the goods are a key to steel in that they provide the user with a key which enables him to compare and identify the various types of steel and this is how the relevant public will see the mark.

57. The services of the protected mark in both classes 35 and 38 are Internet services and databank services. Given the inclusion of the word 'namely' in the respective specifications, these internet and databank services have been limited to the collection of data (class 35) and the provision and transmission of data (class 38). In my view, the objection under section 3(1)(c) of the Act is equally applicable to these services. The mark designates the intended purpose of these services which is to collect data (class 35) or provide and transmit data (class 38) which form a key to steel.

58. That being the case, I find that the objection to the IR brought under grounds of section 3(1)(c) of the Act succeeds in relation to each of the goods and services of the protected mark.

59. Having found that the mark is objectionable under section 3(1)(c) of the Act, it follows that it also lacks distinctive character for the purposes of section 3(1)(b) of the Act. In case I am found to be wrong in my consideration of the matter under section 3(1)(c), and in view of the fact that Metals has raised a separate objection relying on the provisions of section 3(1)(b), I go on, briefly, to consider that objection.

The objection under section 3(1)(b) of the Act

60. For its part, Verlag submits that Metals' application under section 3(1)(b) introduces no additional grounds than those under section 3(1)(c) of the Act and that it should be dismissed. I reject that argument. Although there is a degree of overlap between them each ground of objection is a separate one. As was stated in *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* [2004] ETMR 57 ("POSTKANTOOR"):

"67. As regards the first part of the question, it is clear from Article 3(1) of the Directive that each of the grounds for refusal listed in that provision is independent of the others and calls for a separate examination (see, *inter alia*, *Linde*, paragraph 67). That is true in particular of the grounds for refusal listed in paragraphs (b), (c) and (d) of Article 3(1), although there is a clear overlap between the scope of the respective provisions (see to that effect Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraphs 35 and 36).

68. Furthermore, according to the Court's case-law, the various grounds for refusing registration set out in Article 3 of the Directive must be interpreted in the light of the public interest underlying each of them (see in particular Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 77, *Linde*, paragraph 71, and *Libertel*, paragraph 51).

69. It follows that the fact that a mark does not fall within one of those grounds does not mean that it cannot fall within another (see to that effect *Linde*, paragraph 68).

70. In particular, it is thus not open to the competent authority to conclude that a mark is not devoid of any distinctive character in relation to certain goods or services purely on the ground that it is not descriptive of them.

71. Second, as has been observed in paragraph 34 of this judgment, whether a mark has distinctive character for the purposes of Article 3(1)(b) of the Directive must be assessed by reference to the goods or services described in the application for registration.

72. Further, under Article 13 of the Directive, 'where grounds for refusal of registration ... exist in respect of only some of the goods or services for which that trade mark has been applied for ..., refusal of registration... shall cover those goods or services only'.

73. It follows that, where registration of a mark is sought in respect of various goods or services, the competent authority must check, in relation to each of the goods or services claimed, that none of the grounds for refusal listed in Article 3(1) of the Directive applies to the mark and may reach different conclusions depending upon the goods or services in question.

74. Therefore, it is not open to the competent authority to conclude that a mark is not devoid of any distinctive character in relation to certain goods or services purely on the ground that it is descriptive of the characteristics of

other goods or services, even where registration is sought in respect of those goods or services as a whole.

75. As regards the second part of the question, whether a mark has distinctive character must be assessed, as has been observed in paragraph 34 of this judgment, first, by reference to the goods or services in respect of which registration of the mark has been sought, and, second, by reference to the way in which it is perceived by the relevant public, which consists of average consumers of those goods or services, reasonably well informed and reasonably observant and circumspect.”

61. Metals explains its claim under the provisions of section 3(1)(b) of the Act, saying that the trade mark is:

“ a non-distinctive sign which:

- (a) Serves, in trade, to designate the goods/services or their essential characteristics;
- (b) Does not have the capacity to individualise the goods or services of one undertaking because they are comprised of signs or indications which directly describe the goods or services or their essential characteristics;
- (c) Is a phrase which the relevant public will not recognise as indicating the product of a single undertaking and which could equally apply to the goods or services of any undertaking;
- (d) An average consumer would regard as a normal way of designating or referring to the goods or services or of representing their essential features;
- (e) Is simply too banal to constitute a trade mark for the goods/services concerned;
- (f) Describes in plain language the intended purpose of the goods and services; and
- (g) Would not distinguish the goods and/or services of the Registrant from that of another”

62. The purpose of section 3(1)(b) is set out in the CJEU’s judgment in *SAT.1 Satellitenfernsehen GMBH v OHIM*, case C-329/02P [2005] ETMR 20 where it stated:

“23 First, the essential function of a trade mark is to guarantee the identity of the origin of the marked product 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, in particular, Case 102/77 *Hoffmann-La Roche* [1987] ECR 1139, paragraph 7, and Case C-299/99 *Philips* [2002]

ECR I-5475, paragraph 30). Article 7(1)(b) of the regulation is thus intended to preclude registration of trade marks which are devoid of distinctive character which alone renders them capable of fulfilling that essential function.

24 Secondly, in order to determine whether a sign presents a characteristic such as to render it registrable as a trade mark, it is appropriate to take the viewpoint of the relevant public. Where the goods or services with which the registration application is concerned are intended for all consumers, the relevant public must be deemed to be composed of the average consumer, reasonably well-informed and reasonably observant and circumspect (see Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26 and Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 46).

...

27 Furthermore, in view of the extent of the protection afforded to a trade mark by the regulation, the public interest underlying Article 7(1)(b) of the regulation is, manifestly, indissociable from the essential function of the trade mark, as observed in paragraph 23 above.”

63. In *Imperial Chemical Industries plc v OHIM*, Case T-224/07 it was stated:

“21 For a finding that there is no distinctive character, it is sufficient that the semantic content of the word mark in question indicates 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 services (REAL PEOPLE, REAL SOLUTIONS, paragraphs 29 and 30, and Case T128/07 *Suez v OHIM (Delivering the essentials of life)*, not published in ECR, paragraph 20).”

64. Even if the mark were found to fall short of conveying the requisite level of specificity to support an objection under section 3(1)(c), I would hold, nevertheless, that it would not be capable of performing the essential function of a trade mark without the relevant public being educated to see it that way. KEY TO STEEL describes goods and services which provide users with information which makes a key to steel. On this basis, the objection founded on section 3(1)(b) of the Act also succeeds.

The claim to acquired distinctiveness

65. As I indicated above, Verlag makes an alternative claim that if and to the extent that I find against it, then the mark has acquired distinctiveness through the use made of it. In *Windsurfing Chiemsee Produktions-und Vertriebs GmbH (WSC) v Boots-und Segelzubehöer Walter Huber and Franz Attenberger* Joined Cases C-108/97 and C-109/97, the CJEU stated:

“51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically

widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages”.

66. In *Bach and Bach Flower Remedies Trade Marks* Morrit LJ stated:

“49. First, use of a mark does not prove that the mark is distinctive. Increased use, of itself, does not do so either. The use and increased use must be in a distinctive sense to have any materiality.”

67. In the same judgment, Chadwick LJ states, on page 535 at line 11 et seq:

“As Morrit L.J. has pointed out, a reasonably well informed and reasonably observant and circumspect consumer would know, if it be the case, that the words or word are widely used in a generic or descriptive sense - even if he is, himself, aware that they are also used in a distinctive sense. With that knowledge, it seems to me impossible for him to say that the words identify, for him, the goods as originating from a particular undertaking. Knowing, as he does, that the words may be intended as descriptive, he cannot assert that he understands them as necessarily distinctive.”

68. In relation to use as a trade mark Arnold J stated in *Vibe Technologies Ltd's Application* [2009] ETMR 12:

“90...what must be shown is that a significant proportion of the relevant class of persons rely upon the sign in question on its own as indicating the origin of the goods. I do not think, however, that it is essential for the applicant to have explicitly promoted the sign as a trade mark. It is sufficient for the applicant to have used the sign in such a way that consumers have in fact come to rely on it as indicating the origin of the goods. On the other hand, if the applicant has explicitly promoted the sign as a trade mark, it is more likely that consumers will have come to rely upon it as indicating the origin of the goods.”

69. I have found that the mark KEY TO STEEL has an obvious descriptive relevance to goods and services which provide its users with information which acts as a key to steel which is the way the relevant public will view the mark.

70. There is no dispute that the first edition, in book form, was published in 1951. Although not specifically stated, as the book was published under the German name Stahlschlüssel, it would appear that the first edition was published in Germany and in

German. No evidence is given of when it first became available in the UK. Mr Wegst gives evidence that a new edition is published every three years and is available in German, English and French. As far as I can tell from the evidence, it is not published in separate editions by language but rather in a single volume containing all three languages (see e.g. exhibit MW5 page 25), with much of the content being in the form of numerical lists which would be equally understandable by speakers of any of the three languages.

71. Mr Wegst states that “over the last years...numbers of copies of the books and CD-ROMs published worldwide... have been in the five-figures range”. He does not indicate exactly how many years he might be referring to nor does he say how many copies in each format have been published or sold in the UK. There is no evidence of what use of the mark, if any, has been made in relation to the services for which it is protected. Whilst Mr Wegst states that “revenue (is) in the seven-figures range” he does not break this down to show specific figures relating to the UK nor does he apportion any revenue to the specific goods or services. The invoices exhibited at MW3 are, as I indicated above, heavily redacted. They date from between 2003 and 2010. Each bears a heading showing the company’s full name and a key device containing the word *Stahlschlüssel*. The vast majority bear no reference at all to KEY TO STEEL. There are a limited number dated 2010 which list the item being sold/purchased as *Stahlschlüssel-Key to Steel Nachschlagewerk*. I am aware that *Nachschlagewerk* is the German word meaning reference work. The evidence shows that other traders produce various publications allowing consumers to cross reference steels. I am given no evidence of the size of the relevant UK market or Verlag’s position within it.

72. Mr Wegst gives details of advertising which has taken place. He states the publication is advertised via the Internet, as well as in leaflets and brochures and in reviews in professional journals. He provides examples of these at exhibits MW5 and MW6. Exhibit MW5 consists of approximately 60 pages. Some of these pages appear to be copies from leaflets and catalogues but no indication is given of where, when or how many (if any) of these were distributed and to whom. Other pages appear to be pages downloaded from the Internet sites of various booksellers, not all of which appear to be UK based. I am given no evidence as to who may have viewed these sites or how the particular pages will have been brought to their attention. There are yet other pages where the source is even less clear. They show pictures of a book which has the word *Stahlschlüssel* and a device of a key on the cover (which is not, of course, the mark under consideration). As indicated above, the book is trilingual. Whilst there are some references in this material to KEY TO STEEL, these are most often placed in brackets after the word *Stahlschlüssel* as if by way of a translation. There are also pictures of a CD where the words KEY TO STEEL appear on the surface of the disc itself (along with the words *La Clé des aciers* and again in much smaller font and below the word *Stahlschlüssel*). I can find nothing to show what the packaging of the discs looks like. Exhibit MW6 consists of 9 pages. Some show the words *Stahlschlüssel* (Key to Steel) within a list but I am given no indication of if, and if so where, this list might have been published or for what purpose. Others show extracts from identified publications but I am given no indication of where these were distributed, to whom or the numbers involved.

73. In summary, whilst there is some evidence of use of the words KEY TO STEEL in relation to the goods in classes 9 and 16, it is overwhelmingly included with other signs and by way of translation. It is used in the same way on a limited number of the most recent invoices. In addition, the redactions made to these invoices mean that the parties to whom they were issued are unidentified as are their addresses as well as, in some instances, the values of the invoices. Even where they appear to relate to UK addresses, I am unable to determine e.g. the location or numbers of different customers. I have no evidence which allows me to determine the level of sales within the UK on any of the goods and services within any given period nor is there any breakdown of figures in respect of the different goods and services for which the IR is protected.

74. In all the circumstances, and bearing in mind the lack of evidence indicating the level of use in the UK, and the nature of that use, I am not persuaded that a significant proportion of the relevant public will identify the goods and services as originating from a particular undertaking and thus I reject the claim that the mark has acquired distinctiveness in relation to any of the goods and services for which it is protected. The claim that the mark has acquired distinctiveness through use therefore fails.

Summary

75. The application for a declaration of invalidation of the IR succeeds in respect of both grounds on which it was brought.

Costs

76. The application has succeeded and Metals is entitled to a contribution towards its costs. I take note that whilst Metals filed a relatively large volume of evidence, much of it consisted of submissions and/or was duplicative. Metals also filed survey evidence. In fact, it filed three sets of overlapping results: the results of a pilot survey, an intermediate survey and a final survey with increasing, and overlapping, numbers of participants. Metals submit that the survey was commissioned “because of the paucity of Verlag’s evidence” and “to determine whether [the mark] is capable of distinguishing the goods and services”. Neither appears to me to be a reason which justifies the commission and submission of such complex and somewhat duplicative set of survey documents and the undoubted expense that goes with them (whether in preparing them or in reviewing the results by the other party). I have found it to be of only peripheral assistance in relation to the decisions I am required to make. I note that this material was filed before the coming into force of the Registrar’s updated practice in relation to the requirement for permission to be given prior to the introduction of survey evidence, as set out in Tribunal Practice Notice 2/2012.

77. With the above in mind, I make an award of costs on the following basis:

| | |
|---|--------------|
| Preparing a statement and considering Verlag's statement: | £300 |
| Official Fee: | £200 |
| Preparing evidence and considering Verlag's evidence: | £500 |
| Written submissions: | £300 |
| Total: | £1300 |

78. I order Verlag Stahlschlüssel Wegst GmbH to pay Key to Metals AG the sum of £1300. 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 29th day of May 2012

**Ann Corbett
For the Registrar
The Comptroller-General**