TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATIONS Nos. 2546584 and 2546585 IN THE NAME OF BBY SOLUTIONS INC

AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON AGAINST THE DECISIONS OF MS LINDA SMITH DATED 9 FEBRUARY 2012

DECISION

Background

- 1. This is an appeal brought by BBY Solutions Inc. ("the Applicant") against two decisions of Ms. Linda Smith acting for the Registrar, dated 9 February 2012, in which she refused registration respectively to Trade Mark Applications numbers 2546584 and 2546585 (BL O/051/12 and BL O/052/12).
- 2. Trade Mark Application number 2546584 was filed by the Applicant on 4 May 2010 requesting registration of the word mark BEST BUY in Classes 35, 36, 37, 38, 41 and 42.
- 3. Trade Mark Application number 2546585 was similarly filed by the Applicant on 4 May 2010 in Classes 35, 36, 37, 38, 41 and 42 but sought registration of the figurative mark shown below:



4. The Applicant confirmed at the hearing before me that the appeals were directed at the Hearing Officer's decisions in relation to services applied for in Class 35 only. Those services were the same for both applications and are:

Class 35

Retail store services, including online retail store services, in the field of electronic apparatus and equipment for personal use, electrical and electronic household

appliances, hand tools, optical goods, domestic electrical and electronic equipment, home theater equipment, photographic equipment, cellular phones, telecommunications products and services, information technology products, video equipment audio equipment, portable electronic devices and related accessories, personal computers and home office products, imaging equipment, digital equipment, video and electronic games, video and electronic game equipment and accessories, discs, digital versatile discs or DVDs, audio and video recordings, ring tones, gift cards, books, magazines, batteries, automotive audio equipment, motor vehicles and their parts and accessories; provision of product information and consumer advice relating to the foregoing.

- 5. The Hearing Officer held that the word mark BEST BUY (Application No. 2546584) was inherently descriptive and devoid of any distinctive character in respect of the services in question for the purposes of Section 3(1)(c) and 3(1)(b) of the Trade Marks Act 1994. The figurative BEST BUY + yellow label mark (Application No. 2546585) was inherently devoid of any distinctive character in relation to such services contrary to Section 3(1)(b) of the Act. The yellow swing tag was unlikely to alter the public's perception of the mark.
- 6. The Applicant has not challenged on appeal the Hearing Officer's findings concerning the inherent qualities of the respective marks.
- 7. Instead, the appeals are against the Hearing Officer's subsequent findings that the respective trade marks were not, on the evidence, distinctive in fact when applied for (4 May 2010) within the proviso to Section 3(1):

"Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) ... [of Section 3(1)] if, before the date of the application for registration, it has in fact acquired distinctive character as a result of the use made of it."

- 8. That proviso equates to Article 3(3) of the Trade Marks Directive 2008/95/EC, and Article 7(3) of the Community Trade Mark Regulation (EC) No. 2007/2009.
- 9. At the appeal hearing, the Applicant was represented by Mr. Mark Holah of Field Fisher Waterhouse LLP. Mr. Edward Smith for the Registrar attended via teleconference link. Both sides filed skeleton arguments.
- 10. Unfortunately, the Registrar's skeleton argument did not reach Mr. Holah until 9 am on the morning of the appeal hearing. In the circumstances, I allowed Mr. Holah two weeks within which to submit written representations on the cases referred to in the Registrar's skeleton argument and also *THE JOURNAL Trade Marks*, BL O/273/08, mentioned by Mr. Smith at the hearing.

The evidence

11. The Applicant's evidence was fully and carefully summarised at paragraphs 25 - 33 of BL O/051/12 (the word mark decision) and paragraphs 17 - 25 of BL O/052/12 (the figurative mark decision). There was no challenge to either of the Hearing

Officer's factual summaries of the evidence. In this decision, I shall refer to the evidence in detail only where necessary.

- 12. Basically, the Applicant's UK evidence before 4 May 2010 fell into three types:
 - (1) Press articles relating to a joint venture between the Applicant and Carphone Warehouse as a precursor to the Applicant's entry to the retail of consumer electrical goods market in the UK.
 - (2) Publicity, including the Applicant's own media advertising campaigns, surrounding the launch/opening of the Applicant's first retail store by reference to the trade marks at Thurrock, Essex in April 2010.
 - (3) Social media presence of the Applicant.
- 13. The Applicant on appeal criticised the Hearing Officer's treatment of/conclusions on all three types of evidence.

Legal grounds of appeal

- 14. Before turning to those criticisms, I will deal with the Applicant's contentions that the Hearing Officer misapplied the law on acquired distinctiveness stated by the Court of Justice of the European Union ("CJEU") in:
 - (a) Joined Cases C-108/97 and 109/97, Windsurfing Chiemsee Produktions- und Vertriebs GmbH v. Boots- und Segelzubehör Walter Huber and Franz Attenberger [1999] ECR I-2779;
 - (b) Case C-108/05, *Bovemij Verzekeringen NV v. Benelux-Merkenbureau* [2006] ECR I-7605.

Windsurfing

15. The passage in *Windsurfing* that the Hearing Officer is said to have misapplied is at paragraph 51, which in its context reads:

"49. In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings.

50. In that connection, regard must be had in particular to the specific nature of the [designation] ... in question...

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.

53. As regards the method to be used to assess the distinctive character of a mark in respect of which registration is applied for, Community law does not preclude the competent authority, where it has particular difficulty in that connection, from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment (see, to that effect, Case C-210/96 *GutSpringenheide and Tusky* [1998] ECR I-4657, paragraph 37)."

- 16. The Applicant says that the Hearing Officer erred in referring to the factors listed by the CJEU at paragraph 51 of *Windsurfing* as criteria rather than as circumstances to be taken account of in a particular case.
- 17. The disputed use of "criteria" is at paragraph 38 of the word mark decision/paragraph 30 of the figurative mark decision, where the Hearing Officer was dealing with the Applicant's argument that pre-launch publicity *per se* can result in a trade mark acquiring distinctiveness (even before the services are available on the market).
- 18. The Hearing Officer accepted that argument *in principle* but she had already concluded that the Applicant's evidence did not suffice to show that a significant proportion of the relevant class of persons (the general public) identified the services in question as originating from the Applicant (para. 37/para. 29).
- 19. Taken in context, therefore, it seems to me that the Hearing Officer's use of the term "criteria" was meant by her to indicate the standards by which acquired distinctiveness would normally be judged (*Vibe Technologies Limited's Trade Mark Application* [2009] ETMR 12, para. 64). Such use did not, as suggested by the Applicant, betray a misconception on the Hearing Officer's part that the *Windsurfing* factors were prerequisites to be met before acquired distinctiveness could be made out.
- 20. As Mr. Smith commented, the Applicant's evidence only ever purported to address the second *Windsurfing* factor.

<u>Bovemij</u>

21. The CJEU ruled in *Bovemij* (para. 29, sub-para. 1):

"Article 3(3) of [now Directive 2008/95/EC] [the equivalent to the proviso to Section 3(1) of the Act] must be interpreted as meaning that the registration of a trade mark can be allowed on the basis of that provision only if it is proven

that that trade mark has acquired distinctive character through use throughout the territory of the Member State..."

- 22. Here the argument was essentially that the Hearing Officer had misinterpreted this ruling to require use throughout the UK, whereas what needed to be shown was that the trade mark had acquired distinctive character throughout the UK.
- 23. Again the disputed paragraph is 38 of the word mark decision/30 of the figurative mark decision, where it will be remembered that the Hearing Officer was dealing with the Applicant's argument that advertising alone can result in a mark becoming distinctive even if services under the mark are not yet on the market.
- 24. The Hearing Officer said she did not disagree with that argument:

"However, for that to be the case there would need to be extensive and prolonged advertising throughout the whole of the UK."

25. This says the Applicant shows that the Hearing Officer misapplied *Bovemij*. The Applicant also pointed to the following statement in the Registry Work Manual, Examination Guide, at page 40:

"It should be borne in mind that the requirement for use throughout the territory of the member state includes use in advertising. Accordingly, it is not necessary to show that sales have occurred throughout the member state if the mark has acquired a distinctive character on a UK wide basis through national advertising."

- 26. Neither of these statements indicates to my mind a misapplication of *Bovemij* in the manner the Applicant contends. Absent any sales or local sales, I do not see how it can be shown that a mark has acquired distinctiveness throughout the UK unless there has been national advertising/promotion.
- 27. In *THE JOURNAL*, BL O/273/08, Mr. Richard Arnold QC sitting as the Appointed Person confirmed that it was not possible to overcome an objection under section 3(1)(b)/(c) by demonstrating that the mark applied for has acquired a distinctive character within a particular locality or region (para. 22). He also confirmed the Registrar's examination practice (page 40, Work Manual, Examination Guide) of not permitting a geographical limitation to circumvent this rule (although this point did not arise for decision in the present proceedings).

Conclusion

28. I do not accept therefore that the Hearing Officer erred on the law.

Evidence grounds of appeal

Press articles

29. The Applicant filed two witness statements in support of the Applications: (1) witness statement of Julie Begon, General Counsel of Best Buy UK Distributions Limited, an affiliate company of the Applicant, dated 19 July 2010; (2) witness statement of Allan Michael Poulter of Field Fisher Waterhouse LLP, dated 21 July 2010.

- 30. Ms. Begon recounts that in May 2008, the Applicant entered into a joint venture agreement with Carphone Warehouse PLC as part of its plans to expand its retail of consumer electronics, home office products and entertainment software and appliances business from the USA to the UK. She says that this attracted a great deal of publicity and she exhibits by way of example, print outs of articles from <u>www.guardian.co.uk</u>, 29 October 2009 and <u>www.ft.com</u>, Companies Retail, published on 12 November 2009 (JB 7).
- 31. The Guardian article has a picture of the figurative mark attached to a building and opens: "The US electronics store Best Buy could open 70 megastores over five years after joining forces with Carphone Warehouse. Photograph: Matt Stroshane/Getty Images". It then goes on to say: "Best Buy, which has formed <u>a joint venture with Carphone Warehouse</u>, will open its first outlets in Thurrock and Southampton in the spring" and "<u>Carphone Warehouse</u> sold 50% of its retail business to Best Buy for £1.1bn in 2008 as part of a plan to join forces and expand across the UK and Europe, with a new larger format of stores."
- 32. The FT article similarly describes the acquisition of 50% of Carphone Warehouse but says that the joint venture, Best Buy Europe, has reduced its plans of having 200 large consumer electronics stores across Europe to 100 including 70-80 in the UK.
- 33. Both articles mention competitors in Europe including Currys.
- 34. Ms. Begon exhibits a number of other press articles deriving from January 2010 describing the joint venture's launch of a website <u>www.BestBuy.co.uk</u> (e.g., Retail-Week.com, New Media Age.co.uk, 12 January 2010) and UK staff recruitment drives (Southern Daily Echo, 16 January 2010, Hedge End People.co.uk, 16 January 2010). However, several of the articles exhibited by Ms. Begon were in the US press (JB 7).
- 35. The majority of press articles relied on by the Applicant to show national "advertising" coverage were exhibited to Mr. Poulter's witness statement at AMP 1. The Hearing Officer listed a selection of these in her decisions (BL O/051/12, para. 31, BL O/052/12, para. 23). The articles were: (a) numerous; (b) spanned the period May October 2008; (c) appeared in national newspapers (e.g., The Independent, Financial Times, The Scotsman), local newspapers (e.g., The Birmingham Post, Yorkshire Post) and other publications (e.g., Retail week); (d) detailed the joint venture between the Applicant and Carphone Warehouse; (e) a few referred to plans to open "Best Buy-branded" stores in the UK.
- 36. My impressions of the articles were: (a) they appeared or likely appeared in the business/financial sections of the newspapers; (b) frequent focus was on Carphone Warehouse; (c) regular references to competitors included Comet, DSGi (Currys, PC World and Dixons), BT and British Sky Broadcasting. As far as I could tell, the figurative mark was featured in only five of the articles.
- 37. There were also copies of two joint press releases by Carphone Warehouse and the Applicant in May/June 2008. These concentrated on the financial details of the takeover/joint venture. There was no information on where they were placed.

- 38. Mr. Poulter in his witness statement likened the joint venture in terms of importance to the UK retail market, to the acquisition of the Asda chain stores by Wal-Mart (para. 4). However, in the Wal-Mart instance, despite media speculation, the Asda name was retained.
- 39. Further copy press articles covering the period March 2009 to July 2010 were exhibited by Mr. Poulter at AMP 3. Of special interest, were articles in The Sun, Sky News HD Online and Mail Online describing the opening of the new store in Thurrock, Essex at the end of April 2010. I shall consider these articles under the next head Publicity surrounding the launch/opening of the first Essex store.
- 40. Mr. Holah argued before me that the Applicant's marks had a "standing start" in the acquisition of a distinctive character stakes. By this he meant that UK consumers would have been aware of the reputation of the Applicant's Best Buy retail stores in the USA and therefore not much was required to push the Applicant's marks over the non-distinctive boundary into the acquired distinctiveness category in the UK.
- 41. I was not clear that this argument had been put to the Hearing Officer. In any event, as Mr. Holah acknowledged, the Applicant had adduced no evidence of UK consumer perceptions (except perhaps the writers of the press articles), whether before or after the launch of the Applicant's first store. Mr. Poulter had exhibited to his witness statement a copy of InterbrandDesignForum's, The Most Valuable U.S. Retail Brands 2009, which ranked Best Buy as number two. However, as the Hearing Officer rightly said this evidence related to the position in the USA only and was not probative to the acquisition of distinctive character in the UK.
- 42. As regards the press articles, the Applicant submitted that the Hearing Officer failed to give them sufficient weight in showing national coverage; she wrongly dismissed them as being of interest to competitors only.
- 43. In fact, the Hearing Officer said this (BL O/051/12, paras. 39 41/BL O/052/12, paras. 31 33):

"31. There have been articles in the National Press referring to Best Buy's venture into the UK. Exhibit JB7 includes a number of articles in the press, ranging from October 2009 to January 2010, giving details of the applicant's plans to open stores in the UK. Although these press articles may have been read by some of the general public they are more likely to be directed to other retailers of similar goods within the UK. For example, the Guardian online press article of 28 October 2009 refers to the possibility of Best Buy opening 70 megastores over a five year period; the FT.Com press release of 12 November 2009 stated that "Best Buy vows to be force in Europe" and "BEST BUY's forays into Europe will add to the pressure on Germany's Metro and the UK's DSG International and Kesa, which operate consumer electronics chains including Media Markt, Currys and Darty". An article in the Financial Times in January 2010 refers to increased sales in the applicant's US stores. Exhibit JB7 also refers to articles of the 20 January in the Guardian, the Daily Express and The Sun referring to profit forecasts by Carphone Warehouse.

32. Exhibit AMP-1 also details articles in the Press relating to Best Buy's venture into the UK. They include articles in Retail Week; articles in the Daily Telegraph of 15 and 20 October 2008; the Birmingham Post dated 15 October 2008; articles in the Daily Mail and the Express of 15 October 2008; the Financial times of 5 August 2008, 17 September 2008, and the 14 October 2008; and the Sunday Telegraph of 1 and 24 August 2008; all of which refer to the joint venture between Carphone Warehouse and Best Buy. Exhibit JB7 also refers to articles in the Detroit Free Press, the New York Times and the Wall Street Journal, which are unlikely to have had any impact on the general public within the UK.

33. None of the published UK press articles take the form of a sustained, widespread advertising campaign aimed at the average consumer, i.e. the general public. These articles indicate that other retailers of similar goods may well have been aware of BEST BUY's plans to venture into the UK market and, as a consequence, they may have been concerned about the competition. However, I consider the level of national exposure indicated was directed to too few to have provided a re-education of the average consumer as to the provenance of the mark in suit, such that a significant proportion of them would now individualise the same to the applicant."

- 44. I have already observed that these articles appeared or were likely to have appeared in the business/financial sections of the newspapers concerned. In the main, they assume knowledge of the Applicant and its branding and are equivocal as to the branding to be adopted for the joint venture. A further problem is that the press articles represent commentary not efforts on the part of the Applicant to promote its brands in the UK in relation to its services.
- 45. Mr. Smith referred me CJEU judgment in Case C-299/99, *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd* [2002] ECR I-5475, where the Court said:

"58. However, Article 3(3) of the Directive provides that a mark which is refused registration under Article 3(1)(b), (c) or (d) may acquire, following the use made of it, a distinctive character which it did not have initially and can thus be registered as a trade mark. It is thus through use that the mark acquires the distinctive character which is the precondition of registration.

59. The distinctive character of a mark, including that acquired by use, must be assessed in relation to the goods or services in respect of which registration is applied for.

60. As is clear from paragraph 51 of the judgment in *Windsurfing Chiemsee*, in assessing the distinctive character of a mark in respect of which registration has been applied for, the following may *inter alia* 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.

61. The Court has also held that 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 in any event hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied (*Windsurfing Chiemsee*, paragraph 52).

62. However, it must first be pointed out that the Court has made clear that the circumstances in which the requirement under Article 3(3) of the Directive may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data, such as predetermined percentages (*Windsurfing Chiemsee*, paragraph 52).

63. Second, the distinctive character of a sign consisting in the shape of a product, even that acquired by the use made of it, must be assessed in the light of 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, to that effect, the judgment in Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 31).

64. Finally, the identification, by the relevant class of persons, of the product as originating from a given undertaking must be as a result of the use of the mark as a trade mark and thus as a result of the nature and effect of it, which make it capable of distinguishing the product concerned from those of other undertakings" (emphasis provided)¹.

46. Mr. Smith also referred me to the approach of the General Court on the subject of use for acquired distinctiveness exemplified, for example, in Case T-269/06, *Rautaruukki Oyj v. OHIM* [2008] ECR II-0273:

"43. Article 7(3) of Regulation No 40/94 provides that the absolute grounds for refusal do not preclude the registration of a trade mark if it has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it. In the circumstances referred to in Article 7(3) of Regulation No 40/94, the fact that the sign which constitutes the mark in question is actually perceived by the relevant section of the public as an indication of the commercial origin of a product or service *is the result of the economic effort made by the trade mark applicant*. That fact justifies putting aside the public-interest considerations underlying Article 7(1)(b) to (d), which require that the marks referred to in those provisions may be freely used by all in order to avoid conceding an unjustified competitive advantage to a single trader (*Shape of a bottle of beer*,

¹ The CJEU expanded on paragraph 64 of *Philips* in Case C-353/03, *Nestlé SA v. Mars UK Ltd* [2005] I-6135 at para. 29: "The expression ,use of the mark as a trade mark' must therefore be understood as referring solely to use of the mark for the purposes of the identification, by the relevant class of persons, of the product or service as originating from a given undertaking."

paragraph 21 above, at paragraph 41, and *Shape of a sweet*, paragraph 21 above, at paragraph 55)" (emphasis provided).

47. Finally, Mr. Smith referred me to four decisions of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) ("OHIM"): Cases R 222/2012-4 GOLFHUB (para. 21), R 86/2011-5 SMARTSCOPE (para. 57), R 2413/2010-4 BANK CREDIT ANALYST (para. 45) and R 1599/2010-4 FLEDERMAUS (para. 26). At the hearing, Mr. Smith particularly relied on BANK CREDIT ANALYST:

"45. Turning to the clippings from newspapers or online versions of newspapers, they merely make reference to the applicant in various smaller articles. However, newspapers publish dozens and hundreds of articles and news every day and the mere mention of the applicant in several of them does not imply that the public read the respective articles and paid attention to them (decision of 10 May 2011, R 1599/2010-4, "FLEDERMAUS', par. 26). Its evidential value is limited to pointing to the knowledge of the author of that article, in other words, of an individual and not of a representative part of the public ..."

- 48. Mr. Holah properly reminded me that decisions of OHIM are not binding on me. He also submitted that in any event the OHIM decisions cited by Mr. Smith demonstrated no consistent policy.
- 49. It seems to me that the quotation from *BANK CREDIT ANALYST* makes fairly obvious statements. I have not given it weight beyond that.
- 50. Mr. Holah drew my attention to an uncertainty identified by Mr. Richard Arnold QC sitting as the Appointed Person in *Vibe* namely: (a) whether it is sufficient in order for a sign to have acquired distinctive character that the public by the date of application has come to associate the relevant products bearing the sign with the applicant; or (b) whether something else is needed, in particular, use by the applicant of the sign as a trade mark (paras. 72 92).
- 51. It is important to note the background to Mr. Arnold's discussion in *Vibe*, which was longstanding (including monopoly) use by an applicant of a sign that the public was unlikely to understand as a trade mark (in *Vibe*, a patterned loudspeaker finish).
- 52. By contrast, with the press articles here in question, there is no use by the Applicant of the signs whether as a trade mark or otherwise; there is no use by the Applicant in its own commercial communication (Joined Cases C-236/08 to C-238/08, *Google France and Google* [2010] ECR I-2417, paras. 56 and 57, Case C-324/09, *L'Oréal SA v. eBay International AG*, 12 July 2011, para. 102).
- 53. In my judgment, the press articles were at best background material. The Hearing Officer did not err by affording them insufficient weight.

Publicity surrounding the launch/opening of the first Essex store

54. This was more compelling evidence.

- 55. The Applicant ran several marketing/promotion campaigns shortly before the opening of its first consumer electronics store comprising, in summary:
 - (a) Distribution x 2 of leaflets to 170,000 + 25,000 people around Thurrock. Copies of the leaflets were exhibited (showing predominantly BEST BUY fig.), but no details were given as to the mode of distribution of the leaflets (Ms. Begon, paras. 9 – 10, JB 10 and JB 11).
 - (b) Outdoor poster advertising campaigns x 2 on billboards and buses. Copies of artworks were exhibited but there was no evidence showing the billboards, buses etc. themselves. Nor were details provided as to the locations for/extent of such advertising (Ms. Begon, paras. 11 − 12, JB 12 and JB 14). Both of the Applicant's marks featured in the artworks.
 - (c) Local radio advertising on London stations Heart and Capital. Scripts for such advertising (clearly only the word mark was used) were exhibited but no evidence provided of airtimes, frequency of airing, numbers of listeners etc. (Ms. Begon, para. 12, JB 13).
 - (d) On the day of the opening, 30 April 2010, full page adverts appeared on the front and back covers and in the body of "London's free morning newspaper Metro" (Ms. Begon, para. 14). A copy of the newspaper was exhibited (JB 15) but no circulation figures were provided. Further, it was not stated whether Metro newspapers published in other localities carried the same advertising (the implication from Ms. Begon's statement was no).
- 56. Banners depicting the BEST BUY figurative mark were placed at the site of the Thurrock store as from August 1999 (Ms. Begon, para. 9, JB 9). The Applicant's second store in Southampton did not open until after the date of the applications. However, Ms. Begon stated that a sign bearing the figurative mark was put up on the Southampton site in around December 2009 (para. 7) (no exhibit supported this).
- 57. Ms. Begon gave evidence of two further poster campaigns, one for Thurrock and one for the opening of Hedge End, Southampton, but both of these were after 4 May 2010.
- 58. I have already made reference to the press articles covering the opening of the Thurrock store (para. 39 above). The Sun and Sky News HD Online showed pictures of customers wheeling out their purchases; The Mail Online, people queuing outside the store on the morning of the opening. The figurative mark can be seen on the building and customers' bags in The Sun and Sky News HD Online offerings. "BestBuy.co.uk" appears above an entrance to the store in The Mail Online article.
- 59. The Hearing Officer's findings in this regard were as follows:

"34. Further advertising took place in the Metro newspaper circulated on the London transport network and also on radio stations Heart and Capital in the London area, but only over a period of one month prior to the date of application.

35. The first store opened in Thurrock in April 2010, approximately one month prior to the date of application. The second store opened in Southampton after the date of application. The exhibits show that there was a good deal of publicity related to both store opening and staff recruitment within the surrounding areas for both stores but little evidence to show similar levels of promotional activity on a broader geographical scale. Therefore, any distinctiveness acquired prior to the date of application would have been limited to those areas. It is therefore clear that evidence has failed to demonstrate the acquisition of distinctive character on a national scale.

36. I must take into account all the information provided, and detailed above, when considering whether or not the evidence of use is sufficient to indicate that the mark has become distinctive because of that use. I have taken into account the fact that the mark had only been used on one store, and for only one month, prior to the date of application. Prior to the date of application, there had been no national advertising campaigns. Where national press coverage did take place prior to the date of application, this was only in the form of press articles referring to the venture between the Carphone Warehouse and the applicant (detailed in paragraphs 31 and 32 above) and, as I explained, these press articles were more likely to be of interest to competitors rather than average consumers. Radio advertising campaigns, which started 15 days before the date of application, only took place in the London area.

38. In my view, the sign applied for will not be taken as a trade mark without first educating the relevant consumer that it is a trade mark. Taking into account the market for the goods being sold by the applicant, I consider the relevant consumer to be the general public (see paragraph 13). As pointed out above, I do not consider the applicant to have shown use throughout the UK. Taking into account both the advice given in relevant case law such as *Windsurfing* and *Europolis*, and all the documents and exhibits filed, I consider the evidence has failed to show that, at the date of application, the average consumer had been educated into seeing the sign as indicating the trade origin of the services. The mark is therefore excluded from acceptance under the proviso to section 3(1) of the Act."²

- 60. The Applicant criticised the Hearing Officer for holding that the evidence was insufficient to establish acquired distinctiveness on a local and national scale.
- 61. Mr. Holah pointed to The Mail Online article that hundreds of people queued to get in when the Thurrock store first opened. Mr. Holah also sought to introduce in argument fresh facts, like visitor numbers to the shopping centre at Lakeside, Thurrock and distribution figures for Metro, which I have ignored. These could and should have been put in evidence before the Hearing Officer. I have identified other deficiencies in the Applicant's evidence as this decision has progressed (see, for example, para. 56 above).

² BL O/052/12, the figurative mark decision, paras. 34 - 38. The corresponding paras. 42 - 46 in the word mark decision, BL O/051/12, differ slightly in that the Hearing Officer noted that the preponderance of use in the exhibits relating to the opening of the Thurrock store was of the figurative mark (see, in particular, para. 44).

- 62. It is well established that the proviso to Section 3(1) of the Act is an exception to the public policy rule that signs, which are descriptive of, and/or devoid of any distinctive character for the services in question should not be registered (*Windsurfing*, para. 45, *Bovemij*, para. 21).
- 63. The onus is on an applicant to bring its trade mark within this exception by providing evidence of acquired distinctiveness through use. A hearing officer must decide a case on the basis of materials put by an applicant before her.
- 64. I have reviewed the evidence filed in support of the Applications and have taken into account the arguments on both sides. In my judgment, the Hearing Officer did not err materially but was entitled on the evidence before her, and in the light of the legal authorities, to arrive at the findings that she did.

Social media/Internet presence

- 65. The Applicant said that the Hearing Officer did not take account of the social media/Internet presence of the Applicant prior to 4 May 2010.
- 66. The Hearing Officer noted in her summaries of the evidence (BL O/51/12, para. 29, BL O/52/12, para. 21):

"The applicant has been active on social networking sites, and it also has its own website. The following exhibits give details:

JB-5: This exhibit consists of copies of pages from the applicant's websites.

JB-6: The applicant has been active on social networking sites and this exhibit includes pages from Facebook, Twitter, Flickr and YouTube, all of which show the 'BEST BUY' logo."

- 67. However she did not expressly refer to social media/Internet presence in her deliberations on acquired distinctiveness.
- 68. The duty to give reasons cannot be turned into an intolerable burden; not every factor that weighs with a tribunal in its appraisal of the evidence needs to be identified and explained (*REEF Trade Mark* [2003] RPC 5, para. 29).
- 69. I have no reason to doubt that the Hearing Officer took such evidence into account. Further: (a) the Applicant provided little evidence as to followers/posts on/traffic with these sites before 4 May 2010; (b) The Mail Online article of 1 May 2010, states that the Applicant's British website would go live in the autumn, apparently contradicting the Applicant's other evidence that its UK website operated as from 2009.
- 70. Again, I have detected no material error on the part of the Hearing Officer in relation to her handling of the social media/Internet evidence.

Conclusion

- 71. In the event, the Applicant's appeal against the Hearing Officer's decisions in BL O/051/12 and O/052/12 to refuse registration to Applications numbers 2546584 and 2546585 respectively has failed.
- 72. In accordance with usual practice, I make no order as to costs.

Professor Ruth Annand, 15 November 2012

Mr. Mark Holah of Field Fisher Waterhouse LLP appeared on behalf of BBY Solutions Inc.

Mr. Edward Smith appeared on behalf of the Registrar