TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NUMBER 2604016
BY ANNIE SLOAN INTERIORS LTD
TO REGISTER THE FOLLOWING SERIES OF TWO TRADE MARKS
IN CLASS 02:

# CHALK PAINT

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# **Background**

1. On 8 December 2011, Annie Sloan Interiors Ltd ('Annie Sloan' or 'the applicant') applied to register the above series of trade marks. The specification of goods as originally filed read as follows:

Class 2: Paint; varnishes

2. On 3 January 2012, the Intellectual Property Office ('IPO') issued its examination report and an objection under section 3(1)(b) and (c) was raised as follows:

"The application is not acceptable as there is an objection under section 3(1)(b) and (c) of the Act. This is because the marks consist exclusively of the expression 'CHALK PAINT', being a sign which may serve in trade to designate the kind and intended purpose of the goods e.g. chalk paint."

- 3. The examiner also provided a selection of hyperlinks to demonstrate descriptive use of the term 'chalk paint'.
- 4. In response, on 1 March 2012, the attorney, Mr Ben Mooneapillay of Fry Heath and Spence ('the attorney'), requested an extension of time of four months in order to gather evidence of acquired distinctiveness. This was duly granted with a response date of 3 July 2012. A further extension of time was requested on 3 July 2012, which was granted until 3 September 2013. However, this request was regarded as final by the examiner.
- 5. In his substantive response of 3 September 2012, the attorney relied upon the proviso to section 3(1), namely a plea of 'acquired distinctiveness'. That said, the *prima facie* case was very much contested. The attorney notes in correspondence that 'CHALK PAINT' does not designate a characteristic of *varnishes* at all and, in respect of paints, chalk (being the compound calcium carbonate) is at best only a minor and incidental ingredient. The average consumer will be unaware of the precise ingredients and may, then, not view 'chalk' as designating a characteristic of the goods at all.

- 6. Further support for the contention that, in the prima facie case, chalk would not designate a characteristic of the goods was submitted on 10 March 2014. These submissions included dictionary definitions for 'chalk', along with a Witness Statement dated 10 March 2014 by Mr Philip Hall of Trimite Global Coatings. He says he has been involved in the formulation, testing and production of paints for a range of the applicant's products, along with other customers. He also states that the applicant's paint is unique in terms of its application and performance characteristics, that is to say, it has extremely good adhesion, is highly distressable, and can be adaptable in order to accept secondary coatings. Other paints on the domestic market are produced to provide durable but non-distressable coatings which are not part of a distressing 'system' and thus, unlike the applicant's product, having properties amenable especially to secondary coatings. It was submitted that the filler used in the applicant's 'CHALK PAINT' product is marble, being a hard mineral component, unlike soft sedimentary rock that most people would think of in relation to 'chalk'. Mr Hall says his company has made tens of thousands of coatings and paints for all sorts of applications but has never made a product that has used the term 'chalk' as part of its title or description until Annie Sloan started using the term.
- 7. Similar evidence has been filed by Mr Nicholas Carr of Carr Coatings Ltd, a company also responsible for producing Annie Sloan products since 2009. In a witness statement dated 10 March 2014, Mr Carr states that the Annie Sloan product is unique in that it adheres to many different surfaces such as glass, wood, metal, stone, brick and so forth. It can be distressed by heat or abrasion. He also notes that it contains marble which is quite distinct from chalk. He is not aware of paint formulations which talk about the addition of 'chalk' to the formula. Normally when chalk is referred to as a part of paint's formula, it is referred to by the trade name or chemical formula (calcium carbonate).
- 8. Further, and insofar as 'chalk' may designate a type of finish as distinct from an ingredient, the agent's correspondence emphasised that paint is, in fact, a water or oil-based product which does not naturally produce a texture which is reminiscent of chalk. This argument was presented notwithstanding the fact that in correspondence the agent confirmed that the applicant intended the word 'chalk' to be suggestive of, or alluding to the nature of the finish.
- 9. Finally, as regards the *prima facie* case, the attorney submitted in correspondence that even if the word 'chalk' is found to designate a characteristic of the goods, the stylised font in the first sign of the series renders it free from objection under section 3(1)(c). This submission was, however, expressly withdrawn at the subsequent hearing and I will say no more about it.
- 10. In addition to the submissions in the *prima facie* case, the applicant has relied on a plea of acquired distinctiveness, and evidence in support of that plea has also been submitted.
- 11. The applicant's evidence takes the form of a primary Witness Statement dated 14 November 2012 from Mr David Manuel, a director of the applicant. He says the mark has been used on one litre tins since at least as early as April 2003.
- 12. The applicant's turnover ranges from £14,049 in 2005 to £780,126 in 2011. Mr Manuel has supplied copies of invoices showing the expression 'CHALK PAINTS' in use. He says

the volumes of paint sold range from 1,171 tins in 2005 to 46,025 in 2011. The company's products are sold via stockists across the UK and listed on the applicant's website. Advertisements have appeared in the design publication 'The World of Interiors', and a book entitled 'Quick and easy paint transformations'. Advertising spend, he says, has ranged from £6,730 in 2008 to £14,702 in 2011.

- 13. The examiner had assessed this evidence but, noting in particular the extent to which the term 'CHALK PAINT' was used in combination with the primary house mark 'Annie Sloan', he rejected the case for acquired distinctiveness. I have attached at Annex 1 an example of that use, taken from the applicant's evidence, on a tin of paint. He also said that Annie Sloan's turnover, when set against the whole of the UK market in paints and varnishes, could hardly be said to be large or impressive. In terms of proving acquired distinctiveness, it is well established that market share can be a relevant factor.
- 14. I should also say that a further relevant factor, as far as the examiner was concerned, was the amount of third party descriptive use of the term 'Chalk Paint'. Evidence of third party use in the form of hyperlinks has been presented by the Registrar to the applicant as part of the examination report dated 3 January 2012, and included the following:
- A page from www.mylittlevintageattic.co.uk dated 3 January 2012 (link no longer available), which discusses 'chalk paint' in a generic sense. It refers to "...my Little Vintage Attic handmade chalk paint, specially made from my own recipe. A modern version of Gesso, with natural colour pigments...".1
- There is an extract from www.decorativepainteffects.co.uk (link no longer available) which includes a section on painting with 'chalk paint' and the different effects that can be achieved: "...chalk paint is a matt emulsion available in many soft colours. It has a creamy consistency, and provides a completely matt velvety finish...".
- A web-shop page from a company called VERNICE NATURALI for 'FONDOSILK' (link no longer available), a dilution product for 'CORISILK' chalk paint.
- A page from www.celticsustainables.co.uk for AURO chalk paint. It is described as a 'Traditional interior wall paint ideal for rooms with high humidity'.
- Descriptive use by a firm called 'AUTENTICO' on their range of paint products.
- An extract from 'SUSIE WATSON DESIGNS', selling her own range of 'chalk paint'.

15. Some, if not all, of this third party use has been addressed in supplementary evidence filed by the applicant in the form of a second witness statement by Mr David Manuel dated 11 June 2013. Mr Manuel argues that: (a) the applicant's use predates that of the third parties; (b) that the use describes a particular *colour* rather than type of paint; and (c) that

<sup>&</sup>lt;sup>1</sup> 'Gesso' paint is defined by McGraw-Hill Dictionary of Scientific and Technical Terms as: 'A material made from chalk and gelatin or casein glue; painted on panels to furnish a surface for tempera work or for polymer-based paints'

the links provide by the examiner were not active and so no assessment or reliance was then possible.

- 16. The supplementary evidence of Mr David Manuel, also exhibited further witness statements by:
- Mr Patrick Baty, one of the country's foremost paint and colour experts, in which he
  states that he is unaware that the word 'chalk' has ever been used as brand prior to its
  use by the applicant;
- Various distributors and stockists from across the UK, stating that the sign 'chalk paint' is: (a) indicative of a high end or luxury paint brand; (b) distinctive both to them and their customers; and (c) immediately evocative of Annie Sloan. They each point to the numbers of customers who make enquiries of them about the 'CHALK PAINT' product, in the knowledge or belief that it is an Annie Sloan brand. These witness statements are all from small business owners specialising in the retail of paint, furniture and accessories and, as was not denied by the applicant either in writing or at the hearing, they are all commercially connected with the applicant. They make reference to their own understanding of the product, how their customers request it, and its increasing popularity in the furniture renewal trend. In regards to the name of the product, they consider it immediately associable with the 'Annie Sloan' brand for example, two stockists give accounts of their customers' reaction to the expression 'chalk paint' as follows:

Patricia Mellet of 'Making the Best' who says, "I have never assumed that the CHALK PAINT product contains chalk, but simply that the trademark refers to the products' finish. The ingredients of the paint have never crossed my mind and I am prepared to state that my customers have never considered them either".

Lucy Edwards of 'Bunting Queen' who says, "I have been asked by customers why the brand is so called (as they often remark on the product's very unusual name). I always refer to the texture of the paint after it has been applied".

- 17. The examiner maintained his position that the application was objectionable on the basis of section 3(1)(b) and (c) and a hearing was duly requested.
- 18. On the day before the hearing, a revised and limited specification was unconditionally offered. The original specification was, as I have said:
  - Class 2: Paints, varnishes.
- 19. After amendment, via Form TM21, the new specification reads:

Class 2: Paint for furniture; distressable paint for furniture; distressable paint for application to wooden surfaces; distressable paint for use in waxed coating systems; friable paint for furniture; friable paint for application to wooden surfaces; friable paint for use in waxed coating systems; waxed coating systems; varnishes.

20. At the hearing by telephone on 10 March 2014 with Mr Michael Edenborough of Queen's Counsel, instructed by Fry Heath and Spence, I deferred my decision both in the *prima facie* and on the basis of acquired distinctiveness. On 14 March 2014, I gave my decision which was to refuse the application in full and I am now asked to give my reasons.

#### **Decision**

# The revised limited specification and the question of legal certainty

- 21. My first question at the hearing was whether certain terms in the revised specification, namely those that are qualified by the words 'distressable' or 'friable', are legally certain, and therefore acceptable from a classification perspective.
- 22. Mr Edenborough assured me the terms 'distressable' and 'friable' would both be recognised in the trade as properties of the paint *per se*, and therefore not mere paint effects, or references to the surface upon which the paint is applied. By this, I took him to mean that the trade and relevant consumer would recognise such terms as designating a particular and recognisable *type* of paint as distinct from a mere characteristic as such, and which may result in a legally uncertain scope of protection.<sup>2</sup>
- 23. On that basis I accepted the terms without further argument or discussion. Naturally, in the event I am wrong on this point and the original specification should, as a result, be reinstated, the outcome of this application would, in my view, be the same. In fact it would be far worse for the applicant in terms of the burden of showing acquired distinctiveness since, as the examiner rightly pointed out, the whole of the UK market for paint and varnishes *at large* would render the applicant's turnover relatively miniscule by comparison. I understood Mr Edenborough to accept this at the hearing as he advised that such a limitation in the specification was, in part at least, prompted by that very point by the examiner.

#### The prima facie case

- 24. The relevant sections of the Act read as follows:
- "3.-(1) The following shall not be registered -
- (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,

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."

<sup>&</sup>lt;sup>2</sup> See, e.g. the analysis in BL O/043/05 *MERLIN*, a decision of the Appointed Person, paragraphs 24 –29.

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

# Legal principles

- 25. The objection in this case is under the primary section 3(1)(c) and, insofar as section 3(1)(b) is engaged, it is only as an inevitable consequence of the section 3(1)(c) objection. I accept that, in theory and principle, an alternative objection taken under section 3(1)(b), on its own, can be broader in scope than section 3(1)(c), but in this case my view is that if the sign escapes objection under section 3(1)(c) it will also escape objection under section 3(1)(b). The two grounds of objection are, in this case at least, co-extensive.
- 26. The Court of Justice of the European Union ('CJEU') has repeatedly emphasised the need to interpret the grounds for refusal of registration listed in Article 3(1) and Article 7(1), the equivalent provision in Council Regulation 40/94 of 20 December 1993 on the Community Trade Mark, in the light of the general interest underlying each of them (Case C-37/03P *Bio ID v OHIM* paragraph 59 and the case law cited there and, more recently, Case C-273/05P *Celltech R&D Ltd v OHIM*).
- 27. 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 Satelliten Fernsehen 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.
- 28. 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 (see Case C-191/0P *Wm Wrigley Jr v OHIM 'Doublemint'* at paragraph 31). A fuller expression of the legal principles engaged by section 3(1)(c) can be stated as follows:
- The words 'may serve in trade' include within their scope the possibility of future use
  even if, at the material date of application, the words or terms intended for protection are
  not in descriptive use in trade (see, to that effect, CJEU Cases C-108/97 and C109/97
  Windsurfing Chiemsee Produktions und Vertriebs GmbH v Boots and Segelzubehor
  Walter Huber and others;
- As well as the possibility of future use, the fact that there is little or no current use of the sign at the date of application is not determinative in the assessment. The words 'may serve in trade' are to be interpreted as meaning could the sign in question serve in trade to designate characteristics of the goods/services, see e.g. PUTTER SCOPE, a decision of the Appointed Person, BL O/096/11 at paragraph 11;

- 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 or services in question or one of their
  characteristics, see CJEU judgment C-468/01 P to C-472/01 P, 'Tabs' paragraph 39;
  and General Court judgment T-222/02, 'Robotunits' paragraph 34;
- The assessment of a sign for registrability must accordingly be made with reference to each discrete category of goods or services covered by an application for registration, see Case C-239/05 BVBA Management, Training en Consultancy v Benelux-Merkenbureau [2007] ECR I-1455 at paragraphs 30 to 38; and Case C-282/09 P CFCMCEE v OHIM 2010 ECR I-00000 at paragraphs 37 to 44;
- It is also a well-established principle these days that the Registrar's role is to engage in a full and stringent examination of the facts, underling the Registrar's frontline role in preventing the granting of undue monopolies, see, e.g. CJEU Case C-51/10 P, *Agencja Wydawnicza Technopol sp. z.o.o. v. OHIM* [2011] ECR I-1541.

#### Application of the legal principles

- 29. It was Mr Edenborough's submission that the revised and limited specification resulted, in effect, in a completely different analysis than had been conducted up to the hearing.
- 30. He submitted that the average consumer for the revised specification is a specialist; a person 'in the know' so to speak, and this distinguished him or her from an ordinary member of the public who would have been the relevant consumer had the original specification still been in place. That specialist would be a person familiar with the fact that paint, for the purposes indicated in the revised specification, does not routinely contain chalk and that chalk is not paint, *per se*. In fact, the term is an 'oxymoron', to use Mr Edenborough's words. He added that the correct and apt term for this type of paint would be 'Spanish White' or 'whitening'.
- 31. It is well established, as I have said, that the legal question under section 3(1)(c) is whether the words 'CHALK PAINT' *could* designate a characteristic of the goods.
- 32. I am not convinced that by the simple act of limiting the specification, we have happened upon a specialist consumer with the intellectual capability, above and beyond consumers of paint at large, to determine, or be familiar with, the ingredients of the relevant product covered by the revised specification. There is no real basis for accepting that, beyond assertion and the very limited evidence from experts and stockists. To my mind, because someone has an interest in, or is in the business of distressing furniture or other items, it would not necessarily follow that the ingredients of any paint involved would inevitably be clear to them and by extension, that the words 'chalk paint' would be an obvious oxymoron.
- 33. What is also clear from the relevant authorities is that the question of whether a term *could* designate an immediate, objective and specific characteristic of the goods covered is *not* determined by reference to the applicant's own product, its composition or necessarily, the views or knowledge of experts in the field, unless they can reasonably be assumed to speak for a wider audience of consumers.

- 34. My view is that the words 'chalk paint' *could* very plausibly, designate, even to a specialist as inferred by the revised specification, a characteristic of the goods; the term is linguistically correct in the same way that, say, 'oil paint' is. Chalk and paint are far from being unrelated in terms of their properties, in particular that both can be used as media. The particular characteristic of the goods in question may be e.g. the *type* of product, and/or an *ingredient* (even though chalk may, in fact, only be incidental to the actual product), and/or the *effect* or *finish*, by which I would even include colour. I am under no obligation to say exactly which of those characteristics it is, or may be; in this case, it could be several, but all whether individually or collectively would inevitably lead to objection in the *prima facie*.
- 35. In this case, not only *could* the words 'chalk paint' designate a characteristic of the goods as above; they actually do, as can be inferred from the third party evidence relied upon by the examiner, some examples of which (and where the links are still available) I have attached at Annex 2. For the avoidance of any doubt, however, my decision in the *prima facie* case does *not* depend on such examples, but the simple application of clear legal principle to inherent characteristics.
- 36. As regards the outstanding question of whether the expression 'chalk paint' could designate a characteristic of varnishes *per se*, plainly varnishes are very closely related to paints too closely related in my opinion for any meaningful difference to be made.
- 37. Objection under section 3(1)(b) and (c) is thus maintained in the *prima facie*.

# **Acquired distinctiveness - legal principles**

- 38. The legal principles can be stated as follows:
- Mere evidence of use, even if substantial, does not make the case for acquired distinctiveness;
- A significant proportion of the relevant consumers need to be educated that the words have acquired distinctiveness;
- If, to a real or hypothetical individual, a word or mark is ambiguous in the sense that it may be distinctive or descriptive then it cannot comply with the requirements of the Act for it will not provide the necessary distinction or guarantee;<sup>3</sup>
- It follows that, with regard to the acquisition of distinctive character through use, the identification by the relevant class of persons of the product or service as originating from a given undertaking must be as a result of the use of the mark as a trade mark. The expression 'use of the mark as a trade mark' in section 3 refers solely to use of the

<sup>&</sup>lt;sup>3</sup> Both the first two principles are stated in *Bach and Bach Flower Remedies Trade Marks* [2000] RPC 513, paragraphs 49 and 45 respectively.

mark for the purposes of the identification, by the relevant class of person, of the product as originating from a given undertaking;<sup>4</sup>

- The mark must have acquired distinctiveness through use throughout the territory of the UK;
- In assessing whether a trade mark has acquired a distinctive character, the competent authority must make an overall assessment of the relevant evidence, which in addition to the nature of the mark may include: (i) the market share held by goods bearing the mark; (ii) how intensive, geographically widespread and long-standing the use of the mark has been; (iii) the amount invested by the proprietor in promoting the mark; (iv) the proportion of the relevant class of persons who, because of the mark, identify the goods or services as emanating from the proprietor; (v) evidence from trade and professional associations; and (vi) (where the competent authority has particular difficulty in assessing the distinctive character) an opinion poll. If the relevant class of persons, or at least a significant proportion of them, identifies goods or services as originating from a particular undertaking because of the trade mark, it has acquired a distinctive character:<sup>5</sup>
- The position must be assessed at the date of application, being 8 December 2011.

#### Assessment of the evidence

39. It is customary to start with an appraisal of just how 'weak', in terms of registrability, the sign is in the *prima facie*. This exercise has the object of gauging just how much education, or re-education, on the part of the relevant consumer, is needed to found a successful plea of acquired distinctiveness.

40. In my opinion, the words 'chalk paint' could, as I have said, objectively designate a characteristic of the goods, and inevitably then, I think there is a substantial burden to be discharged by the applicant in this case. I would not say it was a hopeless case, in the sense say, that the famous example of 'soap' for 'soap' was mentioned, but the evidence does need to be especially compelling.

41. The second issue for me is whether the applicant has clearly and unambiguously used the sign as a trade mark. The word 'unambiguously' is intended here to import the conclusion in the *BACH FLOWERS* case which, at face value, apparently allows no, or rather, little room for use that could be seen by the relevant consumer as being descriptive. I recognise, however, that I should not be seen to present the applicant with an impossible standard of proof here. In an very recent case, for example, not referred to at the hearing or subsequently, a fellow hearing officer, Mr Allan James, found in BL O/150/14, COMPARE THE MARKET, at paragraph 37 that, in his view, any possible descriptive meaning does not

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<sup>&</sup>lt;sup>4</sup> See e.g. Societe des produits Nestlé SA v Mars UK Ltd, (C-353/03 ('Nestlé')); Philips Electronics NV v Remington Consumer Products Ltd (C-299/99); Henkel KGaA v Deutsches Patent – und Markenam (C-218/01) and also see Case BL O/166/08 Vibe Technologies to which I drew attention at the hearing (Para 60 onwards). 
<sup>5</sup> Windsurfing; Case C-342/97 Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV [1999] ECR I-1318 at [23], Philips v Remington at [60]-[62], Libertel v Benelux-Merkenbureau at [67], Nestlé v Mars at [31] and C-25/05P August Storck KG v Office for Harmonisation in the Internal Market (Storck II) [2006] ECR I-5719 at [75].

have to be entirely displaced by the trade mark meaning. Some descriptive use would not, then, mean the sign has *not* become distinctive as the trade mark of the applicant. As a consequence, Mr James also noted that it is not necessary for the mark to guarantee origin to every relevant consumer; it is sufficient that the mark is distinctive (in the sense of being a guarantee of trade origin) to a significant proportion of relevant consumers. The corollary, he says, is that a significant proportion of relevant consumers are likely to be confused by unfettered third party use of the sign, at which point the law favours registration.

- 42. Given its motivation for coining the expression (as mentioned in the attorney's correspondence), I assume the applicant's initial intention was for the sign to simply reflect the fact that the product gave a 'chalk finish'. This, then, is a case where if acquired distinctiveness is to be inferred, it may be as an accidental or later result, contrary to the applicant's initial intent. This is not to say that such an occurrence is, *a priori*, not possible in terms of legal principle, but, at the very least, it must make the burden of proof significantly high.
- 43. In terms, then, of the way the sign has been used, I remain sceptical that the words would necessarily be seen as a trade mark, in and of themselves. Even accepting the standard set by Mr James in 'COMPARE THE MARKET' and acknowledging that fact that *some* descriptive use may be tolerable, in my opinion, in this case the degree of ambivalence is significantly more than he had to contend with. I feel able to say this because of the words themselves and the manner in which they are used on the tins of paint, quite apart from the national exposure through TV advertising that 'COMPARE THE MARKET' generated. Thus, as used by the applicant, the words 'CHALK PAINT' are used on the tin as shown in Annex 1 in a manner and position which, as I understand it from being a consumer myself, would be understood to be descriptive of, e.g. *colour* or *finish* or *type*. On the tin, it would inevitably be the words 'ANNIE SLOAN' that would primarily function, in my opinion, as a trade mark, within the overall configuration. Use on the tin of paint as shown by the applicant would, in my opinion, be inclined to be viewed as descriptive only.
- 44. At the hearing, much emphasis was placed on what was termed the 'primary' and factual evidence of the various stockists of the applicant's products, as regards the way in which the relevant consumer (i.e. their own customers), may have viewed the term 'CHALK PAINT'. The stockists, said Mr Edenborough, are not what has become something of a maligned term 'expert' witnesses, but *actual* witnesses of fact; they spoke for all regions of the UK and with one voice. In their opinion, their customers relied upon the designation 'CHALK PAINT' as a brand or trade mark and further, that belonging to Annie Sloan Interiors Ltd. In Mr Edenborough's submission, if I can paraphrase the argument, they regard 'CHALK PAINT' as a 'destination brand', purchased in 'destination shops'. This is due, once again, to the specialist nature of both the product and the user, such that 'word of mouth' advertising such as that found on e.g. Facebook, or in specialist publications, counts for much.
- 45. Ultimately however, it must be acknowledged the stockists have a commercial relationship with the applicant. The evidence is not, of course, necessarily dismissible as a result, but at the very least I am left with the inevitable question of the extent to which (if at all) those stockists can be inferred to speak on behalf of the relevant consumer. Significantly, the relevant consumer has not actually spoken at all in this case, whether collectively or individually, as may have been possible through the mechanism of a survey, for example.

- 46. As far as the stockists and distributors are concerned, in my opinion, their evidence might take the applicant as far as a *prima facie* action in passing off, but taken individually or collectively, it does not amount to being persuasive as far as acquired distinctiveness is concerned. The presence of 'goodwill' cannot amount to making a case of acquired distinctiveness. The differences between the two are, of course, well known and expressed in e.g. *Phones4U Ltd/Caudwell Holdings v Phone4U.co.uk Internet Ltd, Abdul Heykali and New World Communications (Southern Division) Ltd ('PHONES4U')* [2007] RPC 5 at paragraphs 25 and 26.
- 47. As the *PHONES4U* case states, goodwill can exist at a purely local level, but if acquired distinctiveness is relied upon to justify registration, the resulting right applies across the UK, having been acquired as a result of derogation from the public interest. For that reason no doubt, the case law requires that a *'significant proportion of relevant consumers'* across the UK have been educated to the fact the sign is, in fact, a trade mark.
- 48. This leads me inevitably to the question of determining the size of the relevant market within the UK for the goods contained within the revised specification. Mr Edenborough effectively finessed this question at the hearing, and was unable to provide a definite answer. Notwithstanding the fact that the applicant unconditionally revised the specification to reflect terms which, it was submitted, are recognised in the trade, Counsel was unable to say exactly how many of these 'recognisable' products are sold in the UK as a whole, and from which the market share held by the applicant could be determined. Being able to quantify market share is or can be, as I have already said and the authorities confirm, a significant measure in the overall assessment.
- 49. Instead, Mr Edenborough asked me to make inference from the Witness Statements of the stockists and the amount of tins of product they sell. Whilst I may be able to simply add up these figures from the Witness Statements, it is a pointless exercise without knowing who else, apart from these stockists, sells this type of paint. I cannot, then, guess what precise market share the applicant's product commands. Such revision and limitation in the specification would, notionally, have provided the applicant with a far better case in terms of the overall market share held; the market for these specific paints being presumably much smaller than for paints as a whole. But such a notional advantage is, in my view, effectively otiose if the overall market size is incapable of quantification with any degree of accuracy, as appears to be the case here.
- 50. This brings me to the question of the possible impact, in this case, of third party use. To go back to the 'COMPARE THE MARKET' case, Mr James's point there was that the presence of confusion amongst consumers of unfettered third party use would be the corollary of distinctive use (as a guarantee of origin) by the proprietor. But there is simply no evidence whatsoever of any such *confusion* in this case, despite there being third party use. It appears to me that in such circumstances, where obvious and parallel third party use is taking place; any probative evidence of confusion could well have assisted the applicant in this case.
- 51. I should record, for the sake of completeness and balance that I regarded Mr Edenborough to be on much stronger ground in relation to other submissions. Specifically, I

think an over reliance on 'traditional' advertising figures potentially ignores the very real changing nature of advertising which, these days, includes social media such as YouTube and Facebook, to which he, rightly, drew attention. Further, there is no doubt that the applicant's stockists cover the whole of the UK. Mr Edenborough also mentioned exposure of the product on TV (though not a national TV advertising campaign) and in a national magazine, 'PERIOD LIVING'. However, in light of my assessment of the rest of the evidence, I am unable to conclude that the case for acquired distinctiveness is made out, having regard to the evidence as a whole.

- 52. Overall, the impression I am left with from the evidence is that the applicant is, without doubt, a prominent authority in the field, and someone whose products are very highly regarded. The applicant may have even been the first to use the term 'CHALK PAINT' and/or be the largest or best known producer. Being the first or most senior user may, in certain circumstances, give it an advantage in a passing off action, but does not make the case for acquired distinctiveness.
- 53. For the reasons given, the evidence as a whole falls short of making the case for acquired distinctiveness and the application is thus refused.

#### Conclusion

54. In this decision, I have considered all the papers filed and submissions made. For the reasons given above, the application is refused under section 3(1)(b) and (c) in relation to all goods intended for protection under the mark.

Dated this 4th day of July 2014

Edward Smith
For the Registrar
The Comptroller General

# **ANNEX 1**



19/11/2012 17:51 id:351525

#### **ANNEX 2**

http://www.auro.co.uk/auro-paint/auro-interior-wall-paint?page=shop.browse&category id=28



# http://www.autentico-chalk-paint.co.uk/



# http://www.susiewatsondesigns.co.uk/shop-by-product/Paint/Chalk-Paint.html

