

O-380-14

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NO 3005450
BY BETTERBATHROOMS UK LIMITED TO REGISTER THE SERIES OF TWO
TRADE MARKS**

BETTER BATHROOMS

AND

Better Bathrooms

**IN CLASS 35
AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 400768
BY IJM ENTERPRISES LIMITED**

BACKGROUND

1) On 30 January 2013, Betterbathrooms UK Limited (“the applicant”) applied under the Trade Marks Act 1994 (“the Act”) for registration of the marks “BETTER BATHROOMS” and “Better Bathrooms” in respect of the following services in Class 35:

Retail services, retail store services and electronic shopping retail services connected with the sale of bathroom products, sanitary apparatus, building materials and household goods; advertisements relating to bathroom products; advertisements relating to bathroom installation, repair and maintenance services; advertisements relating to radiators, taps and tiles; advisory services relating to bathroom products and services, radiators, taps and tiles; demonstration of bathroom products and services, radiators, taps and tiles; the bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a wholesale and/or retail outlet, or through a catalogue, or via a website, all connected with bathroom and plumbing fittings, supplies, products, articles and equipment.

2) On 24 May 2013, the application was published in the Trade Marks Journal and on 23 August 2013, IJM Enterprises Limited (“the opponent”) filed notice of opposition to the application. The grounds of opposition are that the application offends Sections 3(1)(b) and 3(1)(c) of the Act. It claims that the marks consist of words that are exclusively descriptive in respect of the services claimed.

3) The applicant subsequently filed a counterstatement denying the opponent’s claims. It submits that the words BETTER BATHROOMS are not commonly used in either general language or within the relevant industry and is therefore an unusual juxtaposition and a lexical invention. Further, and in the alternative, it submits that the marks have acquired distinctive character through use prior to the application date.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. Neither side asked to be heard but did file written submissions and I make my decision following a careful consideration of the papers.

Opponent’s Evidence

5) This takes the form of three witness statements, two by Mr James Sarjanston. It is not stated what his connection is with the opponent, however, the cover e-mail identifies him as Commercial and IP Partner with Law Cawthra Feather LLP, the opponent’s representatives in these proceedings. The third is by Mr Jonny Feinmesser, Chief Financial Officer of the opponent.

6) The main relevant points in this evidence are:

- Only the applicant’s logo mark (see page 4, below) is visible “above the fold”, ie visible without scrolling down the page, on its home page. Reference is made to the comments of Arnold J in *Interflora, Inc and another v Marks and*

Spencer plc and another [2013] EWHC 1291 (Ch), paragraphs 152 to 155 where he comments upon a study commissioned by Google which suggested that it was very common for web users browsing a website to only look “above the fold”;

- Despite the applicant’s claim that to obtain a registration for the applied for marks would not prevent third parties relying on protection afforded by Section 11 of the Act, this has not prevented the applicant from threatening legal proceedings against the opponent in respect of its use of the phrase “Better bathrooms for you” and “Get better bathrooms, showers...” on the Internet;
- Exhibit JS3 to Mr Sarjanston’s first witness statement includes the following extract showing the opening lines of two search results identifying the applicant’s website:

“www.BetterBathrooms.com - November Sale - up to 50% RRP

www.betterbathrooms.com/

Fantastic range of Better Bathrooms

Better Bathrooms has 341 followers on Google +”

Bathrooms from Better Bathrooms.com

www.betterbathrooms.com/

Betterbathrooms the UKs largest independent bathroom retailer, with nationwide delivery, you can buy online and choose your ideal bathroom suite”

Applicant’s Evidence

7) This takes the form a two witness statements by Mr Colin Stevens, founder and CEO of the applicant. The first witness statement, dated 18 March 2014, introduces the second witness statement, dated 12 August 2013, also by Mr Stevens, originally filed in support of the contested mark and other associated marks during their examination procedures and specifically with the aim of demonstrating that all these marks had acquired distinctive character through use. This second witness statement contained a request for confidentiality, but I note that by letter of 25 October 2013 to the Registry’s examiner dealing with the examination of the application, Mr Stevens confirmed that the applicant is prepared for the witness statement and corresponding exhibits to be placed on the public file.

8) The second witness statement is accompanied by a high volume of exhibits. I will not detail all of these but rather, I will summarise the main points that come out of the evidence:

- The applicant company was incorporated in 2003 and is one of the UK’s leading “multi-channel” bathroom retailers selling both branded and own-branded goods;

- The applicant operates its retail business over the Internet from the domain www.betterbathrooms.com and three showrooms in Manchester, Warrington and Wigan. The homepage of its website is provided at Exhibit 77. It includes the following titles: “Better Bathrooms Wins the Big One!” and “Bathrooms From Better Bathrooms”. Earlier versions of the homepage, obtained from the Waybackmachine Internet archive (Exhibit 78), also shows similar use. Images of the showrooms are provided at Exhibit 75. The branding visible is that of the logo mark shown below (“the logo mark”) and/or the website address www.betterbathrooms.com:



- Turnover of the business grew year on year from a little over £100,000 in 2004 to over £31 million for the year April 2012 to March 2013 (the relevant date in these proceedings is the filing date of the applied for mark, namely 30 January 2013);
- The UK bathroom product market (in 2010) was in the region of £750 million (see Bathroom Market Report from an unknown source at Exhibit 1);
- Mr Steven’s provides turnover figures from what he considers are the other main businesses active in the online bathroom retail market. In 2012, at least, the applicant’s turnover was greater than that of Victoria Plumb Limited, Plumbworld Limited and Luxury for Less Limited (t/a Bath Empire). Only Bathstore.com Limited had a larger turnover (being in the region of three times that of the applicant’s turnover). These figures were obtained from independent sources (see Exhibit 2);
- The applicant’s business was ranked at number 33 on the *Sunday Times* Fast Track 100, an index of fastest-growing companies in the UK;
- Advertising and P.R. spend has consistently risen from a little over £43,000 in 2005 to over £4.5 million in the year ending 31 March 2013;
- Advertising has been conducted through local newspapers, the radio station “Wish FM”, online media such as *Google*, *AOL Online* and *Facebook*, TV advertising, magazines and many other outlets. P.R. activities have been conducted through national press and magazine advertisements and customer competitions. Spend on these activities amounted to about £620,000 between January 2011 and June 2013;

- Specific promotional activities included:
 - Advertisements in the UK's twelve home magazines, including *Ideal Home* and *Real Homes*, between May 2011 and February 2013. Mr Stevens states that collectively these magazines have over 250,000 subscribers and an estimated average readership of nearly 4.5 million. (based on data received from the magazines' publishers. Example advertisements that appeared in these magazines are provided at Exhibits 12 to 19. In each case the applicant is identified by the website address or the logo mark;
 - Advertising regularly in the Granada region on the television channel *ITV1* and nationally on the channel *ITV1 HD* since December 2010, often at peak viewing times including alongside evening broadcasts of *Coronation Street*, *Emmerdale* and *ITV News*. A list of promotions advertised and the time and date broadcast in provided at Exhibit 21, including nineteen during the period December 2010 to January 2013. Exhibit 22 consists of copies of a number of these television adverts. The applicant's web address and logo marks are visible on screen but the voiceover refers to the applicant as "Better Bathrooms" once in each advert, in such phrases as: "At better bathrooms, we have Internet prices in store", "Relax in style with the new collection from Better Bathrooms" and "Its the Better Bathrooms 10/11/12 year annual sale". Viewing figures that originated from The Broadcasters' Audience Research Board (or "BARB") are provided at Exhibit 24. The period shown begins in May 2012. Between then and the relevant date of 30 January 2013, 180 adverts are listed with viewing figures (referred to as "eyeballs") ranging between 63,000 and 1250,000, but mainly in the range of 100,000 to 600,000. Mr Stevens has calculated that this equates to an average of nearly 10 million "eyeballs" per month;
 - Pay-per-click advertising to increase traffic to its website. Figures provided show that between 2008 and 2012, its "pay-per-click" advertisements were displayed over 880,000 times and was clicked on nearly 490,000 times (including nearly 115,000 displays following searches for "BetterBathrooms" that led to the advert being clicked on over 56,000 times). An example of an advert that is displayed more prominently over "non-paid for" results is provided at Exhibit 25 and shown below:

Ads related to [betterbathrooms](#) 

BetterBathrooms.com - BetterBathrooms™

www.betterbathrooms.com/Sale ▼

★★★★ 3,739 reviews for betterbathrooms.com

Our Biggest Ever Sale Now On! Order Online For UpTo 60% Off RRP

Better Bathrooms has 291 followers on Google+

Bathroom Suites From £82.95

Toilets From £51.95

Bathroom Furniture

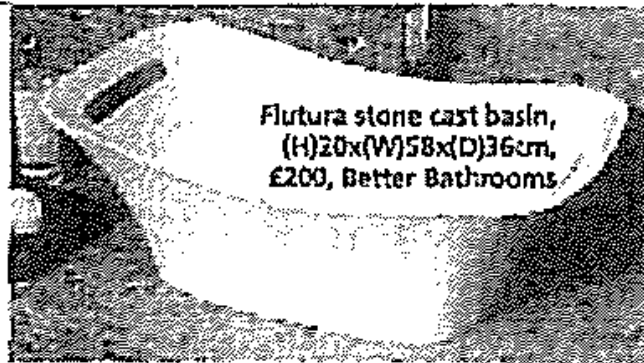
Taps from £20.95

Shower Enclosures

Massive Summer Savings

- Mr Stevens provides figures illustrating the applicant's investment in pay-per-click advertising that rose from less than £400,000 in 2008 to over £2.7 million in 2012 that resulted in 6.37 million clicks and this converted to about 42,100 customers who went on to place an order;
- Mr Stevens explains that the applicant obtained 81 keyword variations of the marks "BetterBathrooms" and "Better Bathrooms" as part of what he describes as the "BetterBathrooms keyword campaign". He states that the average cost per click in respect of these keywords was much less than for generic terms such as "bathrooms", "baths" and "tiles". He suggests that many businesses purchase such generic keywords thus pushing up their price and the competition for clicks, but that by contrast a significant proportion of customers search for the applicant using keywords "Better Bathrooms" and "BetterBathrooms";
- The applicant has received a number of awards and industry recognition, including being ranked in the Sunday Times' Fast Track 100 table that ranks the fastest growing UK private companies (the Supplement to the paper, dated 2 December 2012 is provided at Exhibit 33). Mr Stevens was also awarded The Growing Business Awards, Entrepreneur of the Year in 2012;
- The applicant regularly produces customer catalogues, available to customers in both hard copy and electronic format. Extracts from its catalogues up to August 2013 are provided at Exhibit 37. This consists of nearly 600 pages and, despite Mr Stevens stating that these catalogues "are branded "Better Bathrooms", they actually show the applicant as being consistently identified either by the logo mark or by the website address www.betterbathrooms.com. There are no instances of the separate words "better bathrooms";
- At Exhibit 38, Mr Stevens provides examples of press coverage for the "Better Bathrooms" brand since August 2006. The term "Better Bathrooms" appears throughout in ways such as:
 - "Better Bathrooms to create 500 new jobs across the UK" (page 1);
 - "Of course for our customers this will allow Better Bathrooms to continue with their motto of better prices, better service, better bathrooms" (Page 3);
 - "Better Bathrooms have extended their bathroom furniture selection, ..." (Page 5);
 - "In the latest instalment of our Behind the Business series, we talk to Colin Stephens, founder and leader of award-winning company Better Bathrooms" (Page 14);
 - "Better Bathrooms was founded in 2001 Colin Stephens ... began selling taps on eBay..." (Page 28);
 - "Colin Stevens, founder and MD of Warrington based company Better Bathrooms, ..." (Page 47);

- “Better Bathrooms’ expansion plans get £10m backing” and “The northern-based Better Bathrooms chain is planning UK-wide expansion...” (Page 57);
 - “Better Bathrooms has scooped two big prizes at the Warrington Business Awards...” (Page 84);
 - “Walk-in glass shower screen from Better Bathrooms” (Page 89);
 - “If you are looking for bathroom ideas Better Bathrooms have a fantastic range to choose from” (Page 107).
- At Exhibits 39, 40 and 41, Mr Stevens provides several hundred pages consisting of extracts from magazines such as *Real Homes*, *House Beautiful*, *Park & Holiday Homes*, *Home Building Renovating*, *Utopia Kitchen & Bathroom*, *Sunday Mirror* supplement entitled *Homes & Holidays*, *Good Homes*, *Exchanged*, *Affinity*, *Homes & Interiors Scotland*, *Woman*, *Ideal Home* and others. These are all dated from December 2010 or later. Typical use shown is represented below, with an extract from *Real Homes* magazine, dated January 2012 (and shown on Page 5 of the exhibit):



▲ On-trend detailing

Better Bathrooms has introduced a contemporary new collection of six solid surface cast stone basins with a glossy white finish. Drawing on traditional lines, the Flutura basin, with its unusual carrying handle detailing, weighs eight kilograms and does not feature a tap hole.

- Further and numerous other examples are provided at Exhibits 42 to 57 where Mr Stevens provides internal monthly reports showing editorial coverage (including copies of the relevant periodical pages) between February 2012 and May 2013. Much of the use shown is consistent with the type of use illustrated above;
- Mr Stevens states that customers refer to the applicant as “Better Bathrooms”. He provides the following evidence to support this:
 - Exhibit 61: Extracts from the website www.reviewcentre.com showing examples of consumer reviews. Mr Stevens states that at the time of writing, Better Bathrooms had received 350 reviews. Three of the six

reviews exhibited do refer to “Better Bathrooms”, whilst the other three refer to “betterbathrooms.com”;

- Exhibit 62: Extracts from the website www.trustpilot.com. Four of the examples provided illustrate consumers happy with the service provided, referring to the applicant as “Better Bathrooms”;
- Exhibit 63: e-mails from customers to the applicant. Three refer to it as “Better Bathrooms”, but one of these is dated after the relevant date;
- To support his statement that the applicant refers to itself as “Better Bathrooms”, at Exhibit 65 Mr Stevens provides copies of numerous e-mails to customers sent over a period of about 8 years from 2005. All these e-mails are headed “Better Bathrooms Confirmation of Order”;
- Exhibit 68 illustrates how the applicant’s branding appears on its transportation trucks and Exhibit 71 illustrates the livery that appears upon its home delivery trucks. Both illustrate that the logo mark and website address. The applied for mark appears as part of the strap line “Better Prices ... Better Service ... Better Bathrooms ...” that appears below the logo mark. A representative photograph from Exhibit 68 is shown below:



- Exhibit 70, consists of packaging allegedly showing “Better Bathrooms” appearing but actually shows the logo mark and/or the applicant’s website address;

DECISION

The Law

9) The relevant parts of Section 3(1) of the Act are as follows:

3. - (1) The following shall not be registered –

(a) [...]

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) [...]

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

Section 3(1)(c)

10) The opponent's case rests upon its claim that the applicant's mark consists exclusively of words that are descriptive in respect of the services claimed. Consequently, I shall begin by considering its case based upon Section 3(1)(c) and whether the mark designates a characteristic of the services. The general principles that must be kept in mind have conveniently been summarised by the Court of Justice of the European Union ("the CJEU") in *Agencja Wydawnicza Technopol sp. z o.o. v OHIM* - [2011] ETMR 34:

"36. In examining that argument, due account must be taken of the objective pursued by art.7(1)(c) of Regulation 40/94 . Each of the grounds for refusal listed in art.7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) (C-456/01 P & C-457/01 P)* [2004] E.C.R. I-5089; [2004] E.T.M.R. 87 at [45], and *Lego Juris A/S v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) (C-48/09 P)* [2010] E.T.M.R. 63 at [43]).

37 The general interest underlying art.7(1)(c) of Regulation 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *Wrigley* [2004] E.T.M.R. 9 at [31] and the case law cited).

38 With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of art.7(1)(c) of Regulation 40/94 , it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*Wrigley* [2004] E.T.M.R. 9 at [32]; *Campina Melkunie* [2004] E.T.M.R. 58 at [38]; and the order of February 5, 2010 in *Mergel v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) (C-80/09 P)* , not yet reported, para.37).

39 By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know

the number of competitors who have an interest, or who might have an interest, in using the sign in question (Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v Boots- und Segelzubehör Walter Huber (C-108/97 & C-109/97) [1999] E.C.R. I-2779; [1999] E.T.M.R. 585 at [35], and Koninklijke KPN Nederland NV v Benelux-Merkenbureau (C-363/99) [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [58]). It is, furthermore, irrelevant whether there are other, more usual, signs than *693 that at issue for designating the same characteristics of the goods or services referred to in the application for registration (Koninklijke KPN Nederland [2004] E.T.M.R. 57 at [57]).

40 It follows from the foregoing that the application of art.7(1)(c) of Regulation 40/94 does not require the sign at issue to be the usual means of designation. Paragraph 37 of Procter & Gamble [2002] E.T.M.R. 3 , which is relied upon by Technopol and which uses the terms “no different from the usual way of designating the relevant goods or services or their characteristics”, cannot therefore be understood as defining a condition for refusing to register a sign as a Community trade mark. “

11) The opponent’s arguments are that:

- the words BETTER BATHROOMS are the “most commonly used way of describing one trader’s goods/services as being better, or superior, than those of another.”;
- the mark “does not comprise an unusual juxtaposition of the constituent words. Nor is it a lexical invention.”;
- it is the most obvious language to use to promote one trader’s bathrooms as being better than another’s;
- as a matter of public policy, retailers, wholesalers, advertisers and providers of professional and advisory services relating the bathroom products should be free to describe bathroom products as being better than those of their competitors;
- the relevant public would regard the mark as being a description of the products sold, advertised or otherwise dealt as being better than those of its competitors.

12) On the other hand, the applicant submits that:

- the application is only in respect of services and not goods, and the mark is not descriptive of the services applied for;
- the term BETTER BATHROOMS is not used commonly in either general language or within the relevant industry and is therefore an unusual juxtaposition and a lexical invention;

- whilst the mark may be allusive, it does not describe the kind, quality and/or other characteristics of the services applied for;
- contrary to the guidance expressed in *Doublemint* that there must be a reasonable likelihood of the mark serving a descriptive purpose in the ordinary course of trade, the applicant's use of the mark will be understood by consumers to be an indication of trade origin.

13) To assist in an understanding of the descriptive nature, or otherwise, I note that the individual words that make up the applicant's mark mean as follows:

BETTER: *adjective* 1. more desirable, satisfactory, or effective... ¹

BATHROOM: *noun* a room containing a bath or shower and typically also a washbasin and a toilet.

- a set of matching units to be fitted in a bathroom, especially as sold together: ²

14) Taking account of the dictionary definition of these words, the applicant's mark will be understood, by the relevant class of persons, as describing either rooms containing a bath or shower or, more likely in a commercial context, sets of matching bathroom units that are more desirable, satisfactory or effective than others. The word BETTER will function, in the normal way, as an adjective applying to the pluralised form of the word BATHROOM. The applicant argues that it is not descriptive in respect to the services claimed, but rather only allusive. I do not agree. Whilst the mark is also descriptive of goods, it will also function in a descriptive manner to indicate to the relevant class of persons that the services claimed are in respect of bathroom goods that are better than the competition, or in respect of services that provide better bathrooms relative to competitors. In this respect, the mark describes the commercial field, and the claimed quality relative to its competitors, of the retail, advertising, advisory and demonstration services.

15) In light of this finding, the mark BETTER BATHROOMS consists of words that traders may legitimately wish to use with both traders and average consumers perceiving the words as designating the quality and nature of the goods that the services relate to. The mark is, *prima facie*, open to objection under Section 3(1)(c) in respect of all the services claimed.

Section 3(1)(b)

16) Anna Carboni, sitting as the Appointed Person in O-363-09 *COMBI STEAM Trade Mark*, conveniently summarised the leading case law in respect of this part of the Act:

¹ "better." *Oxford Dictionary of English*. Ed. Stevenson, Angus. : Oxford University Press, 2010. *Oxford Reference*. 2010. Date Accessed 15 Jul. 2014 <http://www.oxfordreference.com/view/10.1093/acref/9780199571123.001.0001/m_en_gb0074570>.

² "bathroom." *Oxford Dictionary of English*. Ed. Stevenson, Angus. : Oxford University Press, 2010. *Oxford Reference*. 2010. Date Accessed 15 Jul. 2014 <http://www.oxfordreference.com/view/10.1093/acref/9780199571123.001.0001/m_en_gb0064910>.

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 RICHLIY”)* 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 *BioID AG v OHIM* [2005] ECR I-7975 (ECJ) at [27].

17) It is clear from the above guidance that if a mark is entirely descriptive of characteristics of goods or services, it will also be devoid of any distinctive character

under section 3(1)(b). Consequently, as I have found that, in respect of the applicant's services, the mark in question is open to objection under Section 3(1)(c) of the Act, it follows that it is also open to objection under Section 3(1)(b) of the Act.

18) In summary therefore, I find that the mark BETTER BATHROOMS is *prima facie* non-distinctive in respect of all the services covered by the application.

Acquired distinctiveness

19) Having found that the applicant's mark is both non-distinctive and descriptive of the services claimed is not the end of the matter because the applicant claims, in the alternative, that its mark has acquired distinctive character by virtue of the use made of it prior to the application date. As it correctly points out in its written submissions, the proviso to Section 3(1) makes it clear that an offending mark can acquire distinctive character as a result of use made of it prior to the application date.

20) In considering this issue, I am mindful of the guidance of the CJEU in *Windsurfing Chiemsee Produktions- und Vertriebs GmbH v Boots- und Segelzubehör Walter Huber & Franz Attenberger* ("Windsurfing"), C-108/97. Whilst it relates to geographical marks, it has a general application relevant to this case. It relates to Article 3(3) of the Council Directive to approximate the laws of the Member States relating to trade marks. This article is enacted in the proviso to Section 3(1) of the Act in the UK. The court stated:

44. The first point to note is that Article 3(3) of the Directive provides that a sign may, through use, acquire a distinctive character which it initially lacked and thus be registered as a trade mark. It is therefore through the use made of it that the sign acquires the distinctive character which is a prerequisite for its registration.

45. Article 3(3) therefore constitutes a major exception to the rule laid down in Articles 3(1)(b), (c) and (d), whereby registration is to be refused in relation to trade marks which are devoid of any distinctive character, descriptive marks, and marks which consist exclusively of indications which have become customary in the current language or in the bona fide and established practices of the trade.

46. Secondly, just as distinctive character is one of the general conditions for registering a trade mark under Article 3(1)(b), distinctive character acquired through use means that the mark must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings.

47. It follows that a geographical name may be registered as a trade mark if, following the use which has been made of it, it has come to identify the product in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product from goods of other undertakings. Where that is the case, the geographical designation has gained a new significance and its connotation, no longer purely descriptive, justifies its registration as a trade mark.

48. Windsurfing Chiemsee and the Commission are therefore right to assert that Article 3(3) does not permit any differentiation as regards distinctiveness by reference to the perceived importance of keeping the geographical name available for use by other undertakings.

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 geographical name in question. Indeed, where a geographical name is very well known, it can acquire distinctive character under Article 3(3) of the Directive only if there has been long-standing and intensive use of the mark by the undertaking applying for registration. A fortiori, where a name is already familiar as an indication of geographical origin in relation to a certain category of goods, an undertaking applying for registration of the name in respect of goods in that category must show that the use of the mark — both long-standing and intensive — is particularly well established.

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 Gut Springenheide and Tusky [1998] ECR I-4657, paragraph 37).

21) The opponent submits that:

- the applicant “does not get anywhere near the standard for [its mark] to be shown to have acquired distinctiveness”. It identifies the “relevant standard” as being that a significant proportion of the relevant class of persons identified the applicant’s mark as originating from a particular undertaking;
- The Advocate General in his opinion in the Windsurfing case commented that “...at least 50% of the relevant commercial public recognising the Mark as a Trade Mark is an appropriate limit, below which the Trade Mark cannot be said to have become established in the market”;
- The Court commented, in *British Sugar Corp plc v James Robertson & Sons Limited* [1996] RPC 281, at 302, that “In the case of common or apt descriptive or laudatory words compelling evidence is needed to establish this and in particular mere evidence of extensive use is unlikely to be enough on its own. ... it must be shown ... that the Mark has really become accepted by a substantial majority of persons as a Trade Mark – is or is almost a household word”;
- The applicant has attempted to rely on its rights in the words “Better Bathrooms” to prevent the opponent from using the phrases “Better bathrooms for you” and “Get better bathrooms, showers ...”;
- The majority of the applicant’s use is in the form of its “logo mark” and is the only mark used “above the fold” where a study has shown is the only place that web browsers look;
- It is clear from the evidence that the applicant refers to itself primarily by reference to its logo mark, its website address, or as the conjoined words “BetterBathrooms” and that most of the evidence relates to these marks;
- Insofar as the applicant’s evidence shows use of the contested mark, it is very limited and falls a long way short of establishing that a significant proportion of the relevant class of persons identify the applicant’s services as originating from it because of the use of the contested mark.

22) It is true that much of the applicant’s evidence relates to use in respect of its logo mark, and its website address of conjoined words “BetterBathrooms”. However, this in itself is not fatal to the applicant’s defence. The CJEU made the following comments in *Société des produits Nestlé SA v Mars UK Ltd*, Case C-353/03 when considering the question of whether the distinctive character of a mark can be acquired as a consequence of its use as part of, or in conjunction with, a registered mark:

“26 In regard to 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 (judgment in Philips, paragraph 64).

27 In order for the latter condition, which is at issue in the dispute in the main

proceedings, to be satisfied, the mark in respect of which registration is sought need not necessarily have been used independently.

28 In fact Article 3(3) of the directive contains no restriction in that regard, referring solely to the 'use which has been made' of the mark.

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.

30 Yet, such identification, and thus acquisition of distinctive character, may be as a result both of the use, as part of a registered trade mark, of a component thereof and of the use of a separate mark in conjunction with a registered trade mark. In both cases it is sufficient that, in consequence of such use, the relevant class of persons actually perceive the product or service, designated exclusively by the mark applied for, as originating from a given undertaking.

31 The matters capable of demonstrating that the mark has come to identify the product or service concerned must be assessed globally and, in the context of that assessment, the following items may be taken into consideration: 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 (judgment in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraphs 49 and 51).

32 In the final analysis, the reply to the question raised must be that the distinctive character of a mark referred to in Article 3(3) of the directive may be acquired in consequence of the use of that mark as part of or in conjunction with a registered trade mark.

23) The applicant's mark BETTER BATHROOMS appears as part of its logo mark and as part of its web address (that it widely uses as a mark to identify its services). Consequently, it is appropriate that I consider the impact of its use of these marks upon the issue of acquired distinctive character of the applied for marks. Firstly, the evidence demonstrates that the applicant has been trading since 2003, some ten years before the date in which this action has been brought and by the year ending 31 March 2013 (two months after the commencement date of these proceedings), it enjoyed a turnover of over £31 million. This equates to approximately 4% of the UK's bathroom product market that was in the region of £750 million in 2010. This use is clearly national in scope. In the same period, the applicant spent over £4.5 million on advertising and P.R.. Further, the applicant is the second largest online retailer of bathrooms in the UK.

24) It can be interpreted from such extensive use and its market position that at least a significant proportion of the relevant class of persons identify its online retail services as originating from a particular undertaking. Further, there is evidence that because of this use, the relevant class of persons will also recognise the marks “BETTER BATHROOMS” or “Better Bathrooms” as indicating the same undertaking. Whilst it is clear from the evidence that the applicant primarily identifies its services by reference to its logo mark or web address, there is also evidence that it also refers to itself as “Better Bathrooms”. In particular, I refer to the following:

- An example of the applicant’s pay-per-click advertisements is shown at Exhibit 25 and whilst it bears the title “BetterBathrooms.com - BetterBathrooms™” also contain the text “Better Bathrooms has 291 followers on Google+”
- Numerous e-mails from the applicant to its customers entitled “Better Bathrooms Confirmation of Order” (Exhibit 65);
- Recent and previous versions of the applicant’s home page contain titles such as “Better Bathrooms Wins the Big One!” and “Bathrooms From Better Bathrooms” (Exhibits 77 and 78);
- The applicant’s regional and national television and radio advertising identify its services aurally by reference to “Better Bathrooms”.

25) In addition to these examples there are also numerous examples in the evidence to illustrate that the applicant is presented by third parties by reference to the mark “Better Bathrooms”. In this respect, I refer to:

- Numerous references in magazines where the applicant is referred to as “Better Bathrooms” (see Mr Steven’s Exhibit 38, pages 89 and 107 and Exhibits 39 – 41, detailed earlier);
- Editorial coverage shown at Exhibits 42 to 57 of Mr Steven’s statement provide numerous examples of editorial coverage where the applicant is identified as “Better Bathrooms” when its products are promoted within articles;
- A total of seven online reviews by customers (Mr Steven’s Exhibits 61 and 62) of the applicant’s goods. Others are exhibited but these show customers referring to the applicant as “betterbathrooms.com”. At Exhibit 63, Mr Stevens also provides three e-mails from customers to the applicant where they refer to “Better Bathrooms”, but one of these is after the relevant date;

26) Taking all of the above into account together with the CJEU’s guidance that distinctiveness may be acquired in a consequence of the use of that mark as part of a registered trade mark, and of the requirements set out in *Windsurfing*, I conclude that there is sufficient evidence to demonstrate that at least a significant proportion of the relevant class of persons have been educated to recognise “Better Bathrooms” as a mark identifying a single undertaking as providing the services listed in the applicant’s specification.

OUTCOME

27) In light of my findings, the opposition fails in its entirety.

COSTS

28) The opposition having failed, the applicant is entitled to a contribution towards its costs. I take account that both sides filed evidence and written submissions, but that no hearing has taken place. I award costs on the following basis:

Considering Notice of Opposition and preparing counterstatement:	£300
Preparing and filing evidence & considering other side's evidence:	£1100
Written submissions in lieu of the hearing:	£450
TOTAL:	£1850

29) I order IJM Enterprises Limited to pay Betterbathrooms UK Limited the sum of £1850. 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 August 2014

**Mark Bryant
For the Registrar,
the Comptroller-General**