

**O-042-16**

**TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION NUMBER 3041119  
BY ASSOCIATED NEWSPAPERS LIMITED  
TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 36:**

**BETTER MARKETS MAKE A BETTER WORLD**

**TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION NUMBER 3041119  
BY KCG IP HOLDINGS LLC  
TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 36:**

**BETTER MARKETS MAKE A BETTER WORLD**

**Background**

1. On 3 July 2013, KCG IP Holdings LLC ('the applicant') applied to register the above mark for the following services:  
  
Class 36: Financial services, namely institutional sales and trading, execution services, principal trading, liquidity providing, market making, and operating a market for matching buy and sell orders.
2. On 7 March 2014, the Intellectual Property Office ('IPO') issued an examination report in response to the application. In that report, an objection was raised under section 3(1)(b) of the Trade Marks Act 1994 ('the Act'), on the basis that the sign is devoid of any distinctive character.
3. The examiner indicated that the sign was devoid of any distinctive character on the basis that it would be seen as a promotional statement. He considered that it merely suggests that by improving markets, one could improve the world.
4. On 6 May 2014, Brabners LLP ('the agent') submitted written arguments in support of the mark's alleged inherent distinctiveness, but the examiner was not persuaded that the objection should be waived. As a result of our maintenance of the objection, on 17 July 2014 the agent requested an *ex parte* hearing.
5. An *ex parte* hearing was duly held on 22 October 2014, where the applicant was represented by Mr Colin Bell. At the hearing, the objection under section 3(1)(b) was maintained, and a period of two months was granted to allow Mr Bell time to establish whether the applicant was able to provide evidence of acquired distinctiveness. On 9 December 2014, Mr Bell requested an extension of time due to the fact that the applicant was compiling evidence of acquired distinctiveness. An extension of time was duly granted until 24 February 2015.
6. On 4 March 2015, in view of the fact that evidence had *not* been filed and that no further submissions had been received, the application was refused. A form TM5 requesting a full statement of reasons for the Registrar's decision was then received on 7 April 2015. As a result, I am now required to set out the reasons for refusal. No formal evidence has been put before me for the purposes of demonstrating acquired distinctiveness. Therefore, I have only the *prima facie* case to consider.

## The applicant's case for registration

7. Prior to setting out the law in relation to section 3(1)(b) of the Act, I must emphasise that the following decision will set out my reasons for maintaining the objection by reviewing and assessing *the mark applied for*. Prior to refusal of the application, the arguments put forward in support of *prima facie* acceptance were those made in writing by the applicant's representative on 6 May 2014 and also those made orally at the *ex parte* hearing.
8. As part of Mr Bell's written correspondence, the following submissions were made:
  - Only the absence of 'any distinctiveness whatsoever' can constitute an impediment to registration; it is therefore essential to apply the more generous criterion that *any* distinctiveness, however slight, is sufficient to overcome the impediment to protection;
  - The average consumer of the specialist services are professionals who would pay a particular degree of attention; as the term is not in common parlance in the field of financial services, the relevant public would identify the term as an indication of origin;
  - The term would not be perceived as a promotional statement by consumers, but rather the sign would be perceived as a slogan, used as a trade mark, by a single entity. The fact that the sign is considered to be 'suggestive' does not impede registration;
  - The sign does not describe or indicate a characteristic of the services. It is not appropriate to apply to slogans criteria which are stricter than those applicable to other types of sign; a mark can be perceived by the relevant public both as a promotional formula and as an indication of the commercial origin of the goods or services. It is therefore clear that the laudatory connotations of the phrase do not prevent the sign from having distinctive character;
  - Virtually all results of a UK Google search for the phrase relate to the applicant; the results indicate that the term is not used by others in the UK and no third parties would be prejudiced by registration of the sign;
  - The applicant's mark has been accepted for registration by the United States Patent and Trademark Office (USPTO); for the avoidance of doubt the phrase is not considered to be descriptive or non-distinctive in the United States of America, which we understand to have the largest English-speaking population in the world;
  - There are a number of other marks on the register such as e.g. 2277588 'Fuelling a Better World' and 2228194 'Better Brains for Better Business', and the existence of these marks along with other Community Trade Marks (CTMs) demonstrate that the applicant's mark is far more distinctive, and that it does not describe the services of the applicant in the same way as the precedents.

9. At the hearing, Mr Bell reiterated the comments previously made in writing and also submitted that:
- The sign is ‘tongue in cheek’ and consumers would not perceive it as meaning that improved markets will improve the world;
  - Contrary to the examiner’s comments that the mark does not contain a sufficient level of ‘creative surprise’, the Court of Justice of the European Union (‘CJEU’) expressly stated in Case-298/08P *Audi AG v OHIM*, that slogans are not required to display ‘imaginativeness’ or even ‘conceptual tension’ which would ‘create surprise’ and so make a striking impression. In this respect, the examiner had misunderstood guidance provided by the CJEU;
  - The word ‘better’ has a number of meanings and is therefore vague and ambiguous. The sign is impenetrable; a play on words; has intrigue and surprise; is unexpected; and conveys a fanciful concept. The sign also possesses originality, resonance and natural rhythm which make it more than a mere advertising slogan;
  - The acceptance of similar marks demonstrates that the applicant’s mark should also be acceptable. Reference was made to examples presented in the Intellectual Property Office’s Trade Mark Examination Guide (also known as the ‘Trade Marks Work Manual), in particular the phrase ‘THE BEST WAY TO PREDICT THE FUTURE IS TO CREATE IT’ (for technology-related services in classes 35, 38 and 42), which is *not* considered to be a normal way of designating the services, nor a commonplace phrase and so is deemed to be acceptable. In Mr Bell’s submission, the same consideration should apply to the applicant’s mark; where it is equally plausible that a slogan is capable of being perceived as fanciful, then no objection should be raised.

## **The Law**

10. Section 3(1)(b) of the Act reads as follows:

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

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

*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.”*

## **The relevant legal principles - section 3(1)(b)**

11. The Court of Justice of the European Union (‘CJEU’, formerly ‘ECJ’) has repeatedly emphasised the need to interpret the grounds for refusal of registration listed in Article 3(1) and Article 7(1), the equivalent provision in Council Regulation 40/94 of 20 December 1993 on the Community Trade Mark, in light of the general interest

underlying each of them (*Bio ID v OHIM*, C-37/03P paragraph 59 and the case law cited there and *Celltech R&D Ltd v OHIM*, C-273/05P).

12. 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 provision referred to above) the Court has held that "...*the public interest... is, manifestly, indissociable from the essential function of a trade mark*", *SAT.1 SatellitenFernsehen GmbH v OHIM*, C-329/02P. 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 judgement). Marks which are devoid of any distinctive character are incapable of fulfilling that essential function. Section 3(1)(c), on the other hand, pursues an aim which reflects the public interest in ensuring that descriptive signs or indications may be freely used by all (*Wm Wrigley Jr v OHIM*, 'Doublemint', C-191/OP, paragraph 31).
13. The question then arises as to how distinctiveness is assessed under section 3(1)(b). Paragraph 34 of the CJEU Case C-363/99 *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* ('Postkantoor') reads as follows:

*"A trade mark's distinctiveness within the meaning of Article 3(1)(b) of the Directive must be assessed, first, by reference to those goods or services and, second, by reference to the perception of the relevant public, which consists of average consumers of the goods or services in question, who are reasonably well informed and reasonably observant and circumspect (see inter alia Joined Cases C-53/01 to C-55/01 Linde and Others 5 [2003] ECR I-3161, para 41, and Case C-104/01 Libertel [2003] ECR I-3793, paras 46 and 75)."*
14. So the question of a mark being devoid of distinctive character is answered by reference to the goods and services applied for, and the perception of the average consumer in relation to those goods or services.
15. Given the submission by Mr Bell concerning a 'minimum level' of distinctiveness in this case, it is worthwhile noting that there is no obligation on my part to rule on the possible dividing line between the concept of lack of distinctiveness and minimum distinctiveness when assessing the registrability of a sign under section 3(1)(b) - see, for example, CJEU Case C-104/00P *Deutsche Krankenversicherung AG V OHIM* ('Companyline') [2002] ECR I-7561 at Para 20. The examiner simply asserts lack of distinctiveness and that is the question to be determined.
16. It is also a well established principle these days that the Registrar's role in examination will involve a full and stringent examination of the facts, underling the Registrar's frontline role in preventing the granting of undue monopolies, see, to that effect, CJEU Case C-51/10 P, *Agencja Wydawnicza Technopol sp. z o.o. v. OHIM* [2011] ECR I-1541.

17. In applying these principles to this case, it is nonetheless important I am convinced that the objection applies to *all* the goods and services applied for. If there are goods or services specified which are free of objection under section 3(1)(b), then they must be allowed to proceed. In CJEU case C-239/05 *BVBA Management, Training en Consultancy v Benelux-Merkenbureau*, the question being referred to the Court was whether the Directive, on which the Act is based of course, must be interpreted as meaning that the competent authority is required to state its conclusion separately for each of the individual goods and services specified in the application. The Court answered, and in paragraph 38 said that the competent authority was required to assess the application by reference to individual goods and services. However, where the same ground of refusal is given for a category or group of goods or services, the competent authority may use only general reasoning for all the goods and services concerned. It is plain from this judgment that the Court had in mind purely practical considerations which had to be balanced against a legal provision in the Trade Marks Directive which allowed refusal only in relation to goods and services where objection applied. Put simply, the proper functioning of the trade mark registration system at large had to be safeguarded which, if any relevant authority was compelled to give reasons for refusal against each individual item of goods and services, would very quickly grind to a halt.

#### **Application of legal principles – section 3(1)(b)**

18. In relation to identifying the relevant consumer, the services applied for are 'Financial services, namely institutional sales and trading, execution services, principal trading, liquidity providing, market making, and operating a market for matching buy and sell orders.' With regard to these services, they would incorporate activities relating to the buying and selling of securities or other financial instruments; the completing of buy or sell orders for securities, and also services of a financial broker relating to the purchase and sale of securities. As such, it is reasonable to assume that these services will be used by professionals in the financial sector. I also consider that the services could be directed to the general public who may wish to utilise services of a financial broker for e.g. personal investment. In the selection of such services, I agree with Mr Bell that the level of attention paid will be high.

19. One must also be aware that the test is one of immediacy or first impression, as confirmed by the European Court of First Instance (now the General Court) which, in its decision on *Sykes Enterprises v OHIM* (2002 ECT II-5179 *Real People Real Solutions*), stated the following:

*"...a sign which fulfils functions other than that of a trade mark is only distinctive for the purposes of Article 7(1)(b) of Regulation No 40/94 if it may be perceived immediately as an indication of the commercial origin of the goods or services in question, so as to enable the relevant public to distinguish, without any possibility of confusion, the goods or services of the owner of the mark from those of a different commercial origin."*

20. It has been asserted in the original examination report that the sign is a 'promotional statement'. I prefer not to state, conclude or infer the sign is inevitably a 'slogan' *per se*;

this is especially difficult in an *ex parte* analysis based only on inherent characteristics and thus devoid of context. Regardless then, as to whether a sign may be categorised as a 'slogan', still-relevant case law such as e.g. CJEU Case C-398/08P *Audi AG v OHIM (Vorsprung Durch Technik)* at paragraph 47 says that semantic characteristics such as "*having a number of meanings*", "*being a play on words*", or being perceived of as "*imaginative, surprising and unexpected*", such that the sign in which they reside can be easily remembered, are, as a rule, likely to endow it with distinctive character. Admittedly, as Mr Bell submitted (see second bullet point of paragraph 9 above), the CJEU nonetheless notes that such characteristics are not essential pre-requisites for a finding of distinctive character.

21. However, in this case, it is most unlikely those qualities will be apparent to the average consumer. Rather, when considered in relation to the services claimed in the application, I believe that the average consumer will perceive the sign as nothing more than a readily comprehensible, non-distinctive sign. In respect of 'financial services', I consider that the term 'better markets' would be perceived as meaning improved financial markets. The term 'better world' would be understood as meaning an improved world, but the word 'world' is a versatile term. It can be used in various nuances of meaning, and it is a term often used in advertising. However, in relation to the services applied for, I consider that it would be understood as meaning the 'financial world'. When combining the terms 'better markets' and 'better world' within the mark 'BETTER MARKETS MAKE A BETTER WORLD', there is nothing in the sign which could lead to the conclusion that the sign is distinctive. When considered as a whole, I believe that it would be understood as a non-distinctive sign informing consumers that the undertaking (i.e. the applicant, or the 'user' of the sign) aims to provide better financial markets, which ultimately offers consumers greater opportunities and prospects.
22. I have also considered the basic alliteration and rhythmic structure within the mark, but find it to be simplistic and glib, and so it does not imbue the sign with any distinctive character.
23. As also required, I have considered whether the objection properly applies to all the services claimed. In my view, the sign is especially apt in relation to the services which are all connected with financial markets. When considered in relation to such services, the phrase is readily and meaningfully understood.
24. Finally, I need to deal with the question of the other acceptances by the Registrar which Mr Bell says are 'on a par' with the application-in-suit. I have looked at the earlier cases he has mentioned, and am of the view that none can be said to suggest the bar has been set too high on this case. That is to say, the presence of the repetition of the word 'better' and also marks containing the term 'better world' alongside distinctive matter in various other registered marks cannot be said to be even remotely comparable with the totality of the sign in front of me.
25. Nor have I been swayed by reference to the USPTO's acceptance of the same mark and the earlier CTM precedents. Notwithstanding Council Directive 89/104/EEC, the Registrar is not bound by the decisions of other national offices, as confirmed by the

CJEU in its judgement on *Henkel KGaA v Deustches Patent und Markenamt* (C-218/01) where it was stated that:

*“The fact that an identical trade mark has been registered in one Member State for identical goods or services may be taken into consideration by the competent authority of another Member State among all the circumstances which that authority must take into account in assessing the distinctive character of a trade mark, but it is not decisive regarding the latter’s decision to grant or refuse registration of a trade mark.*

*On the other hand, the fact that a trade mark has been registered in a Member State for certain goods or services can have no bearing on the examination by the competent trade mark registration authority of another Member State of the distinctive character of a similar trade mark application for registration of a similar mark for goods or services similar to those for which the first mark was registered.”*

I should point out that the decisions of the CJEU on points of law are, of course, binding in the UK.

26. Having considered all factors, I maintain that the phrase would be perceived as nothing more than a non-distinctive purely promotional sign, which merely highlights positive qualities about the applicant’s services. I therefore have no hesitation in refusing the application.

### **Conclusion**

27. 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) in relation to all services.

**Dated this 18 day of January 2016**

**Bridget Rees  
For the Registrar  
The Comptroller-General**