

O/579/17

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NUMBER 3225166
BY CHECKYOURPAY LTD
TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 35:**

CHECKYOURPAY

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NO 3225166
BY CHECKYOURPAY LTD
TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 35:**

CHECKYOURPAY

Background

1. On 15 April 2017, CHECKYOURPAY LTD ('the applicant') applied to register the above mark for the following services:

Class 35: Payroll advisory services.

2. On 24 April 2017, the Intellectual Property Office ('IPO') issued an examination report in response to the application. In that report, an objection was raised under sections 3(1)(b) and (c) of the Trade Marks Act 1994 ('the Act'), on the basis that the mark consists exclusively of a sign which may serve in trade to designate the intended purpose of the services. By way of an example, the examiner referred to payroll advisory services which are specifically designed to 'check your pay' in order to confirm that correct payments and/or adjustments have been made.
3. The examiner also stated that, given the expression intended for protection clearly describes the services being offered, it is not capable of identifying the services of a single undertaking. The examiner noted that the expression consisted of conjoined words, but did not consider this to add any inherent distinctiveness to the mark. In line with standard IPO procedure, a period of two months was allowed for the applicant to respond.
4. On 26 April 2017, Mr Michael Boyle (signatory on the application form) telephoned the office and spoke to a trade mark examiner (although not the examiner responsible for issuing the examination report). During that conversation, Mr Boyle asked if he could amend the trade mark to include the suffix '.co.uk', but was informed that substantive amendments could not be made once an application had been submitted. Mr Boyle was also advised that the addition of this particular element was unlikely to add any distinctiveness to the mark, and would instead merely serve to indicate that the services were provided via a website. The examiner discussed the option of requesting an *ex parte* hearing with Mr Boyle, and he was also directed to information published on the IPO website which addresses the submission of evidence in support of a claim to acquired distinctiveness.
5. The applicant made no further submissions, and so on 10 July 2017 the application was refused under section 37(4) of the Act. A Form TM5 requesting a full statement of reasons for Registrar's decision was then received on 18 July 2017. As a result, I am now required to set out the reasons for refusal. No evidence of use has been put before me for the purpose of demonstrating acquired distinctiveness. Therefore, I have only the *prima facie* case to consider.

The Law

6. Section 3(1) of the Act reads 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.

The relevant legal principles - section 3(1)(c)

7. There are a number of judgments of the Court of Justice of the European Union ('CJEU') which deal with the scope of Article 3(1)(c) of the Directive and Article 7(1)(c) of the Regulation, whose provisions correspond to section 3(1)(c) of the UK Act. I derive the following main guiding principles from the cases noted below:

- Subject to any claim in relation to acquired distinctive character, signs and indications which may serve in trade to designate the characteristics of goods or services are deemed incapable of fulfilling the indication of origin function of a trade mark (*Wm Wrigley Jr & Company v OHIM, C-191/01P (Doublemint)*, paragraph 30);
- Article 7(1)(c) (section 3(1)(c)) pursues an aim which is in the public interest that descriptive signs or indications may be freely used by all (*Doublemint*, paragraph 31);
- It is not necessary that such a sign be in use at the time of application in a way that is descriptive of the goods or services in question; it is sufficient that it could be used for such purposes (*Doublemint*, paragraph 32);
- It is irrelevant whether there are other, more usual signs or indications designating the same characteristics of the goods or services. The word 'exclusively' in paragraph (c) is not to be interpreted as meaning that the sign or indication should be the only way of designating the characteristic(s) in question (*Koninklijke KPN Nederland NV v Benelux Merkenbureau, C-363/99 (Postkantoor)*, paragraph 57);
- When determining whether a sign is devoid of distinctive character or is descriptive of the goods or services in respect of which registration is sought, it is necessary to take into account the perception of the relevant consumer who is reasonably well-informed and reasonably observant and circumspect (*Matratzen Concord AG v Hukla Germany SA, C-421/04*)

- There must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the relevant consumer immediately to perceive, without further thought, a description of the category of goods and services in question or one of their characteristics (*Ford Motor Co v OHIM, T-67/07*)
 - A sign which fulfils functions other than that of a trade mark is only distinctive if it may be perceived immediately and on first impression as an indication of the commercial origin of the goods or services, so as to enable the relevant consumer to distinguish, without any possibility of confusion, the goods and services of the owner of the mark from those of a different commercial origin (*Sykes Enterprises v OHIM (Real People Real Solutions) [2002]. ECT 11-5179*).
8. The services intended for protection under the mark are listed as being 'payroll advisory services', which are proper to class 35. In the course of determining the exact nature of services/activities provided by the applicant within the scope of this term, I have taken into consideration the following definition provided in Collins English Dictionary:

payroll *noun* a list of a company's employees and the amount of money they are to be paid: there are just three employees on the payroll; the total amount of wages paid by a company: small employers with a payroll of less than £45,000.

A company's 'payroll' would include the name of each employee, as well as details of their salary. It could also include information on employees' hourly rate of pay; any applicable allowances; the number of hours worked per week/month; payment dates; statutory sick payments; holiday payments; and pension contributions. It would also include the total amount of wages paid by the company.

9. I am aware that it is a criminal offence for employers to pay less than the National Minimum Wage (NMW) or the National Living Wage (NLW), meaning that businesses have an obligation to ensure they make the correct payments to their employees. At the same time, it is important that employees are aware of the payments they receive, so that they can ensure they are being fairly paid. With both employers and employees having sound reasons for checking payrolls and payments, it is reasonable to assume that providers would offer payroll advisory to both employers and employees. It is also reasonable to assume that the term 'Payroll advisory services' could encompass the provision of a broad range of payroll and pay information, including such information as listed at paragraph 8 above. Such services could also be provided in-person, or via remote means such as through the Internet or telephone.
10. In relation to identifying the relevant consumer, I have already stated that the term 'Payroll advisory services' refers, in my view, to activities which can be directed at both employer and employee. In respect of the former, the relevant consumer could be a professional within the payroll, human resources, finance and/or general administrative sector. And in respect of the latter, the relevant consumer would be anyone in employment who may utilise such services to seek advice about personal pay issues. Given the legal obligations on employers, and the obvious importance of salary payment to an employee, it is reasonable to believe that the consumers' attention levels when utilising such services would be reasonably high.

11. Having considered the type of activities encompassed within the classification, identified the relevant consumer, and established the likely level of attention, I must now determine how the average consumer will perceive the mark when used in respect of the services claimed. The individual words included in the sign 'CHECKYOURPAY' are defined in the Oxford Dictionary as:

check *verb* examine (something) in order to determine its accuracy, quality, or condition, or to detect the presence of something; verify or establish to one's satisfaction; verify the accuracy of something by comparing it with (something else); look at, take notice of.

your *possessive determiner* belonging to or associated with the person or people that the speaker is addressing; belonging to or associated with any person in general.

pay *noun* the money paid to someone for regular work: an entitlement to sickness pay.

In my opinion, when viewed in the *prima facie* case, the sign 'CHECKYOURPAY' used in respect of payroll advisory services would be understood as a reference to that product's ability to check, cross reference, or verify a salary payment. By doing so, the sign would be perceived as nothing more than a readily comprehensible sign designating the services' *intended purpose*. From the perspective of the employer, the sign indicates that the product enables one to check salary payment amounts being allocated to employees. And from the perspective of the employee, it indicates that one can check that the correct amount of salary has been received via reference to the advisory service. Indeed, on encountering the sign for the first time, the consumer would expect that the service in respect of which it is used enables him/her to check their pay.

12. It is also my view that conjoining the three words does not add any inherent distinctiveness to the mark. The conjoined presentation would be perceived as nothing more than a minor (and inherently non-distinctive) presentational variation on the more conventionally-presented phrase 'check your pay'.
13. In considering the relationship between the services claimed ('payroll advisory services'), and the sign itself ('CHECKYOURPAY'), the dictionary definition provided at paragraph 8 above confirms that a 'payroll' is a list of the company's employees and the amount of money they are paid (their pay). It is therefore my view that there is a direct and specific correlation between the terms 'payroll' and 'pay' which, in turn, influences the extent to which the relevant consumer also identifies a direct relationship between the expression 'CHECKYOURPAY' and payroll advisory services. The relevant consumer will immediately perceive the mark, without further thought, as being a description of the intended purpose of those services i.e. payroll advisory services that enable you to check your pay.
14. I have considered the mark in relation to the services applied for and, consequently, I conclude that it consists exclusively of a sign which may serve in trade to designate the

intended purpose of the services. It is, therefore, excluded from registration by section 3(1)(c) of the Act.

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

15. The application has been refused under sections 3(1)(b) and 3(1)(c). Any mark found to be unacceptable under section 3(1)(c) will, by inference, also be devoid of any distinctive character, and will therefore also attract an objection under 3(1)(b). In view of the fact that I maintained that the sign 'CHECKYOURPAY' may serve in trade to designate the intended purpose of the services, that effectively concludes this decision. However, in case I am found to be wrong, I will go on to consider the mark under section 3(1)(b) independently. I approach this ground of objection on the basis of the following principles derived from the CJEU cases referred to below:
- An objection under section 3(1)(b) operates independently of objections under section 3(1)(c) (*Linde AG (and others) v Deutsches Patent-und Markenamt*, Joined Cases C-53/01 to C-55/01, paragraphs 67 to 68);
 - For a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
 - A word mark which is descriptive of characteristics of goods or services for the purposes of Article 3(1)(c) of the Directive is, on that account, necessarily devoid of any distinctive character with regard to the same goods or services within the meaning of Article 3(1)(b) of the Directive. A mark may nonetheless be devoid of any distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive (*Postkantoor* paragraph 86);
 - A trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought, and by reference to the relevant public's perception of that mark (*Libertel Group BV v Benelux Merkenbureau*, Case C-104/01, paragraphs 72-77);
 - The relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).
16. The perception of a sign as a distinctive trade mark must be one of immediacy and first impression. 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. (*Sykes Enterprises v OHIM* (2002 ECT II-5179 *Real People Real Solutions*).

17. When considering the mark in relation to the services claimed in the application, I believe that the average consumer will perceive the mark as nothing more than a readily comprehensible, non-distinctive sign which serves as an invitation to check one's pay. Used in the context of services directly related to pay and payrolls, it would be perceived as a non-distinctive exhortation urging consumers to utilise the applicant's services in order to *inter alia* check their own pay, establish if payments meet legal requirements in terms of the National Minimum Wage and/or National Living Wage, and/or to ensure compliance with relevant tax laws. It is my view that conjoining the words does not add any inherent distinctiveness to the mark. The conjoined presentation would be perceived as nothing more than a minor (and inherently non-distinctive) presentational variation on the phrase 'check your pay'.
18. It is my view that the sign is not capable of performing the function of a trade mark without the relevant consumer being educated to the fact. Consumers will not consider the sign to belong to a particular provider of payroll advisory services, but rather as one which could be used by any provider of services which enable users to check their pay. The mark is devoid of any distinctive character and is, therefore, excluded from registration by section 3(1)(b) of the Act.

Conclusion

19. For the reasons given above, I consider the sign to be descriptive of the intended purpose of the services pursuant to section 3(1)(c) and, by inference, also devoid of any distinctive character. In the event of it not being descriptive, I have also presented my reasons as to why the sign is objectionable under section 3(1)(b) in its own right. For the reasons given above, the application is therefore refused under the terms of section 37(4) of the Act because it fails to qualify under sections 3(1)(b) and 3(1)(c).

Dated this 20th day of November 2017

**Helen Davies
For The Registrar
The Comptroller-General**