## **TRADE MARKS ACT 1994**

# IN THE MATTER OF APPLICATION NO 3187914 BY CROWN BRANDS LIMITED TO REGISTER THE TRADE MARK



**IN CLASS 2** 

AND

THE OPPOSITION THERETO UNDER NO 408712
BY AKZO NOBEL COATINGS INTERNATIONAL B.V.

### **Background and pleadings**

1. On 27 September 2016, Crown Brands Limited ("the applicant") applied for the mark shown below for "Paints, varnishes, lacquers; paint additives in the nature of tinting colours; preservatives against rust and against deterioration of wood; distempers; colorants; mordants", in Class 2:



- 2. The application was published for opposition purposes on 9 December 2016. Akzo Nobel Coatings International B.V. ("the opponent") opposes the application, claiming that it offends sections 3(1)(b) and (c) and 3(3)(b) of the Trade Marks Act 1994 ("the Act").
- 3. The claims are expressed as follows:
  - 3(1)(b): "The mark consists solely of the words ANY COLOUR ANY FINISH in plain capitalised font, along with a burst/splash of colours emanating from the first letter 'O', depicting the full spectrum of colours discernible by the human eye (i.e. "the colours of the rainbow"), all on a plain black background. The colour burst comprises merely a visual manifestation of the words ANY COLOUR. The mark, when used/registered in relation to the products (broadly speaking, 'paints') covered by the Application in Class 2, does not

have the capacity to identify these goods as coming from a single entity or trade source. The mark applied for serves to indicate to consumers the characteristics and/or quality of the goods covered by the Application, namely that they are paints etc. available in any colour and in any finish (e.g. matt; gloss; etc). As the Application is entirely descriptive, it follows that it cannot be held to have the sufficient level of distinctive character to be registrable under Section 3(1)(b)."

- 3(1)(c): "As noted above, the mark comprising the Application is descriptive of the characteristics, kind, quality and/or intended purpose of the goods covered by the Application. The mark ANY COLOUR ANY FINISH (with minimal visual stylisation which merely comprises a visual representation of the main verbal elements of the mark) would be interpreted by the average consumer as an indication of a characteristic and/or the kind and/or quality and/or intended purpose of the goods, namely that the paint products etc. covered by the Application are available in any colour and any finish."
- 3(3)(b): "To the extent that such goods are not available in any colour and in any finish, the Application is misleading as to the nature and quality of those goods."
- 4. The applicant filed a counterstatement in which it denies the claims made by the opponent.
- 5. Both parties filed evidence. The matter came to be heard on 9 March 2018, by video conference. The opponent was represented by Mr Matthew Dick, of D Young & Co LLP, its trade mark attorneys. The applicant was represented by Mr Michael Edenborough QC, of Counsel, instructed by Harrison IP Limited.

#### **Evidence**

6. The opponent's evidence comes from its trade mark attorney, Mr Dick, and from Mr Robert Spruitenberg, the opponent's IP Counsel.

- 7. Mr Dick's witness statement is dated 29 August 2017. Mr Dick's exhibits (MJD1 to MJD6) comprise copies of the examination and *ex officio* hearings reports, and the letter from the Intellectual Property Office, accepting the application for publication, following the waiving of the examiner's objection under section 3(1)(b) and (c) of the Act. None of this is relevant for the purposes of this decision. The registrar is not bound, during an opposition (raised under section 38(2) of the Act), by a decision made *ex officio* (whether that was to object to the application or to accept it). The proceedings are now *inter partes* (see the decision of Mr Simon Thorley QC, sitting as the Appointed Person in *Adrenalin*, BL O/440/99, paragraphs 6 to 11).
- 8. Mr Spruitenburg's first witness statement is dated 28 August 2017. Mr Spruitenburg states that he has been the opponent's IP Counsel since 1 September 2015 and that he has had to develop an understanding of the technical aspects of the goods, plus an understanding of how the opponent and its competitors market and sell the goods. Mr Spruitenburg states that paint mixing technology has developed to the extent that customers are able to buy paint which has been mixed to match colours from any source (he gives the examples of an umbrella or a book cover). He states that this is a key selling point. The alternative is to select colours from colour cards or colour books, for mixing. Exhibit RN1 comprises examples of what Mr Spruitenburg describes as paint manufacturers offering such a colour mixing service:



# Create your perfect colour

Our state-of-the-art colour matching technology allows us to mix 2.2 million colours - as many shades as the eye can see - for you to take home today.

Simply bring in a sample of the colour you want (this can be anything, a picture, an object, whatever you like), and watch the magic happen!

In B&Q stores we also have 2000 pre-selected colours to choose from. You can pick up colour swatches of each of these colours to take home with you.

Getting the perfect colour in the right paint couldn't be easier...

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- 9. Mr Spruitenburg states that it is not currently possible to sell paints in any colour as well as any finish because certain colours are not achievable without there being a noticeable visual difference between the original colour and the colour-mixed product (owing to variables such as the durability of dyes). To illustrate the point, Mr Spruitenburg has included a print from the applicant's website (Exhibit RN3) which says "We can match virtually any colour exactly, in a finish of your choice, to give you a truly personal service."
- 10. The applicant's evidence comes from Colin Brigden, the applicant's Group Legal Counsel. Mr Brigden's witness statement is dated 24 October 2017. He states that the mark has been used commercially since January 2017, which is after the relevant date (27 September 2016). Apart from submissions rebutting the section 3(3)(b) claim, which it is unnecessary to summarise, Mr Brigden exhibits a copy of a photograph taken in Bunnings Warehouse, Milton Keynes, on 13 September 2017, showing the applicant's mark in use (Exhibit CB1). Mr Bridgen states that the mark is used in close conjunction with a colour wall of 680 colours appearing immediately below the mark. He says "I would contend that the manner of usage makes clear to

even the more careless or incautious consumer that "ANY COLOUR ANY FINISH" relates to any of the 680 colours appearing immediately below":



11. Mr Spruitenburg's second witness statement is dated 20 December 2017. It serves to adduce two photographs of the applicant's mark in use in two Bunnings Warehouse stores, which are intended to be clearer examples than the applicant provided. One is shown below, taken in Bunnings in St. Alban's, on 3 November 2017:



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#### Decision

### Section 3(3)(b) of the Act

- 12. Section 3(3)(b) of the Act states:
  - "3.— (3) A trade mark shall not be registered if it is-
    - (a) ...
    - (b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service)."
- 13. At the commencement of the evidence rounds, the opponent made a request for permission from the Tribunal to file expert evidence to support its claim, under section 3(3)(b), that the mark is deceptive because it is technically impossible for the goods to exist in any colour and any finish. At a case management conference held on 4 August 2017, I refused permission. The mark appears to contain a marketing claim. Average consumers are used to marketing claims without necessarily taking them literally. Even if, theoretically, the opponent were to show that in reality not all of the goods can be produced in every colour and/or finish, an expert cannot decide what the reaction of the average consumer would be. That is for me to decide.
- 14. Professor Philip Johnson, sitting as the Appointed Person in *TWG TEA COMPANY v MARIAGE FRÈRES SA* ('the Tea Marks') provided a summary of the law relating to section 3(3)(b) and the equivalent provisions in EU law:
  - (a) it is necessary to establish that the mark will create actual deceit or a sufficiently serious risk that the consumer will be deceived: C-87/97 *Consorzio per la tutela del formaggio Gorgonzola*, ECLI:EU:C:1999:115, paragraph 41; C-259/04 *Emanuel*, ECLI:EU:C:2006:215, paragraph 47; C-689/15 *W.F. Gözze Frottierweberei*, EU:C:2017:434, paragraph 54;

- (b) the deception must arise from the use of the mark itself (i.e. the use per se will deceive the consumer): *Gorgonzola*, paragraph 43; *Emanuel*, paragraph 49; *Gözze Frottierweberei*, paragraph 55;
- (c) the assessment of whether a mark is deceptive should be made at the date of filing or priority date and so cannot be remedied by subsequent corrective statements: *Axle Associates v Gloucestershire Old Spots Pig Breeder's Club* [2010] ETMR 12, paragraph 25 and 26;
- (d) the deception must have some material effect on consumer behaviour: *CFA Institute's Application* [2007] ETMR 76, paragraph 40;
- (e) where the use of a mark, in particular a collective mark, suggests certain quality requirements apply to goods sold under the mark, the failure to meet such requirements does not make use of the mark deceptive: *Gözze Frottierweberei*, paragraphs 57 and 58;
- (f) Only where the targeted consumer is made to believe that the goods and services possess certain characteristics which they do not in fact possess will the consumer be deceived by the trade mark: T-248/05 *HUP Uslugi Polska v OHIM*, ECLI:EU:T:2008:396, paragraph 65;
- (g) Where a mark does not convey a sufficiently specific and clear message concerning the protected goods and services or their characteristics but, at the very most, hints at them, there can be no deception in relation to those goods and services: *HUP*, paragraph 67 and 68; T-327/16 *Aldi v EUIPO* ECLI:EU:T:2017:439, paragraph 51;
- (h) Once the existence of actual deceit, or a sufficiently serious risk that the consumer will be deceived, has been established, it becomes irrelevant that the mark applied for might also be perceived in a way that is not misleading: T-29/16 *Caffè Nero Group v EUIPO*, ECLI:EU:T:2016:635, paragraph 48;

(i) Where a trade mark contains information which is likely to deceive the public it is unable to perform its function of indicating the origin of goods: T-41/05 SIMS — École de ski internationale v OHIM, EU:T:2991:200, paragraph 50; Caffè Nero, paragraph 47.

15. For section 3(3)(b) to bite, the mark itself must create actual deceit or a sufficiently serious risk that the average consumer will be deceived, and the economic behaviour of the average consumer will be materially affected. The relevant public, which is the general public, is wise enough to understand that the mark is not making any direct form of promise, but is, instead, fairly typical marketing hyperbole: shorthand for "a very wide range of colours in a very wide range of finishes". There is no real (as opposed to a purely theoretical) risk of deception or risk that the economic behaviour of the average consumer will be affected.

16. The ground of opposition under section 3(3)(b) fails.

# Section 3(1)(b) of the Act

17. Section 3(1)(b) states:

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

(a) .....

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

(c) ....

(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."

- 18. In *Flying Scotsman* O-313-11, Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person, observed:
  - "19. Since there is no obligation to rule on the possible dividing line between the concept of lack of distinctiveness and that of minimum distinctiveness when assessing the registerability of a sign under Section 3(1)(b), see Case C-104/00 P Deutsche Krankenversicherung AG v OHIM (COMPANYLINE) [2002] ECR I-7561 at paragraph [20], it is not necessary to dwell on the question of how far Section 3(1)(b) may go in preventing registration beyond the scope of Section 3(1)(c). It is sufficient to observe that a sign may be:
  - (1) distinctive for the purposes of Section 3(1)(b), with the result that it cannot be regarded as descriptive for the purposes of Section 3(1)(c) and must be unobjectionable on both bases; or
  - (2) neither distinctive for the purposes of Section 3(1)(b), nor descriptive for the purposes of Section 3(1)(c), with the result that it must be objectionable on the former but not the latter basis; or
  - (3) descriptive for the purposes of Section 3(1)(c), with the result that it cannot be regarded as distinctive for the purposes of Section 3(1)(b) and must be objectionable on both bases.

These considerations point to the overall importance of establishing that a sign is free of objection under Section 3(1)(b)."

19. The principles to be applied under article 7(1)(b) of the CTM Regulation (which is now article 7(1)(b) of the EUTM Regulation, and is identical to article 3(1)(b) of the Trade Marks Directive and s.3(1)(b) of the Act) were conveniently summarised by the Court of Justice of the European Union ("CJEU") in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P), as follows:

"29...... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the

purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel* v *OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it 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 those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck* v *OHIM*, paragraph 25; *Henkel* v *OHIM*, paragraph 35; and *Eurohypo* v *OHIM*, paragraph 67)."

20. I have found, above, that the average consumer will perceive the words in the mark as marketing hyperbole, and that it will be understood as shorthand for "a very wide range of colours in a very wide range of finishes". Whilst there is no requirement for slogan<sup>1</sup> marks to be creative to be distinctive and that they can identify trade origin in addition to a promotional function (see *Audi AG v OHIM*, Case C-398/08 P, the CJEU), the fact that a slogan may be 'snappy' does not automatically mean that it is distinctive. Marks which consist of, or contain promotional statements (slogans), are often formulated elliptically<sup>2</sup>, but the descriptive message conveyed is not necessarily disguised by the ellipsis. In *Real* 

<sup>2</sup> Dorel Juvenile Group, Inc v OHIM, T-88/06: "40 Advertising slogans are often written in a simplified form, in such a way as to make them more concise and snappier."

<sup>&</sup>lt;sup>1</sup> I note that the applicant has characterised the words in the mark as a slogan (applicant's skeleton argument, paragraph 3).

People, Real Solutions<sup>3</sup>, the General Court dismissed the applicant's argument that the mark did not constitute a complete statement, since the mark conveyed an immediately comprehensible meaning ("pragmatic solutions devised by and for real people"). In LIGHT & SPACE<sup>4</sup>, the General Court upheld the Board of Appeal's view that "the combination of the words 'light' and 'space' stressed the clear relationship between light and space and that, since the message conveyed by that expression vis-à-vis goods covered by the mark applied for is one to which the relevant public is accustomed, the consumer would be led to understand that 'the goods in question<sup>5</sup> help to reflect the light around the interior spaces making them appear more spacious and therefore comfortable." The Court stated:

"...the fact that, for the purposes of stating the reasons for its decision, the Board of Appeal uses additional words or concepts in order to clarify the content of the expression LIGHT & SPACE does not mean that the message contained is not immediately understandable by the relevant public".

21. In BL O/342/10, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, considered an application for WE CREATE SPACE, in relation to storage services. He upheld the Registrar's refusal of the application under section 3(1)(b):

"The expression does not cease to be a statement about the activities of the service provider merely because the way in which space creation occurs – that is to say, the mechanism or the methodology of it - is not thereby explained in any detail. A terse explanation is none the less an explanation. There is, in the present case, no verbal manipulation or engineering of the kind which has in other cases been recognised as sufficient to turn explanatory phraseology into a sign possessed of a distinctive character. For these reasons, I determine that the appeal should be dismissed under Section 3(1)(b)."

<sup>&</sup>lt;sup>3</sup> Sykes Enterprises, Incorp v OHIM, T-130/01.

<sup>&</sup>lt;sup>4</sup> T-224/07

<sup>&</sup>lt;sup>5</sup> For paints and similar goods in class 2.

- 22. What do the words 'any colour any finish', in relation to the goods, convey to the average consumer? I think the message is clear without needing to add many words. The words will be understood as meaning the availability of the goods in a very wide range of colours and finishes. They are a statement about the goods, but will not be taken literally because the words form typical marketing hyperbole, or 'puff'. It does not make the words distinctive because it is not (yet) possible to produce the goods literally in any colour and any finish; the message is direct. In RheinfelsQuellen H. Hövelmann GmbH & Co. KG v OHIM, T-28/06, VOM URSPRUNG HER VOLLKOMMEN was refused for water and other drinks in class 32 on the grounds that it was devoid of any distinctive character and was descriptive of the quality of the goods. The mark means 'Perfect from Origin'. The applicant argued that it was technically impossible for the goods to be perfect, and that the mark was thus distinctive. The General Court stated that whether it had a technical meaning was irrelevant and that the phrase referred directly and clearly to the characteristics of the goods. The mark was objectionable under the equivalent EU provisions to sections 3(1)(b) and (c) of the Act.
- 23. In my view, the word element of the present mark is non-distinctive and is also descriptive of the goods. However, of course, the mark does not consist exclusively of the word element. It also contains a device. I must consider the impact of that and what overall impression the mark will have upon the average consumer, in relation to the goods.
- 24. In Starbucks (HK) Ltd v British Sky Broadcasting Group Plc [2013] F.S.R. 29, Arnold J. held that a descriptive word with a minor figurative embellishment was, as a whole, devoid of any distinctive character. The mark under consideration was:



#### 25. Arnold J found that:

"116. Taking all of the evidence into account, I conclude that the CTM is precluded from registration by art.7(1)(c) in relation to the services in issue

because NOW would be understood by the average consumer as a description of a characteristic of the service, namely the instant, immediate nature of the service. The figurative elements of the CTM do not affect this conclusion. In the alternative, if the inclusion of the figurative elements means that the CTM does not consist exclusively of the unregistrable word NOW, I consider that the CTM is devoid of distinctive character and thus unregistable by virtue of art.7(1)(b).

117. I would comment that it appears to me that PCCW only succeeded in obtaining registration of the CTM because it included figurative elements. Yet PCCW is seeking to enforce the CTM against signs which do not include the figurative elements or anything like them. That was an entirely foreseeable consequence of permitting registration of the CTM. Trade mark registries should be astute to this consequence of registering descriptive marks under the cover of a figurative figleaf of distinctiveness, and refuse registration of such marks in the first place."

26. Mr Dick, for the opponent, described the device in the application as a colour splash, denoting all the colours of the rainbow. In relation to paint, it is not difficult to see the concept of all the colours of the rainbow, in a sort of splashed effect, as correlating to a wide range of paint colours. The device reinforces the descriptive content of the words, and vice versa, in a similar way to the mark considered in the appeal<sup>6</sup> against the Registrar's refusal of the following mark, for detergents:



In that case, Mr Hobbs, sitting as the Appointed Person found:

"I do not think that the hearing officer was guilty of excision or dismemberment in his assessment of the present mark. Devices can be distinctive or nondistinctive, just like any other kind of sign. What matters are the perceptions

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<sup>6</sup> BL O/205/04

and recollections that the sign in question is likely to trigger in the mind of the average consumer of the goods concerned and whether they would be origin specific or origin neutral.

I think that the verbal elements of the mark I am considering speak loud and clear. It seems to me that the message they convey is origin neutral. The artistic presentation neatly and skilfully builds upon and reinforces the origin neutral message in a way that makes it even more effective than the words alone might have been for that purpose. I think that net result is a well-executed, artistically pleasing, origin neutral device."

27. Both parties have filed evidence of the applicant's mark in use. I reproduce here one example of that:



28. Since this is the way in which the applicant uses its mark, notionally and fairly, it must be considered to be paradigm use<sup>7</sup>. Looking at this use alone, it is unnecessary to get as far as deciding whether it is technically possible to produce the goods in every colour, or whether the average consumer will, or will not, view the

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<sup>&</sup>lt;sup>7</sup> Premier Brands v Typhoon [2000] ETMR 1071.

mark literally or as marketing hyperbole. Used in the manner shown above, it simply signifies that all the colours shown in the colour chart immediately below it are available, in any finish.

- 29. However, even without this paradigm use, I remain of the view that the mark, as a whole, is devoid of distinctive character for the goods. It will be seen as promotional hyperbole ("we have the widest range of colours and finishes"), but not as an indicator of trade origin which can be relied upon for a repeat purchase (or an avoidance).
- 30. There is one further point to consider, which is whether the mark is devoid of any distinctive character for all of the goods. Colour is clearly directly relevant to "paints, varnishes, lacquers; paint additives in the nature of tinting colours; distempers; colorants." I note that the General Court, in *LIGHT & SPACE*, stated:
  - "37 It is necessary to examine whether that ground of refusal can be applied to each of the goods in Class 2 covered by the application for trade mark registration. As regards, first, 'paints, varnishes, lacquers', the reasons stated by the Board of Appeal are particularly relevant to those goods, which are in fact likely to possess the properties lauded by the sign LIGHT & SPACE. In that regard, besides the fact that varnishes and lacquers can readily be regarded as goods similar to paints, they are also likely to perform the functions of paint, particularly because they also can contain colour and reflect light. The expression LIGHT & SPACE will accordingly be perceived in the same way vis-à-vis varnishes and lacquers.
  - As regards, next, 'driers including curing driers, thinners, colouring matters, all being additives for paints, varnishes or lacquers' those goods can be placed in the same category as paints, varnishes or lacquers, in so far as they are designed to be added to them. Consequently, it must be held that the reasons stated by the Board of Appeal are equally relevant to those goods. Similarly, there is no need to distinguish between 'priming preparations (in the nature of paints)' and ordinary paints, in so far as priming preparations

contribute to the effect created by the paint finally applied to the surface and are goods similar to paint.

39 As regards, lastly, preservatives against rust and against deterioration of wood, and wood stains, it must be pointed out that, although intended for specific purposes, it cannot be excluded that such goods and paints perform similar functions, in so far as they are also likely to contain colour. Such goods can therefore also contribute to reflecting light around interior spaces and to make them, as a result, more spacious. Since the description of those goods in the trade mark registration application does not exclude such a function and, in addition, those goods can be regarded as similar to paints, the reason stated, that the sign LIGHT & SPACE will be perceived by the public concerned as a promotional laudatory formula rather than as an indication of the commercial origin of those goods, must be considered to be equally applicable to them."

31. Taking the above reasoning into account, I take the view that the ground is made out for all of the goods of the application.

#### Outcome

32. The section 3(1)(b) ground of opposition succeeds. As no use has been filed of the mark which goes to the position prior to the date of application, there is no question of whether the mark has accrued any distinctive character through use. There is no need for me to go further and consider the ground under section 3(1)(c).

#### **Costs**

33. The opponent has been successful and is entitled to a contribution towards its costs. The opponent's evidence has made no difference to the outcome. Moreover, it could be said that Mr Spruitenburg's evidence was a veiled attempt to circumvent my refusal to accept expert evidence as to whether it was, or is, technically possible to obtain any colour in any finish. I, therefore, make no award for the opponent's evidence in chief. The amount awarded for considering the applicant's evidence is

below the scale minimum because the evidence was so brief. I make no award for the opponent's evidence in reply because it simply comprised clearer copies of the applicant's use, also shown by the applicant in its own evidence. The award breakdown is as follows:

Fee for notice of opposition (TM7) £200

Preparing the notice of opposition and

considering the counterstatement £200

Considering the applicant's evidence £50

Preparing for and attending a hearing £500

Total £950

34. I order to Crown Brands Limited to pay Akzo Nobel Coatings International B.V. the sum of £950 which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

Dated this 15<sup>th</sup> day of March 2018

Judi Pike For the Registrar, the Comptroller-General