

## O-499-20

**TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION NO 3482236  
BY CAPTINI LTD  
TO REGISTER THE FOLLOWING TRADE MARK IN CLASSES 42 AND 43.**

### **CONTACTLESS MENU**

#### **Background**

1. On 17 April 2020, Captini Ltd ('the applicant') applied to register the above trade mark for the following goods and services:

Class 42

Software as a service [SAAS] services; Software as a service (SaaS)

Class 43

Restaurant and bar services

2. On 29 April 2020, the Intellectual Property Office ('IPO') issued an examination report in response to the application. The examination report contained objections under sections 3(1)(b) and (c) of the Trade Marks Act 1994 ('the Act') as follows:

"The application is not acceptable in Classes 42 and 43. There is an objection under Section 3(1)(b) and (c) of the Act. This is because the mark consists exclusively of a sign which may serve in trade to designate the kind of the services e.g. software as a service and restaurant services that incorporate contactless actions in terms of menus.

'Contactless' is defined as relating to or involving technologies that allow a smart card, mobile phone etc to contact wirelessly to an electronic reader, typically in order to make a payment. The average consumer when greeted with the mark 'Contactless Menu' would perceive it as nothing more than an indication that the services applied for are that of software and restaurant services that allow a smart card, mobile phone etc to make a contactless transaction when ordering from a menu i.e. contactless menu."

3. The objection was raised on the basis that the mark consists exclusively of signs which may serve in trade to designate the type, kind or nature of the services, i.e. the services could be those which, in the words of the examiner 'allow a smart card, mobile phone etc to make a contactless transaction when ordering from a menu i.e. contactless menu'.
4. In my opinion, the Section 3(1)(b) objection is not independent of the objection under section 3(1)(c), and the finding of non-distinctiveness was the automatic consequence of the sign being considered to be descriptive. Thus, I will give no separate rationale

as regards the objection under section 3(1)( b) but instead, treat the two objections as co-extensive and based on the same rationale.

5. The applicant filed no response to the examination report within the specified period, which expired on 31 August 2020.
6. The absence of response to the examination report, of itself, gives rise to formal refusal under the terms of section 37(4) of The Trade Marks Act 1994. This was pointed out in the examination report. The application was therefore formally refused in accordance with the mandatory provisions of section 37(4) on 3 September 2020. This formal refusal allows the applicant to ask for a statement of reasons by filing a Form TM5 within a further specified period up to 5 October 2020, in order to enable the filing of a formal appeal.
7. On 1 October 2020, the applicant duly filed a Form TM5 and in the circumstances I shall deal with the substantive grounds for refusal highlighted by the examiner and not simply rely on the absence of a response by the applicant. In doing so, I am mindful there has been no written or oral debate with the applicant as to why it may disagree with the examiner on the substantive grounds, but in this case I am confident to say that the examiner's initial position is sufficient, in my opinion, to make out the objection without further deliberation or substantiation. I will now proceed to my reasons.

## Decision

8. The relevant parts of section 3 of the Act read 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."*

## The relevant legal principles - Section 3(1)(c)

9. There are a number of judgments from the CJEU (Court of Justice of the European Union) which deal with the scope of Article 3(1)(c) of First Council Directive 89/104 (recoded and replaced by Directive 2008/95/EC on 22 October 2008) and Article 7(1)(c) of the Community Trade Mark Regulation (the 'CTMR'), whose provisions correspond to section 3(1)(c) of the UK Act.
10. The main guiding principles which are relevant to this case are noted below:

- The words 'may serve in trade' include within their scope the possibility of future use even if, at the material date of application, the words or terms intended for protection are not in descriptive use in trade (see, to that effect, CJEU Cases C-108/97 and C-109/97 *Windsurfing Chiemsee Produktions und Vertriebs GmbH v Boots and Segelzubehor Walter Huber* and others);
- As well as the possibility of future use, the fact there is little or no current use of the sign at the date of application is also not determinative in the assessment. The words 'may serve in trade' are to be interpreted as meaning, 'could' the sign in question serve in trade to designate characteristics of the goods/services, see e.g. BL O/096/11 'Putter Scope', a decision of the Appointed Person at para 11;
- Article 7(1)(c) (section 3(1)(c)) pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all. The provision therefore prevents such signs or indications from being reserved to one undertaking alone because they have been registered as trade marks (see judgment of 4 May 1999 in Joined cases C-108/97 and C-109/97 *Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v Boots-und Segelzubehör Walter Huber and Franz Attenberger (Chiemsee)* [1999] ECR I-2779, at paragraph 25).
- It is also a well-established principle that the Registrar's role is to engage in a full and stringent examination of the facts, underlying 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 (*Technopol*).
- There must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of the goods and services in question or one of their characteristics - see CJEU Judgment C-468/01 P to C472/01 P *Procter & Gamble Company v OHIM* (Three-dimensional tablets for washing machines or dishwashers) at paragraph 39, and General Court Judgment T-222/02 *Robotunits* at paragraph 34.
- In light of all the foregoing, a sign's descriptiveness cannot be assessed other than by reference to the goods or services concerned, on the one hand, and by reference to the understanding which the relevant persons have of it, on the other (see judgment of 15 October 2003 in Case T-295/01 *Nordmilch eG v OHIM* ('*Oldenburger*') [2003] ECR - 4365, at paragraphs 27 to 34).

## Application of legal principles – Section 3(1)(c)

### The mark

11. Applying the above principles to this case, I must first identify who, given the services specified, would comprise the relevant consumer. Following that, whether that relevant consumer would have any characteristics which may pre-dispose them to perceiving trade marks in a manner which may be unique in some way.
12. As far as restaurant and bar services in Class 43 are concerned, I have no doubt the relevant consumer would be the general public. It is their likely perception of the mark, in normal and fair use, I must bear in mind. As far as the services in Class 42 are concerned, I would say that although the general public may on occasion use such services, it is more likely to be a business user that would access such services. Whilst the examiner provided no definition of 'software as a service' (SaaS), my general understanding would be that a business may access SaaS in order to support or perform its various functions. Typically, and in more modern times, this may be accessing 'cloud based' software under licence or subscription. In the case of a restaurant or bar, for example, SaaS may support a multitude of functions including those of an inventory, employee matters and perhaps for the purposes of a booking or reservation facility. Such software can then be tailored or customised to suit the business, updates will be instantly available and, being cloud based, the service will have certain advantages over an older model, usually called 'on premise', which would be more costly to support. This is not to say older models no longer exist but that cloud based technology is assuming more of a prominent role in the market place. There are various detailed and technical definitions available as to SaaS services but I do not intend to go into any depth at this point, firstly, the examiner did not amplify the term and I should be wary of adding further material to the grounds for refusal and more importantly, suffice it to say that nothing turns for me on those technical definitions as my overall outcome would be the same. So, in sum, my conclusion is that there are potentially different relevant consumers for the services in Classes 42 and 43 but that neither circumstance presents as being unique; both sets of consumers will be normally circumspect and perceive the mark in the same way, the one from an end user perspective (the restaurant customer), and the other from the perspective of being a feature of their business offering (the business software user).
13. As far as the mark is concerned, the examiner has provided a definition of the word 'contactless'. The definition is, "Contactless' is defined as relating to or involving technologies that allow a smart card, mobile phone etc to contact wirelessly to an electronic reader, typically in order to make a payment." No doubt other definitions could be found and it is the case that the examiner has not provided a reference as to the source of her definition. I do not see this as an obstacle in this case. The word 'contactless' is by now firmly fixed in the public's mind as, in particular but not necessarily exclusively, relating to the ability to perform a monetary transaction by card or phone which engages the transmission of data or signal to a receiver and does not involve either user in typing in e.g. PIN numbers or any other form of physical contact. Of course, in this case, the overall mark reads 'Contactless Menu' and so the word 'menu' takes the phrase away from a monetary transaction at the conclusion of a meal, for example, into the realm of choosing the food or drink from a menu or tariff. Because the context may be in the customer selection rather than payment does not vary the outcome in my opinion, especially in the current climate.

14. We now live in a global pandemic environment where being 'contactless' is seen as highly advantageous, if not entirely feasible or mandatory. I should say I would have come to the same overall conclusion even before the global pandemic but certainly the circumstances we are now in bring the need to do business which involves the minimum possible by way of any physical contact absolutely essential to prevent the spread of the virus which can reside on various surfaces for some time.
15. In the specific case of restaurants and bars in Class 43, I am aware from my own experience as a customer that many will not even provide physical paper or plastic based menus at the moment but will instead provide, for example, a QR code which can be read by the customer's smartphone and, in turn, direct them to a website where the menu can be perused. I do not know whether this is mandatory on the part of the restaurant or bar but it does not matter. To me, seeing the term 'contactless menu', in relation to the services of a restaurant or bar will give rise, in my opinion, to the view that access to the menu will, in some indeterminate way, be made 'contactless'. By which I mean that a physical paper, card or plastic based menu may not be available. The point here is that the likelihood of other people (including staff) having touched the menu is minimised and thus the risk of virus spread is mitigated. It is not relevant whether this is mandatory in terms of the business and neither is it relevant exactly how the contactless option or aim is achieved. What matters from the customer perspective is that the term is one which will be readily and immediately perceived as a feature (and advantage in this case) of the business offering; a characteristic for the purposes of section 3(1)(c) of the Act.
16. In terms of the SaaS services in Class 42, the same understanding of the words will apply. It is just that the understanding of the words will not be through the eyes of the restaurant customer but through the business deploying the relevant software to support a 'contactless menu', by whatever technical means the developer employs. This is still a 'designation of a characteristic' coming within the terms and ambit of section 3(1)(c). The business user would instruct the developer to provide a suite, 'stand alone or bolt on' for example, to support a 'contactless menu'. It is true the specification is not limited to the provision of SaaS to the restaurant or bar trade alone, but clearly it would include that trade within its ambit, for whom a 'contactless menu' would be clearly and immediately comprehended. Even outside that trade the word 'menu' has such wide application in the IT sphere that the meaning of the words 'contactless menu' would have clarity and recognition, sufficient to give concern as regards section 3(1)(c) of the Act. The applicant has, in any event, provided no limitation which may conceivably have avoided the objection in Class 42 and so I must consider the specification in its widest sense which inevitably have included those in the restaurant and bar trades.
17. Thus, although I have concluded that the relevant consumers for the purposes of the services of Class 42 and 43 may be different and that their respective perspectives as to the particular characteristic of the services being designated may be slightly nuanced, the outcome is the same for both. The restaurant or bar customer will regard the words as being a feature (even a desirable or advantageous one) of the means of doing business as an end user whilst the restaurant or bar business owner will want software that provides that feature for the end user.
18. Based on the above, I find the mark applied for will be viewed as a term which directly designates characteristics of the services applied for. In the prima facie, I find the mark to be excluded from registration for the goods and services applied for under section 3(1)(c) and (b) as a consequence of the finding under (c).

## **Conclusion**

19. In this decision, I have considered the objection issued by the examiner. Ordinarily, I would have also considered any and/or all submissions filed by the applicant and their arguments submitted therein. However, an alternative argument endorsing the acceptability of the mark was not provided by the applicant. It has therefore been found that the objection was correctly raised, and the application is hereby refused under Section 3(1)(c) and (b) for all of the services in Classes 42 and 43 respectively.

**Dated this 7th day of October 2020**

**Edward Smith**

For the registrar  
The Comptroller General