

IN THE MATTER OF APPLICATION NOS. 2364422 AND 2364423 IN THE
NAME OF SONY ERICSSON MOBILE COMMUNICATIONS AB

DECISION

Introduction

1. On 27 May 2004 Sony Ericsson Mobile Communications AB filed two applications to register series of marks in respect of the following goods and services:

Class 9:

Telecommunications apparatus and instruments; apparatus for broadcasting, recording, transmission or reproduction of sound or images; telephones; fax machines; display screens; electronic games; parts for telecommunications apparatus and instruments; batteries and chargers for telecommunications apparatus; headsets; earpieces; keyboards; remote monitoring, management and control apparatus and equipment; data processing apparatus; media for recording or reproduction of data, sound, images or signals; optical or magnetic apparatus and instruments; computers, computer terminals; software; media for data storage, including smart cards, memory chips and magnetic cards; apparatus for recording and reproducing on magnetic and optical discs; electronic organisers; multi-media terminals; electronic publications; cinematographic and photographic apparatus and instruments; printers.

Class 38:

Telecommunications and data communication services; advisory and consultancy services in relation to telecommunications; Internet, intranet and extranet network services; rental of apparatus and instruments in the field of communications; remote loading of video games, digital data and computer software; providing access to a computer network.

2. Application No. 2364422 was for registration of the following marks:

F500

F500a

F500i

F500c

3. Application No. 2364423 was for registration of the following marks:

F800

F800a

F800i

F800c

4. The examiner objected to both applications on the ground that the signs did not comprise a series of marks within section 41(2) of the Trade Marks Act 1994. Following a hearing Mr Robert Fowler acting for the Registrar maintained the objection for reasons given in two written decisions dated 12 October 2005 (O/275/05 and O276/05). The applicant now appeals.

The law

5. Section 41 of the 1994 Act provides in relevant part:

(1) Provision may be made by rules as to:

...

(c) the registration of a series of trade marks.

(2) A series of trade marks means a number of trade marks which resemble each other as to their material particulars and differ only as to matter of a non-distinctive character not substantially affecting the identity of the trade mark.

(3) Rules under this section may include provision as to-

- (a) the circumstances in which, and conditions subject to which, ... registration of a series is permitted...

6. Rule 21(1) of the Trade Marks Rules 2000 provides:

The proprietor of a series of trade marks may apply to the registrar on Form TM3 for their registration as a series in a single registration and there shall be included in such application a representation of each mark claimed to be in the series; and the registrar shall, if satisfied that the marks constitute a series, accept the application.

7. Section 41(2) was considered in depth by Professor Ruth Annand sitting as the Appointed Person in *Logica plc's Trade Mark Application* (O/068/03). At [2]-[4] she traced the history of this provision from its origin in section 66 of the Patents, Designs and Trade Marks Act 1883 through section 21(2) of the Trade Marks Act 1938. Section 41(2) is a “home grown” provision of the 1994 Act which does not derive from Council Directive 89/104/EC of 21 December 1998 to approximate the laws of the Member States relating to trade marks (“the Directive”) and has no counterpart in Council Regulation 40/94/EEC of 20 December 1993 on the Community trade mark (“the Regulation”). Professor Annand noted that the United Kingdom and Ireland appear to be the only EC Member States whose laws provide for the registration of a series of trade marks. As Professor Annand observed at [5]:

The Directive does not attempt a full-scale approximation of the trade mark laws of the Member States (recital 3, Preamble). But home grown provisions in the latter cannot be interpreted in a manner that is incompatible with, or defeats the intentions behind, the Directive’s substantive law framework.

8. At [6] Professor Annand pointed out that section 41(2) may be compared with section 46(2) of the 1994 Act, which implements Article 10(2)(a) of the Directive and which provides that:

... use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered....

9. At [7] Professor Annand pointed out that the phraseology “not substantially affecting the identity of the trade mark” in section 41(2) also appears (in the form “does not substantially affect the identity of the trade mark”) in sections 39(2) and 44(2) of the 1994 Act, which are closely modelled on Articles 44(2) and 48(2) of the Regulation.

10. At [38] Professor Annand stated:

I agree with Mr James that section 41(2) contains three conditions and not two but prefer to describe them according to their positive and negative aspects. First, on the positive side, section 41(2) requires the trade marks for which series registration is sought to resemble each other in their material particulars. Second and third, the negative aspects are that any difference in the trade marks must not comprise matter which when considered:

- (a) as a separate element of the trade mark, would be regarded as having distinctive character; and
- (b) in the context of the trade mark as a whole, substantially affects the identity of the trade mark.

11. Professor Annand went on in [39] to identify five factors which she considered supported this interpretation. First, it is inconsistent with the scheme of the 1994 Act and the Directive to accord section 41(2) a wider ambit than section 46(2)/Article 10(2) of the Directive/Article 15(2)(a) of the Regulation. Professor Annand cited case law which indicated that the latter provisions were of narrow scope, namely *BUD and BUDWEISER BUDBRAU Trade Marks* [2002] RPC 747 (Simon Thorley QC) and [2003] EWCA Civ 1534, [2003] RPC 25 (CA) and Case T-39/01 *Kabushiki Kaisha Fernandes v OHIM* [2002] ECR II-5233. The subsequent decision of the Court of First Instance in Case T-147/03 *Devinlec Développement Innovation Leclerc SA v OHIM* (12 January 2006) perhaps indicates a slightly more generous approach to Article 15(2)(a) of the Regulation, but in my judgment this does not detract from Professor Annand’s point with regard to section 41(2).

12. Secondly, the jurisprudence of the European Court of Justice establishes that, while it is permissible to have regard to the separate elements which comprise

a trade mark when assessing its distinctive character, what is important is how the average consumer perceives the mark as a whole. Professor Annand cited Case C-251/95 *Sabel BV v Puma AG* [1997] ECR I-6191. A subsequent decision which emphasises this point is Case C-329/02P *SAT.1 Satellitenfernshen GbmH v OHIM* [2004] ECR I-8317.

13. Thirdly, an application for a series of trade marks is treated as a single application and, if accepted, results in a single registration. A number of provisions of the 1994 Act refer to “a [or the] trade mark” in the singular, including the concluding words of section 41(2) itself. Professor Annand cited the statement of the ECJ in *Sieckmann v Deutsches Patent- und Markenamt* [2002] ECR I-11737 at [53] that

... in order to fulfil its role as a registered trade mark a sign must always be perceived unambiguously and in the same way so that the mark is guaranteed as an indication of origin.

The ECJ has subsequently reinforced this point in Case C-49/02 *Heidelberger Bauchemie GbmH* [2004] ECR I-6129:

27. The function of the requirement of graphic representation is in particular to define the mark itself in order to determine the precise subject of the protection afforded by the registered mark to its proprietor.
28. The entry of the mark in a public register has the aim of making it accessible to the competent authorities and to the public, particularly to economic operators.
29. On the one hand, the competent authorities must know with clarity and precision the nature of the signs of which a mark consists in order to be able to fulfil their obligations in relation to the prior examination of applications for registration and the publication and maintenance of an appropriate and precise register of trade marks.
30. On the other hand, economic operators must be able to acquaint themselves, with clarity and precision, with registrations or applications for registration made by their actual or potential competitors, and thus to obtain relevant information about the rights of third parties.

31. In those circumstances, in order to fulfil its role as a registered trade mark, a sign must always be perceived unambiguously and uniformly, so that the function of mark as an indication of origin is guaranteed. In the light of the duration of a mark's registration and the fact that, as the Directive provides, it can be renewed for varying periods, the representation must also be durable.
14. Fourthly, sections 39(2) and 44(2) of the 1994 Act circumscribe the amendments or alterations which can be made before and after a trade mark is registered.
15. Fifthly, the United Kingdom has acceded to the Madrid Protocol for the international registration of trade marks. The Madrid system does not recognise series registrations, yet where an application for international registration is based upon a United Kingdom registration the United Kingdom is required to certify that the mark for which international protection is sought is the same as that registered here.
16. As the meaning of the phrase "not substantially affecting the identity of the mark", at [40] Professor Annand cited and applied the following statement of Jacob J regarding section 30(1) of the Trade Marks Act 1938 in *Neutrogena Corp v Golden Ltd* [1996] RPC 473 at 488 1. 52 -489 1. 3:

'Not substantially affecting its identity' means what it says.... An alteration which affects the way a mark is or may be pronounced, or its visual impact or the idea conveyed by the mark cannot satisfy the test.
17. In *Digeo Broadband Inc's Application* (O/305/03) Geoffrey Hobbs QC sitting as the Appointed Person observed:
 3. A relatively high degree of homogeneity is required in order to ensure that the marks included in the application can be treated as uniformly eligible or uniformly ineligible for protection by registration. The wording of section 41(2) establishes that there must and can only be iteration of the material particulars of a trade mark with variations of a non-distinctive character not substantially affecting the identity of the trade mark thus reiterated. Each of the marks in question should be considered as a whole, from the perspective of the average consumer of the goods or services concerned, when assessing whether they form a series of the kind contemplated by the Act.

4. Section 41(2) permits less variation between marks than section 46(2) of the Act (article 10(2)(a) of the Directive; article 15(2)(a) of the CTMR). Variations can be treated as inconsequential under the latter provisions if they ‘do not alter the distinctive character of the mark’ for which protection is claimed, but must also have no substantial effect on ‘the identity of the trade mark’ in order to be acceptable under section 41(2). This reinforces the point that marks can be distinctively similar without necessarily satisfying the statutory requirements for registration as a series.

18. Mr Hobbs repeated these observations in *Gateway Inc’s Application* (O/0322/03). He added:
 20. I consider that the identity of a mark resides in its specific individuality, assessed according to the way in which it would be perceived and remembered by the average consumer of the goods or services concerned. The average consumer is for that purpose taken to be reasonably well-informed and reasonably observant and circumspect. Marks presented for registration as a series must each be assessed from that perspective when they are being compared for the purpose of determining whether they satisfy the requirements of section 41(2) cf *BUD and BUDWEISER BUDRÄU Trade Marks* [2002] EWCA Civ 1534, [2003] RPC 25 at [10] per Sir Martin Nourse and [43]-[46] per Lord Walker of Gestingthorpe. The need for comparison of the marks *inter se* is clear. The intensity of the examination that may be needed in order to arrive at a conclusion on the acceptability of a series application can be seen from the decision issued under the parallel provisions of the Trade Marks Act 1955 (Cth) in *Re Application by Johnson and Johnson* (1993) 28 IPR 167. Round observations as to the general nature or common characteristics of the marks in issue are seldom, if ever, likely to be sufficient. The statute calls for a finding that all visual, aural and conceptual differences are insubstantial in terms of their effect upon the identity of the reiterated trade mark.

19. I agree with these analyses. I would emphasise a point which was made both by Professor Annand and Mr Hobbs. The concluding words of section 41(2) refer to the identity of *the* trade mark. Only if the differences between the marks presented for registration are insubstantial in terms of their effect upon the identity of *the* trade mark do they qualify as a series. It follows that a series consists of a number of different manifestations of what is in essence the same trade mark.

20. In my judgment this interpretation of section 41(2) is supported by Articles 4(1)(a) and 5(1)(a) of the Directive and Articles 8(1)(a) and 9(1)(a) of the Regulation, corresponding to sections 5(1) and 10(1) of the 1994 Act, and the jurisprudence of the ECJ relating to those provisions. These provide that a later trade mark may not be registered if it is identical with an earlier trade mark and the respective goods or services are identical, and that use in the course of trade of such a later trade mark infringes the rights conferred by the earlier trade mark. In such circumstances of double identity a likelihood of confusion is presumed (see Article 16(1) of TRIPs). These provisions presuppose a single exercise of comparison between the earlier trade mark and the later trade mark to ascertain whether or not they are identical. It would not be consistent with the scheme of the legislation for the earlier trade mark to comprise multiple candidates for comparison capable of giving rise to different answers to the question “identical or not?”. Registration of a series of marks can only be consistent with these provisions if the answer to this question is the same regardless of which mark in the series is selected for comparison.
21. This does not mean that all marks in the series must be absolutely identical. In Case C-291/00 *LTJ Diffusion SA v Sadas Vertbaudet SA* [2003] ECR I-2799 the ECJ considered what was meant by the requirement of identity of signs and marks in Article 5(1)(a) of the Directive. Having expressly stated that the same interpretation would apply to Article 4(1)(a), the Court held:
50. The criterion of identity of the sign and the trade mark must be interpreted strictly. The very definition of identity implies that the two elements compared should be the same in all respects. Indeed, the absolute protection in the case of a sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered, which is guaranteed by Article 5(1)(a) of the directive, cannot be extended beyond the situations for which it was envisaged, in particular, to those situations which are more specifically protected by Article 5(1)(b) of the directive.
51. There is therefore identity between the sign and the trade mark where the former reproduces, without any modification or addition, all the elements constituting the latter.

52. However, the perception of identity between the sign and the trade mark must be assessed globally with respect to an average consumer who is deemed to be reasonably well informed, reasonably observant and circumspect. The sign produces an overall impression on such a consumer. That consumer only rarely has the chance to make a direct comparison between signs and trade marks and must place his trust in the imperfect picture of them that he has kept in his mind. Moreover, his level of attention is likely to vary according to the category of goods or services in question (see, to that effect, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26).
53. Since the perception of identity between the sign and the trade mark is not the result of a direct comparison of all the characteristics of the elements compared, insignificant differences between the sign and the trade mark may go unnoticed by an average consumer.
54. In those circumstances, the answer to the question referred must be that Article 5(1)(a) of the directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.

Thus marks are to be regarded as identical to each other when, viewed as a whole, they contain differences so insignificant that those differences may go unnoticed by an average consumer.

22. It would be consistent with this interpretation of the Directive to permit registration of a series of marks which were identical to each other in this sense. If the differences between the marks are so insignificant that those differences may go unnoticed by an average consumer, then the marks are functionally identical to each other and provide what is in essence a single point of comparison for the question “identical or not?” when judging any question of alleged conflict under sections 5(1) or 10(1) of the 1994 Act. By contrast, it would in my judgment not be consistent with the Directive to permit registration of a series of marks which were not identical to each other in this sense.
23. Chapter 34 of the Registry’s Work Manual contains a number of examples of what the Registry considers to be acceptable and unacceptable series

applications applying the principles enunciated by Professor Annand in *Logica*. One of the examples given of an acceptable series is:

MERKINS LODGEMENT CENTRE

MERKINS LODGMENT CENTRE

In my view this is a good example of what is permissible under section 41(2). These two signs are essentially the same trade mark. The average consumer would probably not notice the difference unless the two were placed side by side, and even then some consumers might not spot the difference. Indeed, I can well imagine the same consumer writing this trade mark in the two alternative ways on different days of the same week.

24. For the avoidance of doubt, I should explain that the “single point of comparison” to which I have referred may be pitched at a greater or lesser degree of generality according to context. Thus if the mark is a pure word mark, then it will embrace a variety of different typographical presentations of that word. If the mark is a device mark represented in monochrome with no colour claim or limit, then it will embrace reproductions of that device in a variety of colours. The position is otherwise if the mark is a word in a particular script or a device in a specific colour or combination of colours.

The hearing officer’s decisions

25. The hearing officer’s two decisions are in essentially identical terms apart from the references to the marks. For convenience I shall treat them as a single decision. The hearing officer directed himself in accordance with *Logica* and *Gateway*. His reasons for maintaining the objection were as follows:

11. Reference was made to the common practice within the phone industry of using ‘derivative’ letters to indicate the variations on a given model. It may be the case that it is common practice to use ‘derivative’ letters to indicate variations on given models, however in the current application the lower case letters form part of the mark and are not separated from the F500 element, therefore I do not believe that they

would be seen as an indication of a variation on a given model by the average consumer.

12. In order to satisfy the requirements of Section 41(2) of the Act the marks must, while differing from one another, differ only in respect of matter of a non-distinctive character which does not substantially affect the identity of each mark, that is to say its identity with each and every other mark in the series.
13. Although each mark contains the element F500 the 2nd mark has the additional letter 'a' as a suffix. Likewise the 3rd mark has the letter 'i' and the 4th the letter 'c'.
14. The lower case letter used at the end of the 2nd, 3rd and 4th mark is an important element within the mark which contributes to the identity of the individual marks and to their distinctive characters. The suffix does not appear to be plainly descriptive of the goods and services. In any event, it is integrated into the marks in such a way as to convey to the average consumer of such goods/services, that it forms a part of the distinguishing material. The suffix has a visual and aural impact, which cannot be ignored or relegated to insignificance. The letters being intended to enable the consumer to differentiate between the marks, the one from the other in relation to different products. They are considered to substantially affect the identities of the marks. The marks therefore contained within this application differ as to their material particulars in such a way that they do not satisfy the requirements of section 41(2) of the Act.

Standard of review

26. Although this is an appeal in *ex parte* proceedings, the appeal is a review of the hearing officer's decision: *Dyson Ltd's Trade Mark Application* [2003] EWHC 1062 (Ch), [2003] RPC 47. The applicant's attorney accepted that the hearing officer's decision with regard to section 41(2) involved a multi-factorial assessment of the kind to which the approach set out by Robert Walker LJ in *REEF Trade Mark* [2002] EWCA Civ 763, [2003] RPC 5 at [28] applied:

In such circumstances an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle.

The appeal

27. The applicant contends that the hearing officer erred in principle in four main respects. First, he failed to consider whether the marks resembled each other in their material particulars. Secondly, he wrongly relied on fact that the lower case letter suffices were not separated by a space from the remainder of the second, third and fourth marks. Thirdly, he wrongly relied on the fact that the suffices were not descriptive. Fourthly, he contradicted himself as to whether or not the suffices would be seen as indicating differences in the respective products.
28. So far as the first point is concerned, the applicant contradicts itself because it also complains that the hearing officer was wrong to conclude at [14] that the marks differed in their material particulars and failed to give any adequate reason for this conclusion. This latter complaint fails to identify any error of principle on the part of the hearing officer, particularly since I consider that it fairly clear from the decision that the hearing officer's reason for reaching this conclusion was that he concluded that the differences between the marks substantially affected the identity of the mark. Furthermore, if the hearing officer's conclusion on that point stands, it is immaterial whether or not the marks resemble each other in their material particulars.
29. As to the second point, it was common ground between the parties that the correct approach was to consider the marks through the perception of the average consumer of the goods and services in question and to assess them as a whole. That being so, I consider that the hearing officer was entitled, and indeed bound, to take into account the fact that the suffices were not separated from the remainder of the marks by a space. I agree with the hearing officer that the consequence of there being no space in the present case is that the suffix is integrated into the mark in such a way that it would appear to the average consumer to form part of the distinctive matter.
30. The applicant's attorney also argued that the contrast between the single lower case letter of the suffices and the F500/F800 element would indicate to the

average consumer that the former were subordinate to the latter, and that the hearing officer had failed to take account of this. In my judgment it is clear from his decision that the hearing office was fully conscious of this difference. His assessment was that the suffix had a visual and aural impact which could not be ignored or relegated to insignificance. In my judgment that assessment is unimpeachable. Even if the applicant's attorney is right that the average consumer would perceive the suffix to be subordinate, that does not undermine that assessment.

31. Turning to the third point, the applicant's attorney accepted that the suffices were not descriptive but submitted that there was no requirement that such differentiating matter should be. I agree that there is no such requirement: the requirement is that the differentiating matter should not be distinctive. Nevertheless it is relevant to consider whether the differentiating matter is descriptive, since if it is descriptive it will not be distinctive and since the effect of adding descriptive matter may be different to the effect of adding non-descriptive but non-distinctive matter.
32. The hearing officer does not appear to have considered whether the suffices would be regarded as having distinctive character if considered on their own. In my view they would not. This does not affect the hearing officer's reasoning or conclusion with regard to the first and third limbs of the test, however.
33. As to the fourth point, the applicant's attorney pointed out that in [11] the hearing officer said "I do not believe that they would be seen as an indication of a variation on a given model by the average consumer" but in [14] the hearing officer said "The letters being intended to enable the consumer to differentiate between the marks, the one from the other in relation to different products". Whether these statements are contradictory depends on whether the hearing officer meant something different by "variation[s] on a given model" and "different products". It would appear from the hearing officer's decision that he did mean something different, in which case there is no contradiction.

34. The applicant's attorney argued that there was evidence of a common practice in the mobile phone trade of using such suffices to denote variants upon a basic model of mobile telephone. The Registrar's representative argued with some force that (a) the state of the evidence was unsatisfactory since the applicant had never formalised the evidence relied upon and it was unclear precisely what materials were before the hearing officer and (b) the evidence did not establish the alleged common practice anyway. I am prepared to assume in the applicant's favour that there is such a common practice. Even so, I do not consider that that undermines the hearing officer's reasoning or conclusion. As the applicant's attorney accepted, the average consumer who was familiar with such a practice would nevertheless expect the marks to designate products which differed from each other in some way. He argued that the consumer would expect, say, an F500i phone to be basically the same as an F500 phone, but to have certain features which were different such as offering additional facilities. In my view this argument supports the hearing officer's conclusion that the differences between the marks in each series do substantially affect the identity of the trade mark, because it shows that the consumer would rely upon those differences as distinguishing between the models (or variants of a basic model) denoted by them.

Conclusion

35. I conclude that the hearing officer was correct to uphold the objection that the marks sought to be registered did not qualify as series within section 41(2). To that extent the appeals are dismissed.
36. The matter does not end there, however, because the hearing officer rejected the applications under section 37(4). The Registrar's representative accepted that in so doing the hearing officer had fallen into error because he had not followed the Registrar's practice which had been adopted following *Digeo* and *Gateway* of giving applicants the opportunity to deal with a series objection pursuant to section 37(3) before issuing a notice of refusal under section 37(4).
37. Accordingly I shall:

- (1) allow the appeals to the extent of setting aside the decisions to refuse the applications under section 37(4) of the 1994 Act;
- (2) substitute for those decisions decisions: (a) refusing acceptance of the applications under section 41(2) of the 1994 Act and rule 21(1) of the 2000 Rules; and (b) allowing the applicant a period of 8 weeks from the date of this decision within which to respond under section 37(3) of the Act with a request to the Registrar for amendment and/or division apt to render the applications unobjectionable under section 41(2); and
- (3) remit the applications to the Registrar for further processing under and in accordance with the provisions of the Act and the Rules.

Costs

38. In accordance with normal practice in *ex parte* cases, I shall make no order as to the costs of the appeal.

25 May 2006

RICHARD ARNOLD QC

Martin Krause of Haseltine Lake appeared for the applicant.

Allan James appeared for the Registrar.