

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2243122
BY INTERNATIONAL BUSINESS MACHINES CORPORATION
TO REGISTER A SERIES OF TRADE MARKS IN CLASSES 9, 16, 37, 38 AND 42**

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 2243122 BY INTERNATIONAL BUSINESS MACHINES CORPORATION TO REGISTER A SERIES OF MARKS IN CLASSES 9, 16, 37, 38 AND 42

DECISION AND GROUNDS OF DECISION

1. On 21 August 2000, International Business Machines Corporation of New Orchard Road, Armonk, New York 10504, USA, applied to register a series of three trade marks as follows:

eserver

e-server

e server

in respect of the following goods and services:

Class 9

Computers; adapters for computers; components and peripherals for computers; computer memories; interfaces for computers; data processing equipment; printers; integrated circuits; printed circuits; magnetic disks; disk drives; compact discs; magnetic tapes; tape recorders; calculating machines; pocket calculators; cash registers; facsimile; video games; video screens; video recorders; video tapes; computer programs; documentation and instruction manuals recorded on machine-readable media and relating to computers or computer programs; computer hardware and computer software for application and operating system functions for use in commercial interaction in the field of global computer networks.

Class 16

Instructional and teaching material; documentation and publication relating to computers or computer programs; printed publications; magazines; periodicals; newspapers; printed matter; printed matter, namely, books, brochures and instructional manuals, all relating to commercial interaction applications in the field of global computer networks.

Class 37

Installation and maintenance of computer hardware.

Class 38

Telecommunications; communications by computer terminals; electronic mail; news and information agencies; computer-aided transmission of data.

Class 42

Design, interconnection and testing of computer hardware and software, installation, updating and maintenance of computer software, information security services, used for commercial interaction over a global computer network. Computer programming; leasing access time to computer database servers; technical project studies in the field of computer hardware and software; consultancy in the field of computer hardware; computer systems analysis; advice and consulting relating to use of Internet; rental of computers and computer software; services for providing user access to computers for business management; legal services; scientific and industrial research; reporter services; videotaping services; providing facilities for organisation of exhibitions.

2. Objection was taken to the marks under section 3(1)(b) and (c) of the Act because they are considered to be signs which are devoid of distinctive character for eg electronic server equipment.

3. Objection was also taken under section 5(2) of the Act, but this was later waived in correspondence and no further mention need be made of this matter. Further, an objection was taken under section 41(2) of the Act. However, this objection was waived following the request made by the applicant's representative, Mr C J Ling of IBM United Kingdom Limited, in his letter of 20 September 2001 to delete the first mark in the series. Again, I need make no further reference to this. Lastly, certain specification queries were raised but these have been resolved in correspondence.

4. Although several letters have been received from Mr Ling to address the issues set out at point 3 above, the only submission put forward in relation to the objection taken under section 3(1)(b) and (c) was set out in his letter of 14 January 2002 in which he stated "In response to the outstanding objection, Applicant submits that the marks are not devoid of distinctive character and do not consist exclusively of signs or indications which may serve in trade to designate the characteristics of goods or services listed under s3(1)(c)". No reasoning was put forward by Mr Ling to support this argument but his letter went on to say "Applicant requests that the Examiner either allows application to proceed to registration or issues a refusal. A hearing is not requested".

5. The Examiner remained of the view that the objection taken under Section 3(1)(b) and (c) was valid and consequently issued a letter refusing the application under Section 37(4) of the Act.

6. Following the refusal of the application, I am now asked under Section 76 of the Act and Rule 62(2) of the Trade Marks Rules 2000 to state in writing the Grounds of Decision and the materials used in arriving at it.

7. No evidence of use has been submitted, I therefore only have the prima facie case to consider.

8. Sections 3(1)(b) and (c) of the Act read as follows:

“Section 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,”

9. The remaining two marks are “e-server” and “e server”, the only difference being the hyphen that is present in the first of these marks. In my view, nothing rests on this. The marks were accepted as a Series under Section 41(2) of the Act in that they “resemble each other as to their material particulars and differ only as to matters of a non-distinctive character not substantially affecting the identity of the trade mark”. Therefore, both marks consist essentially of the letter and word whose definitions in the context of the goods and services, are:

e-

denoting the use of electronic data transfer in cyberspace for information exchange and financial transactions, especially through the Internet (The New Oxford Dictionary of English).

server

Computing; a computer or program that supplies data or resources to other machines on a network (Collins English Dictionary).

10. The first definition above refers to what is well known as “e-commerce”. This now common use of “e-” in relation to “e-commerce”, has caused the Registrar to publish the following practice:

“The recent explosion in use of the Internet has led to a phenomenon known as “e-commerce”. It is common knowledge that “e” as a prefix denotes “electronic”, and there is now a multiplicity of acronyms and terms which use “e-”. An application for a word which describes the goods/services applied for and prefixed with “E” or “e” may be objectionable under Section 3(1)(b) and (c) of the Act (and in some cases 3(1)(a) and (d) may be appropriate); for example, “E-Curry” for Indian takeaway delivery services, “e-florist” for floristry services, “e-learning” for electronic distance-learning courses, and so on. As a rule of thumb, if the mark would be objectionable if the word “electronic” were in place of “e” then an objection should be raised (e.g. electronic learning/e-learning). However, the context of the mark and the specification is important; an objection is unlikely to be appropriate if the field of goods/services is not directly related to or provided by means of telecommunications, e.g. E-CINEMA is acceptable for loudspeakers and amplifiers.”

11. As indicated in the second definition above, the purpose of a server, which normally comprises computer hardware used with supporting software, is to supply data and resources to other machines on a computer network. An organisation may have several servers within their network, each having a different function. For example, one server may provide the organisation's e-mail system, another may supply access to its databases etc. It is quite likely that a server could be adapted specifically for the conduct of e-commerce of an organisation over the Internet.

12. The European Court of Justice has recently given further guidance on the scope and purpose of Article 7(1)(c) of the Community Trade Mark Regulation (equivalent to Section 3(1) of the Trade Marks Act) in the "Baby-Dry" case C-383/99 P. I set out the guidance given at paragraph 37, 39 and 40 of this judgement:

"37. It is clear from those two provisions taken together that the purpose of the prohibition of registration of purely descriptive signs or indications as trade marks is, as both Procter & Gamble and the OHIM acknowledge, to prevent registration as trade marks of signs or indications which, because they are no different from the usual way of designating the relevant goods or services or their characteristics, could not fulfil the function of identifying the undertaking that markets them and are thus devoid of the distinctive character needed for that function."

"39. The signs and indications referred to in Article 7(1)(c) of Regulation No 40/94 are thus only those which may serve in normal usage from a consumer's point of view to designate, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought. Furthermore, a mark composed of signs or indications satisfying that definition should not be refused registration unless it comprises no other signs or indications and, in addition, the purely descriptive signs or indications of which it is composed are not presented or configured in a manner that distinguishes the resultant whole from the usual way of designating the goods or services concerned or their essential characteristics."

"40. As regards trade marks composed of words, such as the mark at issue here, descriptiveness must be determined not only in relation to each word taken separately but also in relation to the whole which they form. Any perceptible difference between the combination of words submitted for registration and the terms used in common parlance of the relevant class of consumers to designate the goods or services or their essential characteristics is apt to confer distinctive character on the word combination enabling it to be registered as a trade mark."

13. In my view, the signs "e-server" and "e server", when used in relation to the majority of the goods and services applied for, would convey to the relevant consumer that they consist of, or relate to, server equipment for use in e-commerce and associated installation, telecommunication, maintenance and support services for the provision of e-commerce over the Internet. Indeed, I note that the specifications in classes 9, 16 and 42 specify that some of the applicant's goods and services are for use in commercial interaction in the field of global computer networks which is an alternative way of describing the Internet.

14. The guidance set out in the “Baby-Dry” case indicates that only marks which are no different from the usual way of designating the relevant goods or services or their characteristics are now debarred from registration by Section 3(1)(c). In my view, the marks would be regarded by the relevant consumer as a normal way of designating that the goods and services are for the purpose that I have set out above.

15. Although I consider that the Examiner was correct to raise an objection taken under Section 3(1)(b) and (c) in relation to most of the goods and services applied for, I am of the view that should this matter be subject to appeal, the objection should be set aside in relation to the following:

Class 9

Tape recorders; calculating machines; pocket calculators; cash registers; facsimile; video games; video screens; video recorders; video tapes.

Class 16

Newspapers.

Class 42

Legal services; scientific and industrial research; reporter services; videotaping services; providing facilities for organisation of exhibitions.

16. In this decision I have considered all the documents filed by the applicant and the arguments submitted in relation to this application and, for the reasons given, it is refused under the terms of Section 37(4) of the Act because it fails to qualify under Sections 3(1)(b) and (c) of the Act.

Dated this 26 day of June 2002

John Hamilton-Jones
For the Registrar
the Comptroller General

