

## **TRADE MARKS ACT 1994**

### **IN THE MATTER OF AN Application number 2237307B by Computer Bookshops Limited to register a trade mark in Classes 9, 16 & 41**

#### **Introduction**

1. On 24 June 2000, Computer Bookshops Limited applied to register the trade mark COMPUTER BOOKSHOPS in classes 9, 16, 35, 38, 41 & 42. The application was subsequently divided into two applications. One was accepted and I need say no more about that section of the original application. The other divisional application, which is the subject of this decision, covers the following goods and services in classes 9, 16 and 41:

##### Class 9

Multi-media applications and products; tapes, discs, cards, wires and filaments, all being magnetic or encoded for bearing recorded data; electronic publications (downloadable) provided on-line from databases or the internet.

##### Class 16

Printed matter; manuals; instructional and teaching material; printed publications, flyers, books, articles and directories.

##### Class 41

Providing on-line electronic publications (not downloadable); publication of electronic books and journals on-line.

2. The application faced objections under section 3(1)(b) & (c) on the grounds that the words “Computer Bookshops” is a sign that serves to designate the nature of the goods and services specified in the application, namely goods and services relating to a shop which sells books about computers.

3. In response to this objection the applicant submitted evidence, in the form of a statutory declaration dated 8 March 2001 by Ronald Arthur Dickinson, who is a director of the applicant company. Mr Dickinson’s evidence provides details of the applicant’s business distributing computer books, manuals and related training materials throughout the UK. It has conducted this business since 1978 and is prominent in its market. This evidence was plainly intended to invite a finding that the trade mark had acquired a distinctive character through use prior to the date of the application. However, the examiner declined to make such a finding and the applicant asked to be heard. Just before the hearing, the applicant filed further evidence in the form of a second declaration by Ronald Arthur Dickinson dated 4 October 2001 which amplified upon the size of the applicant’s business prior to the date of the application (the relevant date).

4. The matter came to be heard on 10 October 2001, when the applicant was represented by Mr James Abraham of counsel, instructed by Manches, solicitors. I waived the objection raised by the examiner under section 3(1)(c) of the Act, but I maintained the objection under section 3(1)(b), and I rejected the applicant's case that the mark had acquired a distinctive character through use prior to the date of the application. At the applicant's request, I allowed a period of time for the applicant to submit further evidence regarding the last matter. The applicant subsequently provided a third statutory declaration by Mr Dickinson which purported to provide further information about the applicant's use of the mark COMPUTER BOOKSHOPS in relation to printed matter and downloadable catalogues. However, the objection under section 3(1)(b) was maintained and the divisional application in classes 9, 16 and 41 refused.

### **Case for Registration Based Upon the Inherent Distinctive Character of the Mark**

#### **The Applicant's Arguments**

5. Mr Abrahams provided me with a very full skeleton argument prior to the hearing, which drew my attention to recent decisions concerning community trade marks by the European Court of Justice (ECJ) in Baby-Dry [2002] ETMR3, and of the Court of First Instance (CFI) in Doublemint [2001] ETMR 58 and New Born Baby Case T-140-00. Mr Abrahams pointed out that the Trade Marks Act, like the Community Trade Mark Regulation (CTMR), have their roots in Trade Mark Directive 104/89 and where their provisions are identical (as article 7(1)(c) of the CTMR is with section 3(1)(c) of the Act) must be interpreted uniformly. I accept that. I hope that I am not doing Mr Abrahams a dis-service by summarising the remainder of his case as:

- i) The purpose of section 3(1)(c) is not to prevent any monopolising of ordinary descriptive terms but to prevent the registration of trade marks which **could not** fulfil the function of identifying the goods or services of one undertaking;
- ii) Whether a trade mark is registrable under section 3(1)(c) depends upon whether it may be viewed as a normal means of designating the goods or their essential characteristics in normal parlance;
- iii) The word "exclusively" in section 3(1)(c) is important: Allusiveness is not enough; thus a trade mark is registrable if it requires further reflection to detect a characteristic of the goods, or if it has two possible meanings;
- iv) COMPUTER BOOKSHOPS is not a phrase familiar to English speakers; although 'computer' can be used as an adjective in some cases, as in 'computer game', there is no obvious way in which 'computer' qualifies 'bookshop'; the relationship between the words is therefore obscure and there is a considerable degree of uncertainty about what the trade mark means; the words are, like Baby-Dry, a lexical invention;
- v) Even if the words might refer to a shop from which books are sold, that is not enough; the reference must be to a characteristic of the goods;

vi) The objection under section 3(1)(b) stands or falls with the objection under section 3(1)(c).

### **The Appropriate Legal Test**

6. Whilst not accepting all Mr Abrahams' submissions, I was prepared to accept that, for the purposes of section 3(1)(c), the reference in the trade mark must be to the goods or their essential characteristics. It appears to me that COMPUTER BOOKSHOPS instead designates a type of establishment where publications are offered for sale. That is why I waived the section 3(1)(c) objection.

7. Dealing with Mr Abraham's last submission first, I do not accept that a mark which is free from objection under section 3(1)(c) is necessarily free from objection under section 3(1)(b). I accept that there is some overlap between the two provisions, but this is not complete. The fact that a trade mark is a sign that designates the goods or their characteristics is but one reason, albeit the most common reason, why a trade mark may lack the distinctive character necessary to perform its essential function. That function is to enable the public concerned to distinguish the product or service from others which have another commercial origin, and to conclude that all the goods or services bearing it have originated under the control of the proprietor of the trade mark to whom responsibility for their quality can be attributed.

8. I note that a similar point has arisen before Mr G Hobbs QC acting as the Appointed Person in "Cycling IS...." Trade Mark, SRIS O/561/01. Paragraphs 43 and 44 of Mr Hobbs' decision are re-produced below:

*"43. In paragraph 39 of its Judgment in Baby-Dry the ECJ states that a mark composed of signs or indication 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 as those in respect of which registration is sought:*

*"Should not be refused registration unless it comprises no other signs or indications and, in addition, the purely descriptive signs or indication 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."*

*The Court went on to say in paragraph 40 of its Judgment that:*

*"Any perceptible difference between the combination of words submitted for registration and the terms used in the 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 registrable as a trade mark".*

44. *Taken out of context, these statements might be thought to indicate that signs which are wholly descriptive should, for that reason, be regarded as distinctive and therefore eligible for registration. However, I do not think that the Court can be taken to have adopted that position .....*”

9. Mr Hobbs proceeded to give his reasons for this view, which are, in summary, that:

- (i) The court was not seized of any question directed to the provisions of Section 3(1)(b) (or its equivalent in the Regulation);
- (ii) If the only reason for an absence of distinctive character is pure descriptiveness, Section 3(1)(b) would be otiose;
- (iii) to hold that a sign must be regarded as distinctive if it is not wholly descriptive of the goods concerned, or their characteristics, would be contrary to everyday experience.

10. I believe that there is considerable force in these points. It is easy enough to think of examples of signs, such as colours and the appearance of the product itself, which although not wholly descriptive, nevertheless lack any inherent trade mark character. And even where words are concerned, it is not hard to think of phrases, such as PUTTING CUSTOMERS FIRST, in respect of (say) motor cars, that may not describe the goods or their characteristics (as opposed to the undertaking that markets them), but still lack any distinctive character as a trade mark. I do not therefore accept that the failure of the Section 3(1)(c) objection necessarily excludes the possibility of the Section 3(1)(b) objection succeeding.

11. I do not think that undue emphasis should be attached to the ECJ’s use of language in Baby-Dry when it stated at paragraph 37 of its judgement that the purpose of article 7(1) of the CTMR is :

*“..... 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.”* (emphasis added)

12. One could equally point to paragraph 46 of the ECJ’s judgement in Windsurfing Chiemsee [1999] ETMR 585 (which I note that the ECJ has recently repeated in paragraph 35 & 38 of its judgement in Koninklijke Philips Electronic NV v Remington Consumer Products Ltd, Case C-299/99), in which the court appeared to place the opposite emphasis on the requirement, when it stated that:

*“..... just as distinctive character is one of the general conditions for registering a trade mark under article 3(1)(b) (of Directive 104/89), distinctive character acquired*

*through use means that the mark 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 goods of other undertakings.”(emphasis added)*

13. The question of whether a trade mark is capable of designating the commercial origin of a product or service must be assessed from the consumer’s perspective. So in Baby-Dry the ECJ stated that:

*“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.” (emphasis added)*

14. The average consumer is deemed to be reasonably well informed, observant and circumspect, but his level of attention varies from one product to another: Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV [1999] ETMR 690.

15. The presence or absence of distinctive character under section 3(1)(b) must therefore be answered by reference to the presumed expectations of an average consumer of the goods and services in question, and specifically whether the trade mark COMPUTER BOOKSHOPS would serve (even before the average consumer has become accustomed to it through use as a trade mark) to identify the commercial source of the goods and services listed in the application, and thus to distinguish the applicant’s goods and services from those of other traders.

### **Decision on the Facts**

#### **Is COMPUTER BOOKSHOPS wholly descriptive, and if so, of what ?**

16. I reject Mr Abraham’s submission that COMPUTER BOOKSHOPS is an ambiguous term of obscure meaning in the nature of a lexical invention. As Mr Abrahams acknowledged, it is quite normal to use COMPUTER as an adjective to qualify what follows. I cannot think of a better example than his own, COMPUTER GAME. In the field of publications, it is common practice to define categories of publications by subject matter, eg ‘History Books’, ‘DIY Books’, ‘Travel Guides’, ‘Wine Books’. The applicant itself uses the terms ‘computer books’ and ‘computer booklist’ (see paragraphs 3 & 7 of Mr Dickinson’s first declaration and virtually all the exhibits to his third).

17. In my judgement the average consumer of the goods and services in question would immediately understand that a COMPUTER BOOKSHOP is a retail establishment specialising in computer books. The applicant’s promotional material indicates that it describes itself as “*Europe’s specialist supplier of computer books*”, although admittedly it is a wholesaler rather than a retailer.

18. It is true that bookshops generally trade in a wide range of publications, but specialist bookshops also exist. Despite Mr Abrahams arguments, I believe that the mark COMPUTER BOOKSHOPS is 100% descriptive of the nature of such a business.

**As a Trade Mark for the Goods/Services offered for sale through a computer bookshop?**

19. This raises the question of whether the name of a type of retail establishment can be distinctive as a trade mark for the goods sold through that type of business.

20. Before dealing with the specific, I observe that the Registrar has long been reluctant to register the name of one product as a trade mark for another product in a closely related sector of the market: see Portogram Radio Electrical Company Limited's Application 69 RPC [1952] 241 at 245. I believe that it is self evident why the word "duvet", for example, would not be able to function as a trade mark for bed sheets, or why the word "shirt" would not function as a trade mark for ties. In use in relation to such goods these signs would be, at best, ambiguous as to their meaning, and would probably just result in confusion. A similar point arose in a recent decision dated 2 May 2002 of Mr G Hobbs QC as Appointed Person in Fourneaux de France Limited v The Range Cooker Co. plc, SRIS 0-240-02.

21. Nor is the relationship between goods and services necessarily immune from this requirement for there to be a sufficient distinction between them so that a sign that is recognised as merely descriptive of the one will be perceived as distinctive of the other. For example, the words "express pizza" would plainly be seen as descriptive of a pizza delivery service. Given the seamless nature of the provision of the delivery service and the sale of the pizza, the average consumer would be unlikely to regard these words as a trade mark for the product even though, if the average consumer stopped and thought about it, he would realise that the words are only truly descriptive of the service.

22. Coming back to the specific goods and services at issue, there has been a long debate, both in this country and abroad, as to whether trade marks can be protected in respect of retail services. See Kerly's Law of Trade Marks and Trade Names (13<sup>th</sup> Ed) at 2-81 to 2-87. Part of the reason for this long running uncertainty is that, according to one school of thought, a retailer is able to register his mark for the goods that he sells. According to this school of thought, the provision of a retail service is merely an adjunct to a trade in the goods. Whether a trader can validly register his mark for the goods he sells may depend upon the facts of each case and the perception of the public as to the relationship between his mark and the goods offered for sale: see Jacob. J's comments in this regard in Euromarket Designs Inc v Peters and Crate & Barrel Ltd [2001] FSR 288.

23. Each case turns on own facts. One of the relevant factors may be that the average consumer is likely to perceive a closer connection between particular goods and a retailer who specialises in those type of goods, than would be the case between a product and a general retailer who is known to stock a wide range of products. In other contexts this may mean that an undertaking that has protected its trade mark for the services of a specialist retailer will be better placed to prevent the

subsequent registration and use of its trade mark, or similar marks, by other parties, as trade marks for the goods concerned: see the Registrar's Practice Amendment Circular 13/00.

24. In this case it seems to me that the perceived closeness between a retailer specialising in computer books and the publications themselves is sufficient to deprive the words COMPUTER BOOKSHOPS of any distinctive character as a trade mark for computer books. This is because, in my judgement, an average consumer encountering the words COMPUTER BOOKSHOPS on, or in relation to, a computer book would simply take those words as a reference to the type of retail establishment through which such goods are sold, and not as a mark that distinguished the computer books of one undertaking from those of other undertakings.

25. I therefore find that the application is debarred from registration by section 3(1)(b) of the Act because the trade mark is devoid of any distinctive character for computer books. The various descriptions of goods in Class 16 are all capable of being applied to a computer book. The term "books" is no longer limited to paper books as once was the case, as is made clear from the wording of the applicant's Class 41 specification. Consequently, I find that the objection extends to all the goods in Class 9 and the services in Class 41, which are all different ways of describing a trade in electronic books.

### **The Case for Registration Based Upon Acquired Distinctiveness**

#### **The Law**

26. In the Windsurfing Chiemsee case, the ECJ ruled on the nature of the enquiry as to whether a mark has acquired a distinctive character under Article 3(3) (section 3(1) proviso). It held that the national authorities may take into account evidence from a variety of sources, but a finding that the mark has come to denote the goods as coming from a particular undertaking must necessarily mean that the provisions of Article 3(3) are met. The Court held:

*"In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations"* (paragraph 51).

*"If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify the goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied"* (paragraph 52).

#### **The Evidence**

27. As indicated earlier, the applicant's evidence is contained in three statutory declarations by Ronald Arthur Dickinson. Mr Dickinson states that a business has been conducted under the name COMPUTER BOOKSHOPS since 1978. The business centres around the wholesaling and distribution of computer books, manuals and other related materials in the UK. By 1989 the company was sufficiently prominent in its field to provoke an enquiry from the Office of Fair Trading following a complaint that it was abusing its monopoly in the distribution of computer books within the UK. This complaint was later rejected.

28. Mr Dickinson states that the applicant has supplied goods to many well known retailers. The names he supplies include well known bookshops, such as Waterstones and Blackwell, and companies with a specific interest in the computing field, such as PC World, Dixons and Comet.

29. The applicant claims to publish catalogues of its products under the COMPUTER BOOKSHOPS mark, and maintains a continuously updated and downloadable catalogue on its website.

30. The applicant's turnover increased from £1.5M in 1986 to £24.1M in 1999. Total turnover in this period was £149.8M. In 1997 the applicant spent £370K on advertising. This increased to £554K by 1999. Exhibit RAD3 is said to consist of specimen advertising material. It contains five pages of promotional material, all dated before the application was made. The promotion is of COMPUTER BOOKSHOPS as a distributor and wholesaler of computer books. It is aimed at the trade. The trade mark shown in each case is the words COMPUTER BOOKSHOPS with a distinctive device based upon a stylised book and computer screen. I understand that the composite mark is registered as a Community trade mark.

31. The applicant has attended trade fairs and exhibitions for over 15 years. Exhibit RAD4 consists of two photographs showing stands at exhibitions. The second is said to be at the London International Book Fair 1999. The stand bears the same mark described above.

32. The applicant has maintained a website since 1995. Exhibit RAD6 consists of a specimen copy of the home page of the site downloaded a few days before the trade mark application was made. It contains the same mark as described above. No information is provided about the number of visitors to the site. The home page confirms the picture that Mr Dickinson paints of the applicant as *"Europe's largest wholesale trade distributor of computer books, CD-ROMS, videos and training accessories."*

33. Mr Dickinson states that the applicant is known in the industry as Computer Bookshops, and that his products and services are likewise described. Exhibit RAD7 consists of a copy of an article from London Book Fair Preview 2000, which invites retailers to visit the Computer Bookshops stand.

34. Mr Dickinson's third declaration, which was filed after the hearing, attempts to focus more specifically on the use made of the mark COMPUTER BOOKSHOPS in relation to the goods listed in classes 9 & 16. Exhibits RAD10 and RAD11 consist of copies of pages from the

applicant's website which show the existence of its downloadable catalogues. The first exhibit dates from around the filing date of the application.

35. Exhibit RAD12 consists of a copy of a printed catalogue of computer books from 1985. The name Computer Bookshops Limited appears on the front page adjacent to another stylised device of a computer. Exhibits RAD13-15 are said to show catalogues from later years. They carry the name The Complete Computer Booklisting, 1998 Guide to Computer Books, and Eason Computer Booklist. Although these documents have been produced by the applicant, I have been unable to find COMPUTER BOOKSHOPS as a trade mark (with or without the device mark) on any of these catalogues.

36. On the basis of this evidence Mr Dickinson asks that the application be accepted (presumably on the basis of distinctiveness acquired through use) for 'on-line publications (downloadable)' in Class 9 and 'printed matter and catalogues' in Class 16.

### **Decision on the Evidence**

37. The proviso to Section 3(1) states that registration shall not be refused where the mark "*has in fact acquired a distinctive character as a result of the use made of it*". The use of the mark must be in relation to the goods or services in respect of which registration is sought.

38. The applicant's evidence does not show any use of the mark COMPUTER BOOKSHOPS (with or without the device) in relation to the goods and services listed in the application. The use shown is in relation to its trade distribution/ wholesaling services. These services are not covered by this application. Although there is no evidence from the trade, I have little doubt that the applicant is known in the book trade, but the average consumer of the goods listed in the application is unlikely to have any knowledge of the applicant through its use of the mark COMPUTER BOOKSHOPS.

39. The limited use shown of the words COMPUTER BOOKSHOPS on catalogues is not use of that sign in relation to catalogues or publications, but use in relation to the applicant's wholesale and distribution business. The applicant does not trade in catalogues. The mere fact that a mark appears on a product does not mean that the use is "in relation to" that product: see Trebor Bassett Ltd v Football Association Ltd [1997] FSR 211. In any event, there is no evidence that the applicant's printed catalogues (let alone the books and related products in the catalogues) even carried the mark in the years leading up to the date of the application.

40. The applicant's argument that the mark has acquired a distinctive character through use for the goods and services listed in this application must therefore be rejected.

### **Conclusion**

41. The trade mark is devoid of any distinctive character and therefore excluded from registration by section 3(1)(b) of the Act. The trade mark had not acquired a distinctive character for any of the goods or services listed in this application as a result of the use of the mark prior to the date thereof.

42. For the avoidance of any doubt, this is my decision and statement of reasons for the purposes of Rule 62(1) of the Trade Mark Rules 2000.

**Dated this 4<sup>th</sup> July Day of July 2002**

**Allan James  
For the Registrar**