

O-266-05

TRADE MARKS ACT 1994

**IN THE MATTER OF
APPLICATION NO. 2323092B
TO REGISTER A TRADE MARK
IN CLASS 16
BY SIR ALEXANDER CHAPMAN FERGUSON**

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DECISION AND GROUNDS OF DECISION

Background

1. On 7th February 2003, Sir Alexander Chapman Ferguson of Fairfields, 3 Sherbrook Rise, off Fletsand Road, Wilmslow, Cheshire, SK9 2AX applied to register the trade mark ALEX FERGUSON in classes 6, 9, 14, 16, 25, 28 and 41 (under Trade Mark Application 2323092).

2. Following the raising of an objection under Section 3(1)(b) and (c) of the Act, the application was divided into two parts, namely, 2323092A and 2323092B. Application 2323092A has now proceeded to publication and therefore I do not make any further reference to it in this decision.

3. The goods for which registration is sought are as follows:

Class 16:

Printed matter; posters; photographs; transfers; stickers; decalcomanias; stickers relating to football.

4. Objection was initially taken under Section 3(1)(b) and (c) of the Act, against the application as originally filed (2323092), because the mark consists exclusively of the name ALEX FERGUSON, the whole being devoid of any distinctive character, and a term which may serve in trade to designate the subject matter of the goods, for example, pre-recorded video tapes and printed matter relating to Sir Alex Ferguson, or ornaments or figurines featuring his likeness. Following division of the original application the objection applies only to the goods in Class 16 shown above. It should be noted that the objection, insofar as it concerns "printed matter", applies only to "image carriers" which are included within the scope of this term.

Decision

5. A hearing was held on 10th January 2005 at which the applicant was represented by Mr Alan Fiddes of Urquhart-Dykes and Lord, trade mark attorneys. Following the hearing, exchanges of correspondence took place which resulted in division of the application and the objection was maintained in respect of those goods listed under paragraph 3. The application was finally refused on 27th July 2005 in accordance with Section 37(4) of the Act.

6. Subsequent to the refusal of the application I am now asked under Section 76 of the Act and Rule 62(2) of the Trade Mark Rules 2000 to state in writing the grounds of my decision and the materials used in arriving at it.

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

The law

8. The relevant part of Section 3 of the Act is 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,”

The case for registration

9. At the hearing, Mr Fiddes argued that Section 11(2) of the Act provided a defence which allowed others to trade in goods such as ornaments, figurines and posters of Sir Alex Ferguson without fear of infringing the mark at issue. Furthermore, if this argument was not accepted by the registrar, it ought to be possible to exclude such goods bearing images of, or relating to Sir Alex Ferguson.

Decision

10. The mark consists of the name of the well-known football manager ALEX FERGUSON. The registrar’s practice in relation to such marks is set out in section 21 of Chapter 6 of the Work Manual and the following extract is relevant:

“21.2 Mere Image Carriers

The name of a famous person or group is likely to be perceived as merely descriptive of the subject matter of posters, photographs, transfers and figurines. Names of famous persons or groups are therefore unlikely to be accepted by consumers as trade marks for these goods because they will usually be seen as mere descriptions of the subject matter of the product. Objections will arise under Section 3(1)(b) & (c) of the Act.”

Section 3(1)(c)

11. There are a number of European Court of Justice judgments which deal with the scope of Article 3(1)(c) of First Council Directive 89/104 and Article 7(1)(c) of Council Regulation 40/94 (the Community Trade Mark Regulation), whose provisions correspond to Section 3(1)(c) of the UK Act. I derive the following main guiding principles from the cases noted below:

- subject to any claim in relation to acquired distinctive character (not relevant in this case) signs and indications which may serve in trade to designate the characteristics of goods or services are deemed incapable of fulfilling the

indication of origin function of a trade mark – (*Wm Wrigley Jr & Company v OHIM* – Case 191/01P (Doublemint) paragraph 30;

- thus Articles 7(1)(c) (Section 3(1)(c)) pursues an aim which is in the public interest that descriptive signs or indications may be freely used by all – *Wm Wrigley Jr v OHIM*, paragraph 31;

- it is not necessary that such a sign be in use at the time of application in a way that is descriptive of the goods or services in question. It is sufficient that it could be used for such purposes – *Wm Wrigley Jr v OHIM*, paragraph 32;

- it is irrelevant whether there are other, more usual signs or indications designating the same characteristics of the goods or services. The word ‘exclusively’ in paragraph (c) is not to be interpreted as meaning that the sign or indication should be the only way of designating the characteristic(s) in question – *Koninklijke KPN Nederland NV v Benelux Merkenbureau*, Case C-363/99 (Postkantoor), paragraph 57;

- if a mark which consists of a word produced by a combination of elements is to be regarded as descriptive for the purposes of Article 3(1)(c) it is not sufficient that each of its components may be found to be descriptive, the word itself must be found to be so – *Koninklijke KPN Nederland NV v Benelux Merkenbureau*, paragraph 96;

- merely bringing together descriptive elements without any unusual variations as to, for instance, syntax or meaning, cannot result in a mark consisting exclusively of such elements escaping objection – *Koninklijke Nederland v Benelux Merkenbureau*, paragraph 98;

- however such a combination may not be descriptive if it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements – *Koninklijke Nederland NV v Benelux Markenbureau*, paragraph 99.

12. With these guiding principles in mind I turn to the circumstances of this case. As indicated in Doublemint, signs and indications which may serve in trade to designate the characteristics of goods or services are deemed incapable of fulfilling the indication of origin function of a trade mark. I believe that the mark of this application may serve in trade to designate one of the essential characteristics of the goods, for example, image carriers that may be referred to as “Alex Ferguson posters”.

13. Following the hearing I sent to Mr Fiddes various extracts from web sites on the internet which show that the name ALEX FERGUSON is used by other parties in relation to photographs, posters and prints (see Annex attached to this decision). These references underline the importance that in relation to certain goods, the mark should not be registered. Decisions and opinions of the European Court of Justice make it clear that there remains a public interest in keeping free certain words or combinations of words which others wish to use. In *Wm Wrigley Jr & Company v OHIM* (Case 191/01P (Doublemint)) the Court said:

“31. By prohibiting the registration as Community trade marks of such signs and indications, Article 7(1)(c) of Regulation No 40/94 pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all. That provision accordingly prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.”

14. Moreover, the registrar’s practice set out above under paragraph 10 above was approved in the Linkin Park decision (BL No.O-035-05 in the matter of application no. 2313504 in the name of Linkin Park LLC). In that decision, dated 7th February 2005, Richard Arnold QC said:

“65. The Registrar’s representative argued that the extent to which consumers expected goods to be authorised or endorsed by persons who were, or whose performances or works were, the subject matter of such goods depended on the nature of the goods, and that consumers were less likely to expect this in the case of posters than in the case of CDs or books. I accept that the nature of the goods is an important factor, but I am not convinced that this means that the line should be drawn between “media” and “mere image carriers”. In *R v Johnstone* Lord Walker referred to *Bravado Merchandising Services Ltd v Mainstream Publishing (Edinburgh) Ltd* [1996] FSR 205. In that case the petitioner was the proprietor of a registration for the mark WET WET WET, the name of a pop group, in respect of printed matter, books and book covers. It was held that use of the expression WET WET WET as a part of the title of a biography of the group was not an infringement by virtue of section 11(2)(b). It seems to me to be arguable, bearing in mind the public interest which underlies section 3(1)(c) and the approach indicated in *DOUBLEMINT* and *POSTKANTOOR*, that the registration was invalid on the basis that the mark was descriptive of the subject matter of the goods in relation to which the proprietor used or intended to use it.

66. The applicant’s attorney argued that the relevant consumers in the present case, being mainly fans of the Group, would be knowledgeable about intellectual property rights and would expect merchandise relating to the Group, including posters, to be licensed by the Group or its vehicle the applicant. I am not satisfied that this is correct. As the hearing officer held and the Registrar’s representative submitted, consideration of the copyright position suggests the opposite. The first owner of copyright in a photograph of the Group will be the photographer or the photographer’s employer. Accordingly, exploitation of photographs of the Group will not necessarily require the Group’s licence. Accordingly, even if performers’ or authors’ names may be registered in respect of compact discs and books on the basis that members of the public would expect such items to be authorised by the performer or author (contrary to what is suggested above), that would not mean that such marks were registrable for posters.

67. Furthermore, this seems to me to be a matter for evidence. If the applicant wishes to secure registration on the basis that consumers would expect posters depicting the Group to be licensed by the Group, then in my judgment it is incumbent on the

applicant to adduce evidence to show that the perception of the average consumer is as it contends. It has not done so.

68. My conclusion is that paragraph 21.2 of the Work Manual represents a correct application of the law as it presently stands. For the reasons I have given, I am less sure about paragraphs 21.1 and 21.3; but, if they are wrong, it is because they are unduly lenient to applicants, which does not assist the present applicant.”

15. Concerning Mr Fiddes’ comments about Section 11 of the Act providing a defence for potential infringers, it is long established that in order for a mark to be eligible for registration, it must be of distinctive character. In *AD 2000* ([1997] RPC 168), Geoffrey Hobbs QC (in his capacity as the Appointed Person) makes it clear that Section 11 of the Act cannot be used as a justification for accepting marks which do not qualify under Section 3 of the Act. He said:

“Although Section 11 of the Act contains various provisions designed to protect the legitimate interests of honest traders, the first line of protection is to refuse registration of signs which are excluded from registration by the provisions of Section 3. In this regard, I consider that the approach to be adopted with regard to registrability under the 1994 Act is the same as the approach adopted under the old Act. This was summarised by Robin Jacobs Esq. QC in his decision on behalf of the Secretary of State in *Colorcoat TM* [1990] RPC 511 at 517 in the following terms: ‘That possible defences (and in particular that the use is merely a bona fide description) should not be taken into account when considering registration is very well settled, see eg. *Yorkshire Copper Work Ltd’s Trade Mark Application* [1954] RPC 150 at 154 lines 20-25 per Viscount Simonds LC. Essentially the reason is that the privilege of a monopoly should not be conferred where it might require “honest men to look for a defence”.’”

16. Furthermore, the European Court of Justice in *Libertel Groep BV and Benelux-Merkenbureau* (Case C-104/01) confirmed this view and stated:

“58. Article 6 of the Directive concerns the limits on the effects of a trade mark once it has been registered. The Commission's argument amounts to proposing that there should be a minimal review of the grounds for refusal in Article 3 of the Directive at the time when the application for registration is considered, on the basis that the risk that operators might appropriate certain signs which ought to remain available is neutralised by the limits which Article 6 imposes at the stage when advantage is taken of the effects of the registered mark. That approach is, essentially, tantamount to withdrawing the assessment of the grounds of refusal in Article 3 of the Directive from the competent authority at the time when the mark is registered, in order to transfer it to the courts with responsibility for ensuring that the rights conferred by the trade mark can actually be exercised.

59. That approach is incompatible with the scheme of the Directive, which is founded on review prior to registration, not an *a posteriori* review. There is nothing in the Directive to suggest that Article 6 leads to such a conclusion. On the contrary, the large number and detailed nature of the obstacles to registration set out in Articles 2 and 3 of the Directive, and the wide range of remedies available in the event of refusal, indicate that the examination carried out at the time of the application for

registration must not be a minimal one. It must be a stringent and full examination, in order to prevent trade marks from being improperly registered. As the Court has already held, for reasons of legal certainty and good administration, it is necessary to ensure that trade marks whose use could successfully be challenged before the courts are not registered.”

17. Regarding the offer that Mr Fiddes made in relation to excluding goods bearing the images of Sir Alex Ferguson, following the judgment of the European Court of Justice in *Postkantoor*, C-363/99, the court makes it clear that the Trade Marks Directive, from which the Trade Marks Act is derived, “prevents a trade mark registration authority from registering a mark for certain goods or services on condition that they do not possess a particular characteristic”. Furthermore, in the case of the present application, the name of ALEX FERGUSON is a characteristic of the goods at issue, i.e., they are (or are capable of being) image carriers of Sir Alex Ferguson. The reasoning that the Court gave for its ruling is underpinned by the legitimate interest of other traders: an exclusion in relation to particular characteristics might cause other traders to refrain from using that sign in trade because it would be unclear that the mark’s protection did not actually extend to those goods or services for which it was descriptive. They would not know, as a general rule, about the exclusion and there might be legal uncertainty, which is what the Directive is intended to prevent.

18. Finally, I should mention the Opinion of Advocate General Jacobs (European Court of Justice) in *New Born Baby* (Case C-498/01 P) which he delivered on 19th February 2004. This case was essentially concerned with the issue of whether the term “New Born Baby” might be registered as a Community Trade Mark for dolls and their accessories. The applicant submitted that their mark *New Born Baby* could only designate characteristics of living babies and not dolls and that any descriptive content was indirect. In his response, AG Jacobs said:

“27. It is true that a term which is descriptive of what a toy represents is not directly descriptive of the toy itself. However, Article 7(1)(c) precludes registration of '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 or the time of production of the goods or of rendering of the service, *or other characteristics* of the goods or service' (emphasis added).

28. It is an essential characteristic of many toys, and of all those normally classed as dolls, that they represent something. The characteristics of a toy motorcycle differ from those of a toy giraffe, and are certain to be perceived immediately by potential purchasers as defining the nature of the toy (and as relevant to their purchasing choice). In trade, the terms 'motorcycle' and 'giraffe' (or 'racing motorcycle', 'baby giraffe' etc.) are important to both buyer and seller in identifying the class or subclass of toy in question. It would surely not be compatible with Article 7(1)(c) to register 'Giraffe' or 'Motorcycle' for the relevant class of toy. The situation is the same for a child's doll representing a new-born baby, a princess, a soldier or any other kind of person.

29. It is thus not necessary, in order for Article 7(1)(c) to apply, that potential customers should conflate (16) what is represented with the item which represents it. It seems clear that, where an essential characteristic of a product is to represent something else, a term consisting exclusively of elements which designate that

something else may not be registered as a trade mark. The Court of First Instance's reasoning based on the absence of a finding of conflation in the Board of Appeal's decision is therefore erroneous and the judgment under appeal should be set aside to the extent that it is based on that reasoning.”

19. I am of the view that AG Jacobs' comments in *New Born Baby* apply equally to the circumstances of this application. In the present case the applicant is seeking registration of the words ALEX FERGUSON for goods which include “image carriers”. In all cases the mark ALEX FERGUSON designates an essential characteristic of the goods since the mark will be perceived immediately by potential purchasers as defining the subject matter of the goods. For example, a poster depicting Sir Alex Ferguson sold under the mark ALEX FERGUSON would clearly be identified by buyers and sellers as an “Alex Ferguson” poster.

Section 3(1)(b)

20. Having found that the mark fails to qualify under Section 3(1)(c) of the Act, I now go on to consider whether it is eligible for Registration under Section 3(1)(b). I approach this ground of objection on the basis of the following principles derived from the ECJ cases referred to below:

- an objection under Section 3(1)(b) operates independently of objections under Section 3(1)(c) – (*Linde AG (and others) v Deutsches Patent-und Markenamt*, Journal Cases C-53/01 to C-55/01, paragraphs 67 to 68);
- for a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
- a mark may be devoid of distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive (*Koninklijke KPN Nederland v Benelux Merkenbureau*, paragraph 86);
- a trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought and by reference to the relevant public's perception of that mark (*Libertel Group BV v Benelux Merkenbureau*, Case C-104/01 paragraphs 72-77);
- the relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).

21. In addition to these cases, I take account of the comments under paragraph 20 of the Judgement in the *Companyline* decision, Case C-104/00, in which the ECJ held that there is no obligation to rule on the possible dividing line between the concept of lack of distinctiveness and that of minimum distinctiveness when considering whether a mark is “devoid of any distinctive character” within the meaning of Section 3(1)(b) (Article 7(1)(b) CTMR). It found (paragraphs 21 to 24) no error in the reasoning of the Court of First Instance to the effect that “Coupling the words “company” and “line” – both of which are customary in English speaking countries – together, without any graphic or semantic

modification, does not imbue them with any additional characteristic such as to render the sign, taken as a whole, capable of distinguishing DKV's services from those of other undertakings." In paragraphs 31 to 36 of its Judgement the Court specifically rejected the appellant's contention that the mark at issue should not have been refused registration under Section 3(1)(b) (Article 7(1)(b) CTMR) without consideration of the question whether it was free of objection under Section 3(1)(c) (Article 7(1)(c) CTMR).

22. I must assess the mark's distinctiveness in relation to the goods for which the applicant seeks registration and also have regard to the perception of the relevant consumers of these goods, which in my view are the general public. For the reasons already stated, I am of the opinion that the name ALEX FERGUSON is not an unusual way of describing the applicant's goods and therefore the public would not distinguish them by reference to those words from those products provided by other undertakings. I therefore find that the mark is devoid of any distinctive character under Section 3(1)(b).

Conclusion

23. In this decision I have considered all documents filed by the agent, and for the reasons given the application is refused under the terms of Section 37(4) of the Act because the mark fails to qualify under Sections 3(1)(b) and (c) of the Act.

Dated this 23rd day of September 2005.

**Charles Hamilton
For the Registrar
the Comptroller-General**

There is no Annex attached