

IN THE MATTER OF APPLICATION NO. 2409366 IN THE NAME OF HULL  
DAILY MAIL PUBLICATIONS LIMITED

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DECISION

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Introduction

1. On 19 December 2005 Hull Daily Mail Publications Ltd applied to register the following series of two trade marks in respect of “printed periodical publications; newspapers; magazines” in Class 16:

THE JOURNAL  
THE JOURNAL

2. On examination, the examiner objected to the application under section 3(1)(b) and (c) of the Trade Marks Act 1994. The applicant submitted evidence of acquired distinctiveness in the form of a witness statement of Christopher Shears, the applicant’s finance director, but the examiner maintained the objection. Following a hearing, the application was refused by Karen Stephens for reasons set out in a written decision dated 7 May 2008 (O/131/08). The applicant now appeals.

Section 3 of the Trade Marks Act 1994

3. Section 3 of the 1994 Act provides *inter alia* as follows:

- (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,

...

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.

4. These provisions correspond to Article 3(1)(b),(c) and (3) of Council Directive 89/104/EC of 21 December 1988 to approximate the laws of the Member States relating to trade marks.

#### The hearing officer's decision

5. The hearing officer first considered whether the marks applied for had any inherent distinctive character, then whether they had any acquired distinctive character. Since the applicant did not dispute then, and does not dispute now, that the marks are inherently descriptive and devoid of distinctive character, it is unnecessary to say any more about the first part of the decision.
6. In the second part of her decision, the hearing officer cited the decision of the European Court of Justice in Case C-108/05 *Bovemij Verzekeringen NV v Benelux-Merkenbureau (EUROPOLIS)* [2006] ECR I-7605 as authority for the proposition that a trade mark may be registered on the basis of acquired distinctiveness “only if it is proven that the trade mark has acquired distinctive character through use throughout the territory of a member state”. She went on to find that the applicant's evidence established use of the marks in respect of local publications distributed in the East Yorkshire area. She concluded as follows:

30. Therefore absent of [sic] any positive proof that the mark has been relied upon as an indication of origin throughout the UK, the evidence has failed to demonstrate that the mark applied for is factually distinctive.
  31. ... I have concluded that the mark is excluded from *prima facie* registration under section 3(1)(b) and (c) of the Act because it consists of words which describe the goods. Having regard to the guidance provided in *Bovemj Verzekeringen NV v Benelux Merkenbureau* (Case C-108/05), the [sic] I have concluded that I do not consider that the evidence demonstrates acquired distinctiveness as it only refers to use of the mark on a local basis.
7. It was common ground before me that the hearing officer had not made any factual assessment as to whether the applicant's evidence was sufficient to demonstrate that the marks had acquired a distinctive character within East Yorkshire, since she had decided as a matter of principle that, even if they had, that would not justify registration.

#### The appeal

8. In its statement of grounds of appeal, the applicant unconditionally requested restriction of the specification of goods of its application pursuant to section 39(1) of the 1994 Act to "Lifestyle magazines containing information about and relevant to the area of East Yorkshire". During the course of the hearing before me, the applicant unconditionally requested further restriction of the specification to "Lifestyle regional magazines containing information about and relevant to the area of East Yorkshire". On this basis, the applicant contended, in short, that the marks had acquired a distinctive character amongst a substantial proportion of the relevant class of persons, that is to say consumers of the goods so specified, namely residents of East Yorkshire.
9. I was informed by the applicant's attorney that he had canvassed a restriction to the specification along these lines with the hearing officer during the course of the hearing before her, but she had indicated to him that she did not think it would make any difference to the merits of the application. Be that as it may, as I understand it, the applicant did not at that stage make an unconditional

request to restrict the specification, and thus in her decision the hearing officer considered the matter on the basis of the original specification.

10. The Registrar's representative accepted that the restriction sought was permissible under section 39(1). He did not raise any procedural objection arising out of the fact that no unconditional request to restrict the specification had been made before the hearing officer (cf. Case T-458/05 *Tegometall International v Office for Harmonisation in the Internal Market* [2007] ECR II-0000 and Case T-304/06 *Paul Reber GmbH & Co KG v Office for Harmonisation in the Internal Market* [2008] ECR II-0000). Nevertheless, the result is materially to change the applicant's case from that dealt with by the hearing officer.

#### Approach to the appeal

11. Although this is an appeal in *ex parte* proceedings, the appeal would ordinarily be a review of the hearing officer's decision: *Dyson Ltd's Trade Mark Application* [2003] EWHC 1062 (Ch), [2003] RPC 47. In most cases, that would entail the approach set out by Robert Walker LJ in *REEF Trade Mark* [2002] EWCA Civ 763, [2003] RPC 5 at [28]:

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.

12. Given, however, that the applicant's case as presented before me is materially different to that considered by the hearing officer in her decision, I have concluded that the correct approach is to treat the appeal as a re-hearing and consider the matter afresh. In any event, however, the principal issue arising on the appeal is one of law.

#### Analysis

13. As the hearing officer correctly appreciated, the judgment of the ECJ in the *EUROPOLIS* case is central to this application. The applicant's attorney

submitted that it was important to take into account the facts of *EUROPOLIS*, and that the present case was distinguishable from it.

14. In *EUROPOLIS* Bovemij applied to register the word EUROPOLIS as a Benelux trade mark in respect of insurance and other services in Class 36 and transport and other services in Class 39. The BMB objected to the application on the ground that the mark was descriptive. Bovemij filed evidence of use and contended that the mark had acquired a distinctive character, but the BMB refused the application. Bovemij appealed to the Court of Appeal of The Hague, arguing that the mark had inherent distinctive character, alternatively had acquired a distinctive character. The Court of Appeal held that the mark was descriptive on the basis that it was a combination of the well-known prefix EURO with the word POLIS, which is Dutch for an insurance agreement. Thus its reasoning was that the mark was descriptive to Dutch speakers. It was not suggested that the mark was descriptive to French speakers. Turning to the question of acquired distinctive character, the Court of Appeal noted that there was a dispute between the parties as to whether it was necessary (as the BMB contended) for acquired distinctive character to be demonstrated throughout the Benelux territory or it was sufficient (as Bovemij contended) for acquired distinctive character to be demonstrated in a substantial part of that territory which could be just the Netherlands. The Court of Appeal therefore referred questions to the ECJ on this point.
15. In these circumstances the Court of Justice held as follows:

*The first and second questions*

19. By the first two questions, which should be considered together, the referring court asks essentially which territory must be taken into account in order to assess whether a sign has acquired a distinctive character through use, within the meaning of Article 3(3) of the Directive, in a Member State or in a group of Member States which have common legislation on trade marks, such as Benelux.
20. It must first of all be recalled that, as regards the trade marks registered at BMB, the Benelux territory must be treated like the territory of a Member State, since Article 1 of the Directive regards Benelux trade

marks as trade marks registered in a Member State (Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 29).

21. Article 3(3) of the Directive does not provide an independent right to have a trade mark registered. It is an exception to the grounds for refusal listed in Article 3(1)(b) to (d) of the Directive. Its scope must therefore be interpreted in light of those grounds for refusal.
22. In order to assess whether those grounds for refusal must be disregarded because of the acquisition of distinctive character through use under Article 3(3) of the Directive, only the situation prevailing in the part of the territory of the Member State concerned (or, as the case may be, in the part of the Benelux territory) where the grounds for refusal have been noted is relevant (see, to that effect, as regards Article 7(3) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), a provision essentially identical to Article 3(3) of the Directive, judgment of 22 June 2006 in Case C-25/05 P *Storck v OHIM* [2006] ECR I-0000, paragraph 83).
23. Consequently, the answer to the first two questions must be that Article 3(3) of the Directive must be interpreted as meaning that the registration of a trade mark can be allowed on the basis of that provision only if it is proven that that trade mark has acquired distinctive character through use throughout the territory of the Member State or, in the case of Benelux, throughout the part of the territory of Benelux in which there exists a ground for refusal.

#### *The third question*

24. By its third question, the referring court essentially asks to what extent the linguistic areas in a Member State or, as the case may be, in Benelux, must be taken into account to assess the acquisition of a distinctive character through use in the case of a trade mark consisting of one or more words in the official language of a Member State or of Benelux.
25. In the case in the main proceedings, BMB and the referring court took the view that the mark applied for is descriptive and devoid of any distinctive character, grounds for refusal listed in Article 3(1)(b) and (c) of the Directive. They reached that conclusion on the ground, inter alia, that the Dutch word 'polis' usually refers to an insurance contract. The grounds for refusal found in the case in the main proceedings therefore exist only in the part of Benelux where Dutch is spoken.
26. In light of the answer to the first two questions, it follows that, to assess whether a mark has acquired distinctive character through use which would justify disregarding the grounds for refusal under Article 3(3) of the Directive, it is necessary to take into account the part of Benelux where Dutch is spoken.

27. In the linguistic area thus defined, the competent authority must assess whether the relevant class of persons, or at least a significant proportion thereof, identifies the product or service in question as originating from a particular undertaking because of the trade mark (see, to that effect, Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 52, and Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 61).
  28. Consequently, the answer to Question 3 must be that, as regards a mark consisting of one or more words of an official language of a Member State or of Benelux, if the ground for refusal exists only in one of the linguistic areas of the Member State or, in the case of Benelux, in one of its linguistic areas, it must be established that the mark has acquired distinctive character through use throughout that linguistic area. In the linguistic area thus defined, it must be assessed whether the relevant class of persons, or at least a significant proportion thereof, identifies the product or service in question as originating from a particular undertaking because of the trade mark.
16. The Registrar considers that *EUROPOLIS* establishes that “it is not possible to register a trade mark on the basis of distinctiveness acquired on a local or regional basis”, and that this cannot be circumvented by means of a geographical limitation under section 13(1)(b) of the 1994 Act: see paragraph 45.9 of the Work Manual as amended by Practice Amendment Notice 6/07.
  17. The applicant contends that *EUROPOLIS* does not have quite such a sweeping effect, and in particular does not preclude registration of a trade mark on the basis of acquired distinctiveness in the circumstances of the present case. The applicant’s attorney submitted as follows:
    - (1) Where a ground of objection such as descriptiveness exists throughout a particular linguistic area of the Member State in which the trade mark is sought to be registered, then *prima facie* acquired distinctiveness must be demonstrated throughout that linguistic area. In the ordinary case, it follows that a mark which is otherwise objectionable cannot be registered simply on the basis of local acquired distinctiveness. Nor can this be achieved by means of a direct geographical limitation.

- (2) Nevertheless, paragraphs 27-28 of the Court's judgment in *EUROPOLIS* confirm that, even where the linguistic area consists of the entirety of the Member State in which the mark is sought to be registered, the mark may be registered if the *relevant class of persons*, or at least a significant proportion thereof, identifies the product or service in question as originating from a particular undertaking because of the trade mark.
- (3) Depending on the product or service in question, the relevant class of persons may be defined by age, gender, profession and so on. In some cases, it may also be defined by the fact that the product or service is only of interest to consumers in a particular geographical locality. For example, hurling is a sport popular throughout Ireland, including Northern Ireland, but rarely played in Scotland, Wales or England. Hurling sticks are widely sold in Ireland, including Northern Ireland, but not elsewhere in the United Kingdom. Accordingly, the relevant class of persons when assessing acquired distinctiveness of a mark sought to be registered in the United Kingdom in respect of hurling sticks is composed of residents of Northern Ireland.
- (4) In the present case, the grounds of objection under section 3(1)(b) and (c) apply throughout the United Kingdom since the words THE JOURNAL are ordinary English words. Nevertheless, the relevant class of persons consists of consumers of "lifestyle regional magazines containing information about and relevant to the area of East Yorkshire". Such persons will be resident, or at least predominantly resident, in East Yorkshire. Accordingly, evidence that the marks have become distinctive of the applicant's publications to residents of East Yorkshire is sufficient to demonstrate acquired distinctiveness of the mark amongst the relevant class of persons, or at least a significant proportion thereof.

18. It should be noted that the applicant did not contend that it was sufficient to show that the marks had acquired a distinctive part in a substantial part of the

United Kingdom and that East Yorkshire was a substantial part of the United Kingdom.

19. The Registrar's representative submitted as follows:
  - (1) It is clear from *EUROPOLIS* that a mark cannot be registered on the basis purely of local or regional acquired distinctiveness.
  - (2) It follows that a mark which is otherwise objectionable cannot be registered by virtue of a geographical limitation to a locality or region in which it has acquired a distinctive character.
  - (3) An indirect geographical limitation such as that proposed by the applicant is no more acceptable from this perspective than a direct geographical limitation. Either way, the effect would be to permit registration of a national trade mark to protect a purely a local or regional right in circumstances where the trade mark is not valid outside the locality or region in question. This is particularly undesirable where goods are involved, as opposed to services, since goods may circulate outside that locality or region.
20. I asked the parties whether, if I concluded that the law was not clear, I should exercise my discretion to seek guidance from the European Court of Justice. After taking instructions, the applicant's attorney informed me that the applicant wanted me to reach a decision without making a reference.
21. In my judgment, the law is not entirely clear from *EUROPOLIS*. The Court of Justice was not addressing the question which arises in this case, which is whether it is permissible to claim acquired distinctiveness amongst a geographically-restricted class of consumers if the market for the product or service in question is limited to that locality or region. It is conceivable that the Court of Justice might give a different answer to this question, or least a more nuanced answer, than it gave to the questions in *EUROPOLIS*. In particular, I think that it is possible that different considerations may apply in

the case of a service which is normally provided to a local clientele, such as hair dressing, than to goods. Accordingly, had it not been for the applicant's opposition to a reference, I would have referred a question to the Court of Justice.

22. Given the applicant's opposition to a reference, however, I shall give my own answer to the question. In absence of further guidance from the Court of Justice, I consider that it is not possible to overcome an objection under section 3(1)(b), (c) or (d) of the 1994 Act by demonstrating that the mark applied for has acquired a distinctive character within a particular locality or region. The Court of Justice's first ruling in *EUROPOLIS* appears to be quite unequivocal on this point: "registration of a trade mark can be allowed on the basis of [Article 3(3) of the Directive] only if it is proven that that trade mark has acquired distinctive character through use throughout the part of the territory of the Member State ... where there exists a ground for refusal". Moreover, its reasoning is that the mark must be free from objection throughout the Member State in question. At least in the case of goods, I do not think that it makes any difference if the market for the goods is confined to a particular locality or region, for the following reasons.
23. First, a registered trade mark is a unitary national right. It confers a monopoly throughout the Member State in question. It follows that it must be valid throughout that state and not just in part of it.
24. Secondly, as the Court of Justice pointed out in *EUROPOLIS*, Article 3(3) of the Directive is an exception to Article 3(1)(b),(c) and (d) and must be interpreted accordingly. Article 3(1)(b), (c) and (d) provide objections to registration of trade marks grounded in public policy. Thus Article 3(1)(c) serves the public interest that descriptive signs or indications may be freely used by all: see e.g. Case C-363/99 *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* [2004] ECR I-1619 at [54]-[55]. It follows that Article 3(3) should only "trump" an objection under Article 3(1)(b), (c) or (d) when that public interest no longer applies because the mark has in fact become distinctive throughout the relevant territory.

25. Thirdly, goods may easily circulate outside a particular locality or region, and so may their consumers. Taking the hurling sticks example, London has a substantial population of consumers who are Irish or of Irish descent. I would not be surprised to find that some of them play hurling occasionally. Someone might decide that it was worth their while to set up a small business making and selling hurling sticks in London. Why should not such a person use a descriptive term for hurling sticks without fear of infringement of a United Kingdom registered mark even if it happens to be distinctive in Northern Ireland? It is no answer to say, as the applicant's attorney did, that such a person would have a defence under section 11(1)(b) of the 1994 Act: see Case C-104/01 *Libertel Group BV v Benelux-Merkenbureau* [2003] ECR I-3793 at [57]-[59].
26. Fourthly, the Directive does not expressly contemplate registration of trade marks on the basis of honest concurrent use. While this may perhaps be the effect of the provisions of the Directive in certain circumstances, in the present case it seems unlikely that someone who used one of the marks in issue for similar magazines in a different region, say Cornwall, would succeed in obtaining concurrent registration if the present application were to be accepted. Although the goods would not be identical if specified as "lifestyle regional magazines containing information about and relevant to Cornwall", they would clearly be similar. Unless experience showed to the contrary, one would anticipate a likelihood of confusion, since a consumer who moved from East Yorkshire to Cornwall would be likely to think that the magazines were published by the same or economically-linked undertakings. But in that case the applicant would acquire a national monopoly on the strength of purely local distinctiveness.
27. Accordingly, I conclude that the marks sought to be registered have not acquired a distinctive character through use, since the applicant's evidence only shows use of them in East Yorkshire.
28. I should add that I am unconvinced that the applicant's evidence in the present case establishes that the marks have acquired a distinctive character even in

East Yorkshire. It is a very short statement outlining the use of the marks. It is lacking in detail and wholly unsupported by any independent evidence such as trade or survey evidence. I do not base my decision on this point, however, since the effect of that might be to encourage the applicant to try again with better evidence.

### Conclusion

29. The appeal is dismissed.

### Costs

30. In accordance with the normal practice in *ex parte* appeals, I shall make no order as to costs.

30 September 2008

RICHARD ARNOLD QC

Martin Krause of Haseltine Lake appeared for the applicant (appellant).

Dr Bill Trott appeared for the Registrar (respondent).