

O-324-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NOS. 2491366A & 2491366B
IN THE NAME OF ANTHONY SEARLE
FOR REGISTRATION OF THE TRADE MARKS
ACUITY AND ACUITY:THINK SHARPER
IN CLASS 35**

AND

**AND IN THE MATTER OF OPPOSITION THERETO
UNDER NOS, 98868 AND 98869
IN THE NAME OF ACQUITY CUSTOMER INSIGHT LTD**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application Nos. 2491366A & 2491366B
in the name of Anthony Searle
for registration of the Trade Marks
ACUITY and ACUITY:THINK SHARPER
in Class 35**

and

**IN THE MATTER OF Opposition thereto
under Nos. 98868 And 98869
in the name of Acquity Customer Insight Ltd**

DECISION

1. On 28 June 2008 Anthony Searle applied to register the trade marks ACUITY and ACUITY:THINK SHARPER in respect of the following services in Class 35:

“Marketing; advertising; public relations; business management; business administration; office functions.”

2. On 26 January 2009 Acquity Limited filed notice of opposition, the grounds being in summary:

Under Section 3(1)(b) because the mark is devoid of distinctive character.

Under Section 3(1)(c) because ACUITY is part of the English vocabulary having a meaning as defined in the Oxford English dictionary as: *sharpness or keenness of thought, vision, or hearing*. Its use in the phrase “visual acuity” is particularly commonplace. It is a noun based on the adjective acute.

ACUITY consists exclusively of a term which may serve, in trade, to designate the kind, quality, intended purpose or value of rendering of services, or other characteristic of services. The relevant public for the services at issue would naturally desire that the provider of the services exercise acute judgment or thinking in relation to those services. Accordingly in this context the perception of the sign by the relevant public is no more than a laudatory epithet. The sign needs additional help to guide the relevant public to appreciate its trade mark significance.

3. The applicants filed a counterstatement in which they specifically deny the opponents’ assertion that the relevant public is “...a business man or woman who needs to market or

advertise or publicise their goods or services or requires commercial assistance in the conduct of their business” and that they have not used the marks prior to filing the application and therefore have no acquired distinctiveness. They otherwise deny the grounds on which the opposition is based.

4. The applicants and the opponents both ask for an award of costs in their favour.

5. Both sides filed evidence in these proceedings, which, insofar as it may be relevant, I have summarised below. The matter came to be heard on 16 June 2010 when the opponents were represented by Ms Barbara Cookson of Filemont Technology Law Ltd, their trade mark attorneys. The applicants were represented by Mr Andrew Marsden of Saunders and Dolleymore, their trade mark attorneys.

Opponents’ evidence

6. This consists of a Witness Statement dated 7 September 2009 from Barbara Cookson. Ms Cookson’s Statement and the associated exhibits seek to establish various substantive points and as such I consider it to be more appropriate to take these submissions as I deal with each related point rather than summarising it as evidence of fact.

Applicants’ evidence

7. This consists of a Witness Statement dated 7 January 2010 from Andrew Marsden.

8. Mr Marsden refers to Exhibit AM1 which consists of pages from the results of a search for the term ACUITY conducted using the Google search engine and which he says supports the applicant’s position that ACUITY and ACUITY:THINK SHARPER are not contrary to the provisions of Sections 3(1)(b) and 3(1)(c). The results mention the applicants and various other traders using ACUITY in their trading names or possibly trade marks, as well as extracts from reference works that define ACUITY in terms such as “sharpness; acuteness; keenness [of perception]; acuity of mind or vision”. The results also mention “Visual Acuity” explaining this in terms such as “acuteness or clearness of vision especially form vision, which is dependent on the sharpness of the retinal focus...” Although the search dates from after the relevant date, given that ACUITY is an ordinary English word that appears to have been around since at least the late 14th- early 15th century (4th entry on page 1) I see no reason to infer that it does not reflect the position at, and prior to this date. Mr Marsden next introduced Exhibit AM2 which consists of two further searches.

9. That concludes my review of the evidence insofar as it is relevant to these proceedings.

Decision

10. The opposition is made under Sections 3(1)(b) and (c) of the Act which read as follows:

“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,

....

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.”

11. These provisions mirror Article 3(1)(b) and (c) of First Council Directive 89/104 of 21 December 1988 with the proviso to Section 3 being based on the equivalent provision of Article 3(3). The applicants stand by the claim that the marks are prima facie distinctive and that they do not need to rely on the provision relating to distinctiveness acquired through use, which, given that no evidence of use has been provided, is not a question that I can consider in any event.

12. The European Court of Justice (ECJ) has emphasised the need to interpret the grounds for refusal of registration listed in Article 3(1) and Article 7(1), the equivalent provision in Council Regulation 40/94 of 20 December 1993 on the Community Trade Mark, in the light of the general interest underlying each of them (Case C-37/03P, *Bio ID v OHIM*, and more recently Case C-273/05P *Celltech R&D Ltd v OHIM*). The Court has held that “...the public interest ... is, manifestly, indissociable from the essential function of a trade mark” which is to guarantee the identity of the origin of the goods or services offered under the mark to the consumer or end-user, thus enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin. (Case C-329/02P, *SAT.1 SatellitenFernsehen GmbH v OHIM*). Marks which are devoid of distinctive character are incapable of fulfilling this function. Section 3(1)(c) pursues an aim which reflects the public interest in ensuring that descriptive signs or indications may be freely used by all – *Wm Wrigley Jr v OHIM (DOUBLEMINT)*, C-191/0P paragraph 31.

13. Section 3(1)(c) of the Act excludes signs which may serve, in trade, to designate the kind of goods and/or services or other characteristics of the goods and/or services claimed. There are a number of judgments from the ECJ that 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) from which I take the following guidance:

“subject to any claim in relation to acquired distinctive character, 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 –*Doublemint* paragraph 30,

it is not necessary that the signs and indications composing the mark that are referred to in that article actually be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that provision itself indicates that such signs and indications could be used for such purposes.– *Doublemint* 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 and Benelux-Merkenbureau*, Case C-363/99 (*Postkantoor*), paragraph 57; A sign must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned.– *Doublemint* paragraph 32,

it is in principle irrelevant whether the characteristics of the goods or services which may be the subject of the description are commercially essential or merely ancillary – *Postkantoor*, paragraph 102,

a trade mark's distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought and, second, the perception of the relevant persons, namely the consumers of the goods or services. According to the Court's case-law, that means the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect (see Case C- 210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 31, and Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 63). *Linde AG (C-53/01)*, *Winward Industries Inc. (C-54/01)*, and *Rado Uhren AG (C-55/01)*,

to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take into account the perception of the relevant parties, that is to say in trade and or amongst average consumers of the said goods or services, reasonably well informed and reasonably observant and circumspect, in the territory in respect of which registration is applied for (see Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 29; Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 77; and Case C-218/01 *Henkel* [2004] ECR I-1725, paragraph 50). *Case C- 421/04 Matratzen Concord AG v Hukla Germany SA (Matratzen)*”

14. It is clear from these cases that the question of distinctiveness is to be viewed from the perspective of the “relevant” or “average” consumer of the services. The opponents contend that this should be “...a business man or woman who needs to market or advertise or publicise their goods or services or requires commercial assistance in the conduct of their business”. Ms Cookson further explained this to be “...businesses who are buying in these services from a third party for cash which gives us some quite specific characteristics of the person we have in mind as being somebody who runs a business.” This was stated to cover a range of people but excluding “...the smaller business owner” who, she said “...would tend to do these things

for himself.” Mr Marsden took a contrary view stating that the services are not specialist requiring technical expertise from a specific educated consumer, but rather are of a type that may be used by the general public, including, but not limited to businesses.

15. Self-evidently the expressions “business management” and “business administration” encompass the management and/or administration of any business regardless of its size. So the consumer group for such services would be the one-man band through to the largest of companies although it seems less likely (although still possible) that the latter would buy-in such services.

16. The service of “public relations” is defined in Collins as “the practice of gaining the public’s goodwill and approval for an organization”. This appears to be overly restrictive as it seems to me that such a service would be used by anyone with an interest in influencing the public’s perception, be that of a business or organization, and also individuals, in particularly those that have acquired celebrity or notoriety.

17. The description “office functions” is capable of including acts as simple as photocopying or the typing of a letter so may be provided to anyone.

18. The online dictionary defines the service of “marketing” as “...the part of a business which controls the way that goods or services are sold”. To me this indicates that marketing is a service that is provided to businesses and potentially all businesses regardless of size.

19. This leaves “advertising” which to my mind is just as capable of describing a resource where goods and services can be advertised for sale by the public as of large expensive campaigns to promote products and services. In summary, accepting that there will be a small percentage of the public that may use a public relations service, I find the relevant consumer for all but the “advertising” to be businesses and organisations. Where this involves what are considered small businesses this is but a step above the public at large, but nonetheless will involve persons with a professional interest in the services they buy. For the “advertising” I take the relevant consumer to be the public at large through to all those engaged in business.

20. The opponents’ objection is based on the assertion that ACUITY is an English word meaning “sharpness or keenness of thought, vision, or hearing”, and is commonly used in the phrase “visual acuity”. The applicants do not take issue with the meanings attributed to ACUITY, only that it needs to be proven that “...it is an established and customary descriptive term in relation to Class 35 services.” This is not a correct statement of the test in an objection under Section 3(1)(c). As can be seen in the reference from the *Doublemint* case it is not necessary that the mark actually be in use at the time of the application in a way that is descriptive of the services, or a characteristic of them, only that it *could* be used for such purposes. Whilst they also challenge the claim that the term “visual acuity” is “commonplace” the extract from Chambers shown as part of Exhibit BEC3 clearly establishes that it is part of the English language with the meaning of “sharpness of vision” but that of itself does not prove anything as the marks are not VISUAL ACUITY. The applicants consider the marks to be distinctive and accordingly do not rely on acquired distinctiveness through use, which is just as well as there is no evidence to support such a claim.

21. The opponents’ argument revolves around the public interest of keeping descriptive terms free for use by all. In support they provide examples where articles descriptively use the term

ACUITY. It can hardly be surprising that ACUITY is used descriptively or that some come from what could be deemed as the industry sector in which the applicants operate; it is, after all a word from the English language; but the mere fact that it can be so used does not make it devoid of distinctive character. What is important is the way in which it is used and in no instance has it been shown as a word that is used to illustrate a characteristic of a service.

22. Then there are the examples where ACUITY is used as part of a company name or trading style. In common with trade marks, a business may adopt a sign of identification that says something the service provider considers desirable or informative to attract custom. The word ACUITY refers to the act of “thinking” in a positive way, which, given that a service does not, of itself “think”, leads to the conclusion that its use as part of a business name is some reference to the standard that can be expected from the service provider.

23. This leads to the nub of the opponent’s argument which is that the relevant public would naturally desire that the provider of the services at issue exercise ACUITY as in acute judgment or thinking and consequently their perception of the mark at issue will be no more than as a laudatory epithet. From this they contend that the sign consists exclusively of a term which may serve in trade to designate a characteristic of the services for which registration is sought. They further say that the relevant public would need to be educated to any trade mark significance.

24. In the decision in *Ford Motor Co v OHIM*, Case T-67/07 (“*Ford*”) the General Court stated:

“There must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of the category of goods and services in question or one of their characteristics”

This decision reiterates that for a sign to be open to objection under Section 3(1)(c) it must have a relationship with the services, whether that be commercially essential or merely ancillary. By the opponent’s own words any relationship is not the sign with the services but the sign with what may be a desirable trait in a person who may provide the services. This is a step removed from being a characteristic of the subject services. Whether viewed from the perspective of the general public or the informed and knowledgeable professional, the sign ACUITY will not enable the public concerned to perceive anything about a category of services, laudatory or otherwise.

25. In relation to ACUITY:THINK SHARPER the opponents say that THINK SHARPER only refers back to the meaning of ACUITY so adds nothing. I tend to agree with this to the extent that if the person understands the meaning of ACUITY they will see the words THINK SHARPER as the same thing presented in a different way. The potential for viewing the mark in this way is heightened by the separation of ACUITY and THINK SHARPER by a colon, the purpose of this punctuation being given in Collins English Dictionary (online edition) as “...used before an explanation or an example, a list, or an extended quotation.” In their skeleton arguments the opponents say that the opposition against ACUITY:THINK SHARPER is in similar terms to that of ACUITY on its own, but is no more than a slogan suggesting that the “...user has good acuity and is therefore able to think sharper than others.”

26. The opponents' objection against ACUITY: THINK SHARPER is also focused on the service provider who, through use of sign, will be saying that they can think sharper than their competitors. Ms Cookson referred me to the decision of the General Court in Case T-80/07 *JanSport Apparel Corp. v OHIM* in respect of the mark BUILT TO RESIST. In this the Court found the sign to be a grammatically correct expression that conveyed, in a way that would be immediately understood, that the goods which it designates are high quality and particularly durable and resistant against wear and tear. The nature of this relationship was apparent and the sign could have only one possible meaning in relation to the goods. The Court considered there to be a sufficiently direct and specific link between the conceptual content of the trade mark applied for and the characteristics of the quality, resistance and reliability of the goods concerned, criteria of particular importance for the goods.

27. I do not see that there is much parallel between this case and ACUITY:THINK SHARPER. The sign here is not a grammatically correct expression, and whilst the meaning may be apparent this understanding will not have a relationship with the linked services. I do not see that ACUITY:THINK SHARPER is any more descriptive or laudatory than ACUITY on its own. Accordingly I do not consider that either sign is open to objection under Section 3(1)(c) and this ground is dismissed.

28. Turning to the ground under Section 3(1)(b). This section prohibits the registration of trade marks which are devoid of any distinctive character absent of distinctiveness acquired through use. Whilst the wording of the section does not detail the nature of an objection under this section, it has the purpose of sweeping up the marks which do not fall foul of the clear parameters set by sections 3(1)(c) and (d), but which nevertheless cannot fulfill the function of identifying the goods and services of one undertaking from those of another. A mark that is found to be open to objection under Section 3(1)(c) will by its nature also be objectionable under Section 3(1)(b), but there is no requirement that a mark designate a characteristic of the goods or services for there to be an objection under Section 3(1)(b). This section has separate and independent scope from section 3(1)(c).

29. In terms of assessing distinctiveness under section 3(1)(b) the General Court in *Ashoka v OHIM*, Case T-186/07, [2008] E.T.M.R. 70 ('Dream it, do it!') held:

"21 According to case-law, the signs referred to in Article 7(1)(b) of Regulation No 40/94 are signs which are regarded as being incapable of performing the essential function of a trade mark, namely that of identifying the commercial origin of the goods or services, thus enabling the consumer who acquired them to repeat the experience if it proves to be positive, or to avoid it if it proves to be negative, on the occasion of a subsequent acquisition (*Case T-79/00 Rewe-Zentral v OHIM (LITE)* [2002] ECR II-705, paragraph 26, and *Case T-34/00 Eurocool Logistik v OHIM (EUROCOOL)* [2002] ECR II-683, paragraph 37). That is true, in particular, for signs which are commonly used in the marketing of the goods or services concerned (*LIVE RICHLY*, cited in paragraph 13 above, paragraph 65).

30. The ECJ has also provided guidance in *Postkantoor* where, at paragraph 34, it stated:

"A trade mark's distinctiveness within the meaning of Article 3(1)(b) of the Directive must be assessed, first, by reference to those goods or services and, second, by

reference to the perception of the relevant public, which consists of average consumers of the goods or services in question, who are reasonably well informed and reasonably observant and circumspect (see inter alia Joined Cases C-53/01 to 55/01 *Linde and Others* [2003] ECR I-3161, paragraph 41, and Case C-104/01 *Libertel* [2003] ECR I-3793, paragraphs 46 and 75)."

31. In Case C-398/08 P, *Audi AG v. OHIM (Vorsprung durch Technik)* Audi the ECJ set out the principles of distinctive character:

"32. Under Article 7(1)(b) of Regulation No 40/94 [section 3(1)(b) of the Act], trade marks which are devoid of any distinctive character are not to be registered.

33. It is clear from settled case-law that, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the goods in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish those goods from those of other undertakings (*Procter & Gamble v OHIM*, paragraph 32; *OHIM v Erpo Möbelwerk*, paragraph 42; Case C-144/06 P *Henkel v OHIM* [2007] ECR I-8109, paragraph 34; and Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66).

34. According to equally settled case-law, that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the relevant public's perception of the mark (*Procter & Gamble v OHIM*, paragraph 33; Case C-25/05 P *Storck v OHIM* [2006] ECR I-5719, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67)."

32. Quite clearly the question of whether a mark is devoid of any distinctive character is answered by reference firstly, to the goods and services applied for, and secondly, to the perception of the average consumer for those goods or services. The mark ACUITY: THINK SHARPER is slightly different to ACUITY alone it is likely that it will be viewed as more of a statement.

33. The registration of a mark which consists of signs or indications that are also used as advertising slogans, indications of quality or incitements to purchase the goods or services covered by that mark is not excluded as such by virtue of such use (Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 41, and *LIVE RICHLI*, cited in paragraph 13 above, paragraph 66)."

34. However, a sign which, like an advertising slogan, fulfils functions other than that of a trade mark, in the traditional sense of the term, is distinctive for the purposes of Article 7(1)(b) of Regulation No 40/94 only if it may be perceived immediately as an indication of the commercial origin of the goods or services in question, so as to enable the relevant public to distinguish, without any possibility of confusion, the goods or services of the owner of the mark from those of a different commercial origin (see Case T-216/02 *Fieldturf v OHIM (LOOKS LIKE GRASS ... FEELS LIKE GRASS ... PLAYS LIKE GRASS)* [2004] ECR II-1023, paragraph 25, and *LIVE RICHLI*, cited in paragraph 13 above, paragraph 66 and the case-law cited).

35. It is also necessary to bear in mind that the test is one of immediacy or first impression, as confirmed by the General Court in its decision on *Sykes Enterprises v OHIM (Real People Real Solutions)*, 2002, ECT II-5179:

"...a sign which fulfils functions other than that of a trade mark is only distinctive for the purposes of Article 7(1)(b) of Regulation No 40/94 if it may be perceived immediately as an indication of the commercial origin of the goods or services in question, so as to enable the relevant public to distinguish, without any possibility of confusion, the goods or services of the owner of the mark from those of a different commercial origin."

36. In *Vorsprung Durch Technik* the ECJ at paragraph 44 stated:

"...while it is true... that a mark possesses distinctive character only in so far as it serves to identify the goods or services in respect of which registration is applied for as originating from a particular undertaking, it must be held that the mere fact that a mark is perceived by the relevant public as a promotional formula, and that, because of its laudatory nature, it could in principle be used by other undertakings, is not sufficient, in itself, to support the conclusion that the mark is devoid of distinctive character."

37. The opponents' objection to ACUITY revolves around evidence that they say shows multiple business people have adopted ACUITY into their company name and as such the marks applied for need more to indicate a specific origin. Commonality of use as a business name is not grounds for inferring a lack of distinctive character. I could take the contrary view that this shows a capacity to distinguish but I place no weight on this. I have already given my view that if ACUITY describes any characteristic it is of the service provider and not the services.

38. In relation to ACUITY:THINK SHARPER the opponents refer me to the analysis of the *Vorsprung Durch Technik* case undertaken by Ruth Annand sitting as the Appointed Person in NO HALF MEASURES (BL O-079-10). Ms Cookson submitted that as there is no evidence of the applicants' intentions in respect of the use of the mark I would have to draw my own conclusions on the perception of the relevant public to the sign which the opponents contend is no more than a standard advertising slogan. I have no argument with the contention that there is a possibility that the consumer may see ACUITY:THINK SHARPER differently, potentially as a promotional statement but to me it is aspirational rather than laudatory. To my mind ACUITY:THINK SHARPER is capable of functioning as an indication of origin. In light of my conclusions I find that the ground under Section 3(1)(b) to have also failed.

39. The opposition having failed on all grounds the applicants are entitled to a contribution towards their costs. Both sides agreed that the circumstances of the case warranted an award based on the set scale. I order the opponent to pay the applicants the sum of £2,250. This

sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21 day of September 2010

**Mike Foley
for the Registrar
the Comptroller-General**