

BL O/359/20

**TRADE MARKS ACT 1994 & THE TRADE MARKS (INTERNATIONAL REGISTRATION)
ORDER 2008 (as amended)**

IN THE MATTER OF INTERNATIONAL REGISTRATION NUMBER: WO0000001490259

IN THE NAME OF MHCS

TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 33:



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Background:

1. On 24 May 2019 MHCS (“the holder”) requested protection in the United Kingdom under the provision of the Madrid Protocol for the above sign for the following goods:

Class 33: Alcoholic beverages (excluding beers), wines, sparkling wines, wines with the protected appellation of origin Champagne.

2. On 10 October 2019 the Intellectual Property Office (“IPO”) issued notification of a provisional total refusal in response to the request for protection. In that notification, an objection was raised under Section 3(1)(b) of the Trade Marks Act 1994 (“the Act”). The notification stated:

Section 3(1)(b)

The designation is not acceptable in Class 33. There is an objection under Section 3(1) (b) of the Act as the mark is devoid of any distinctive character. This is because the simple design, serves nothing more than a decorative function when applied to the surface of a bottle.

The mark is incapable of denoting a single source of brand origin and therefore cannot fulfil the function of a trade mark.

3. On 14 January 2020 a confirmation of a total provisional refusal was issued by the IPO. The applicant failed to respond, and the designation was totally refused. On 11 February 2020 Nucleus IP Limited (“the agent”) acting on behalf of the applicant submitted a form TM5 request for a statement of grounds for the Registrar’s decision. I am now asked under Section 76 of the Trade Marks Act 1994, and Rule 69 of the Trade Marks Rules 2008, to state the grounds of the Registrar’s decision and the material used in arriving at it. No formal evidence has been put before me for the purposes of demonstrating acquired distinctiveness, therefore I only have the *prima facie* case to consider.

Failure to comply - Section 37(4)

4. In the notification of a provisional total refusal in response to the request for protection dated 10 October 2019 and the refusal of International Registration designating the UK letter dated 14 January 2020, it was explained that failure to reply to the section 3(1)(b) objection by the set date would result in the designation being refused in accordance with section 37(4) of the Act.
5. Section 37 of the Act sets out provisions which govern the examination of trade mark applications, with sub-section (4), in particular, providing the Registrar with grounds for refusing such an application where it fails to meet the requirements for registration. Section 37(4) reads as follows:

“If the applicant fails to satisfy the registrar that those requirements are met, or to amend the application so as to meet them, or fails to respond before the end of the specified period, the registrar shall refuse to accept the application.”
6. The applicant failed to provide the Registrar with any response by the set dates. The examiner’s decision to refuse the request for protection as a result of the applicant’s failure to respond within a clearly-communicated time frame was therefore correct and in full accordance with section 37(4) of the Act.
7. Whilst I find the examiner’s refusal of the designation correct and in accordance with section 37(4) of the Act, for the avoidance of any doubt, and in the interests of legal certainty, I have presented below a review and confirmation of the examiner’s original and substantive objections taken under sections 3(1)(b).

The prima facie case for registration under Section 3

The Law

8. Section 3(1) of the Act reads as follows:

3.-(1) The following shall not be registered –

(a) ...

(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,

(d) ...

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.

The above provisions mirror Articles 3(1)(b) and (c) of the First Council Directive 89/104 of 21 December 1988. The proviso to section 3 is based on the equivalent provision of Article 3(3).

The relevant legal principles – Section 3(1)(b)

9. There are a number of judgements of the Court of Justice of the European Union (“CJEU”) which deal with the scope of article 3(1)(b) of the Directive and Article 7(1)(b) of the Regulation, whose provisions correspond to Section 3(1)(b) of the UK Act. I derive the following main guiding principles from the cases notes 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*, Joined 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 (*Postkantoor* 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 7277);
 - 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*).
10. When considering whether a sign can function as a trade mark, it is important to consider the average consumers first impression of the sign when it is used in relation to the goods and services covered by the application. The test is one of immediacy or first impression, as confirmed in the decision *Sykes Enterprises v OHIM (Real People Real Solutions)* [2002] ECR II-5179, where it states:

“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.”

11. It is clear from the aforementioned case law that assuming notional and fair use, I must determine whether or not the mark applied for will be viewed by the average consumer as a sign capable of denoting a single source of trade origin when used in relation to the goods included in the designation. I therefore must consider who the average consumer of the goods covered by the designation is. The goods included in the designation are alcoholic beverages (excluding beers), wines, sparkling wines, wines with the protected appellation of origin Champagne. Champagne only comes from the Champagne region of France. It is the most famous and prestigious sparkling wine and is produced from grapes grown only in the Champagne wine region of France. Alcoholic beverages, wines, sparkling wines and Champagne can be purchased in bulk by businesses in the catering and hospitality trade to be served in bars, hotels and restaurants and can also be purchased by the general public in those settings but also in settings such as off-licences and supermarkets. Sparkling wines and Champagne, just like any other type of wine, can be very expensive and rare, and some consumers select them carefully. However, there are also sparkling wines, including Champagne, sold at relatively low prices. It is neither of those extremes on which this assessment shall be based but on the perception of the average consumer buying average quality wines. Whether the consumer is the public or trade, their levels of perception are likely to be normal or reasonable in relation to the goods covered by the designation.
12. The mark applied for consists of an image of a sparkling wine bottle/Champagne bottle presented in the colours pink, white and gold. The shape of the bottle is commonly used in the alcoholic beverages sector and there is nothing in the representation that would render it different from other bottles used for these products. It is also not uncommon for bottles of this kind to come in different shades and colours and these colours will not help consumers to identify the goods. The shape together with the covering of the bottle when taken as a whole, consist of a combination of presentational features that are typical of the packaging of the goods in question. Sparkling wine bottles often have an elegant shape, shiny coloured labels or packaging and coloured caps.
13. As regards my findings above, it is helpful to refer to the decision of the Fifth Board of Appeal (BoA) in case R 3/2019-15 Ace of Spades Holdings LLC. This was an *inter partes* case, however the Board stated the following regarding the distinctiveness of the shape and colour of sparkling wine bottles:

*32. The Board further notes that it is unproven in these proceedings that the earlier marks would be the only ones that appear in different colours. In fact, it is highly unlikely that this claim of the opponent corresponds to the actual reality on the market. As the contested decision has correctly noted, **presently it is not uncommon at all that the kinds of bottles such as the ones relevant for these proceedings, come in different shades or colours. Furthermore, the use of the colours could also refer to distinguish different kinds of products, such as sparkling wine, or white wine, rose wine, and so forth. It follows that the colours used are as such to be considered non-distinctive for the relevant goods in Class 33 and will have very little, if any, impact on the overall impression.***

14. In the same decision, the BoA went on to specifically state that:

34. The form of the shape of a bottle which has a colour and which includes a logo on its central part and/or on the neck of the bottle, with a black foil that covers the cork at the upper part of the bottle, and, as regards several of the earlier marks, a shiny effect, does not appear markedly different from

presentational features that are common on the market for the packaging of the relevant goods (additional reference is made to the examples submitted by the applicant during the opposition proceedings). As the contested decision found, there is no reason for a finding that the claimed shapes and forms of packaging of the goods will enable the relevant public immediately and with certainty to distinguish the earlier goods from those of another commercial origin.

15. It is recognised that neither the BoA decision nor its findings do not of themselves create any binding precedent in relation to this case. Nonetheless, inasmuch as both national systems and EU law strive, as far as possible, for consistency it would, I think, be remiss to have no regard to findings in relation to similar circumstances. In this case, it seems reasonable for me to conclude, especially in the absence of any argument from the holder, that the BoA findings and conclusions reflect and support my own conclusions.
16. The mark applied for is presented in the colours pink, white and gold. The mark also contains the image of a crown and a pink ribbon presented around the neck of the bottle. It is my opinion that these elements are purely decorative and therefore non-distinctive. The decision referred to above confirms that sparkling wine bottles are commonly presented in different shades and colours for decorative purposes and as such, colours are considered non-distinctive for the relevant goods in Class 33 and will have very little, if any, impact on the overall impression. The decision also confirms that if the sign *does not appear markedly different from presentational features that are common on the market for the packaging of the relevant goods*, then the sign will likely be incapable of enabling the relevant public to immediately and with certainty distinguish the goods from those of another commercial origin.
17. In my view, the fact that the relevant consumer is used to seeing sparkling wine bottles presented in an array of colours for purely decorative purposes, would reinforce my view that the image of the bottle applied for would not be perceived as a trade mark, unless consumers had been educated that the sign was a trade mark. The bottle is of standard shape and size for sparkling wine including Champagne, the use of colour and the crown and ribbon device elements are purely decorative therefore, overall the sign is in my opinion origin neutral.
18. When considering the mark in relation to the goods claimed in the designation, I believe the average consumer would perceive the mark as nothing more than a non-distinctive representation of the goods themselves. The sign would not in my opinion be perceived independently from the appearance of the product it designates. The sign in question cannot be sufficiently distinguished from other forms of packaging commonly used for sparkling wine and will therefore not enable to relevant public to immediately and with certainty distinguish the goods from those of another commercial origin.
19. It is therefore my view that the sign is not capable of performing the function of a trade mark in the *prima facie* without the relevant consumer first being educated to that fact. Consumers will not consider the sign belongs to a particular provider of alcoholic beverages, wines, sparkling wines and Champagne. The mark is devoid of any distinctive character and is, therefore, excluded from registration by section 3(1)(b) of the Trade Marks Act 1994.

Conclusion

20. I have concluded that the mark applied for will not be identified as a trade mark without first educating the public that it is an indication of trade origin. For the reasons given above, the designation is refused under section 3(1)(b) of the Act for all the goods applied for in class 33.

Dated this 27th day of July 2020

**Rebecca Thomas
For the Registrar
The Comptroller-General**