

O-415-19

TRADE MARKS ACT 1994

TRADE MARK APPLICATION NO. 3383412

BY NIKE INNOVATE C.V.

TO REGISTER AS A TRADE MARK

FOOTWARE

IN CLASSES 9, 38 AND 42

AND

OPPOSITION THERETO UNDER NO. 416733

BY PUMA SE

Background and pleadings

1. On 14 March 2019, Nike Innovate C.V. (“the applicant”) applied to register **FOOTWARE** as a trade mark under number 3383412. The mark was accepted and published in the Trade Marks Journal on 22 March 2019 in respect of the following goods and services:

Class 9 Computer hardware modules for receiving, processing, and transmitting data in Internet of things electronic devices; electronic devices and computer software that allow users to remotely interact with other smart devices for monitoring and controlling automated systems; computer software and firmware used to allow electronic devices to share data and communicate with each other; software drivers for electronic devices that allow computer hardware and electronic devices to communicate with each other; computer software for network and device security; computer software for network and device security, namely, software that ensures secure receipt, processing, transmission and storage of data in the internet of things; computer software for use and interoperability of application program interfaces that are used by electronic devices, systems, and interchanges that exchange data via communications networks and the internet and that connect with private and public computer networks for data storage and exchange services.

Class 38 Telecommunications services; telecommunications services, namely, transmission of data by means of telecommunications networks, wireless communications networks and the Internet.

Class 42 Application service provider featuring application programming interface (API) software for integration of third-party applications to allow an interactive user experience; Cloud computing featuring software for connecting, operating and managing networked devices via wireless or

wired networks; cloud computing featuring software for connecting, operating and managing networked devices in the internet of things; cloud computing featuring software for use in the collection, management, monitoring, storage and analysis of data; cloud computing featuring software for managing machine-to-machine applications and machine-to-machine networks; providing temporary use of non-downloadable cloud-based software for connecting, operating, and managing networked payment terminals, entertainment devices, smartphones, lighting systems, HVAC systems, in the internet of things (IoT).

2. Puma SE (“the opponent”) opposes the trade mark on the basis of sections 3(1)(b), 3(1)(c) and 3(1)(d) of the Trade Marks Act 1994 (“the Act”). The opposition under each of these grounds is directed against all of the goods of the application. The opponent’s claims are as follows:

- i) Under s. 3(1)(b), that the mark is an ordinary descriptive term for the goods and services for which registration is sought and does not, therefore, possess sufficient distinctive character for registration. It is not striking, surprising, unusual or arbitrary;
- ii) Under s. 3(1)(c), that the mark is an obvious portmanteau of “footwear” and “hardware” or “software”. As the goods and services for which registration is sought encompass software and hardware, the mark is descriptive of the kinds of goods and services covered by the application. The mark simply informs consumers that the goods and services in question relate to hardware/software in or for feet and footwear. It is alleged that the term is already used descriptively for goods and services in this field and/or that the mark could be used in that way;
- iii) Under s. 3(1)(d), that the mark has become a common descriptor of the goods for which registration is sought and is now customary in the relevant trade. The opponent claims that the “theoretically descriptive” use of “FOOTWARE” (being a portmanteau of footwear and software/hardware) has already been adopted by multiple users in connection with footwear and software/hardware technology.

3. The applicant filed a counterstatement denying each of the claims made.

4. Both parties filed evidence, all of which I have read but which I will summarise only to the extent that I consider necessary. The opponent also filed submissions during the evidence rounds, which I will bear in mind and refer to as appropriate. A hearing took place before me on 29 June 2020, by video conference, at which the applicant was represented by Julius Stobbs of Stobbs and the opponent by Olivia Gregory of Appleyard Lees IP LLP.

Evidence

Opponent's evidence

5. This consists of the witness statements of Aylin Eggerath and Olivia Gregory, with accompanying exhibits.

Aylin Eggerath's evidence

6. Ms Eggerath is a Trademark Manager at the opponent company, where she has worked for over two-and-a-half years.

7. A report with a copyright date of 2018 by Deloitte Development LLC is provided, which discusses the role of technology and the Internet of Things ("IoT") in sport.¹ It is said that such technology plays a role in player development, player safety and fan engagement, and that the data collected by various devices can be analysed for different purposes. There are references to "smart insoles", built-in chips, embedded sensors (such as GPS, accelerometers, gyroscopes and microprocessor technologies in shorts) and sensors on cleats. The report indicates that "wearable gadgets are becoming more prevalent in sports". A paper for the Institute and Faculty of Actuaries (London, September 2018)

¹ AG2, pp. 112-142.

describes the scope and pace of IoT technology as “overwhelming”. It also lists three types of “Smart shoes”, for running and golf, along with insoles for running and to be used for elderly patients or dementia sufferers.²

8. It is said that the opponent was the first company to integrate electronic hardware and software in sports shoes, in 1986. This is supported by a Wikipedia article, dated 2019, which reports that the “RS Computer” shoe was introduced in 1986 and measured a runner’s speed, pace and calorie use, though it sold poorly.³ The “RS Computer” shoe was apparently reintroduced in December 2018 with technologies such as Bluetooth and an accelerometer.⁴

9. An article from November 2015 reports that the opponent has created new self-lacing trainers which are said to tie automatically from the push of a button.⁵ Further prints and articles concerning footwear products which include software or hardware are in evidence.⁶ Although not all are dated, the majority of the press articles are from before the filing date. However, whilst there are articles from the *Telegraph* online and the BBC, it is not clear to what extent the remainder are concerned with the UK: for example, the article at AG2, p. 145 refers to both a company called techUK and Macy’s, whilst other articles have .blog or .com domain names and/or refer to prices in dollars. Connected footwear and shoe sensors are specifically mentioned.⁷ There are various references to shoes with embedded technology as “smart shoes”, “smart running shoes” and “smart sneakers”, with names such as “Fit Intelligence” or “Fi”, “Autodisc” and “Nike+iPod”. “Footwear” is not among the descriptors. There are references to collaboration between technology companies and other brands regarding the creation and use of applications and the cloud in producing wearable technology, along with evidence that some shoe

² See also p. 171.

³ Exhibit AG1, p. 44.

⁴ AG1, p. 44.

⁵ AG1, p. 59.

⁶ AG2 and AG3, pp. 179-209.

⁷ AG2, pp. 151, 155.

manufacturers produced related technology platforms and software (e.g. the “PUMATRAC” and “Nike+” apps).⁸

10. The following articles are also included:⁹

- An article from www.researchgate.net dated June 2007 about “augmented tango shoes”. It describes them as “interactive footwear”;
- An article dated August 2007 from theregister.co.uk entitled “Running biometric footwear”. It asks, “How does [...] traditional footwear become high-tech “footwear”?” but the Canadian company is said to be “little more than a weirdly graphical but vague website” which hasn’t made any shoes yet;
- An article from ageinplace.com dated October 2011, which refers to “GPS footwear” and the “long-awaited GPS shoe (let’s call that “footwear”)”. It does not appear to be directed at the UK: the sums are in dollars and there are references to dementia sufferers in the USA;
- An article from werindia.com about “GPS Footwear” dated September 2014 about a “haptic footwear” product or “smart sports shoe”. Its tagline is said to be “innovated in India”;¹⁰
- A print from footware.co.uk dated May 2019, which appears to advertise a patient record system for podiatrists and chiropodists called “footware”;
- A print from myfootcaresupplies.com which appears to advertise the “footware” software sold by footware.co.uk (see above). The only visible date is a 2019 copyright date;
- A print from gadgetsandwearables.com dated May 2019 inviting users to “compare connected footwear with our interactive tool”. It appears to be a US site: it refers to the number of runners in the US;
- An article from advantagesolutions.com.au about “Footware”. The .au domain name and references in the text suggest it is an Australian site;

⁸ AG2, p. 147.

⁹ AG4.

¹⁰ The same company/products are shown in a report on a UK website in the applicant’s evidence (LC4, pp. 5-6).

- An undated print from eventprojection.co.uk about a “multitouch footwear wall”, which is a touchscreen “intelligent wall” from which customers can choose footwear products;
- An article from vorum.com about “the Footwear™ Carving Machine”. It appears to be a machine for producing footwear lasts and the company is Canadian.

Olivia Gregory’s evidence

11. Ms Gregory is an associate and trade mark attorney with the opponent’s professional representatives.

12. Ms Gregory provides evidence of EU trade mark applications containing the suffix “-WARE” which were either partially or totally refused in classes 9, 38 and/or 42.¹¹ Decisions of the EUIPO relating to three of these trade marks (DisplayWare, LANGUAGEWARE, TOUCHWARE) are also exhibited.¹²

Applicant’s evidence

13. This consists of the witness statement of Lucy Cundliffe, a Trade mark Attorney at the applicant’s firm of professional representatives.

14. Ms Cundliffe exhibits the results of searches for EU and UK trade marks in classes 9, 38 and 42 and which include the suffix -WARE.¹³ There are exhibited undated prints from UK websites showing some of these trade marks, namely Assetware, Bagware, Brainware, Brightware, CareWare, CaseWare, Labware, Optiware and Timeware, in use in relation to various software goods.¹⁴ There is also a print of the details of an EU trade

¹¹ OLG2.

¹² OLG3.

¹³ LC1.

¹⁴ LC2.

mark for the word SPORTSWARE, owned by the opponent, which is registered in classes 9, 38 and 42.¹⁵

15. Ten articles in which footwear with embedded technology is discussed are provided, including articles from January 2019 about the launch of a self-lacing shoe from Nike, controlled by an app on a paired device with a Bluetooth connection.¹⁶ All are UK publications or UK editions of websites. The products are variously referred to as “smart running trainers”, “trackable trainers”, “smart shoes”, “smart football boots”, “smart running shoes”, “connected footwear” and as being “connected”; there is also a reference to “smart insoles”. Some but not all are from before the filing date. Further articles and web prints are provided but these do not appear to be from the UK.¹⁷ “Footware” is not used.

Decision

16. The relevant parts of s. 3 of the Act read:

“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,

¹⁵ LC3.

¹⁶ LC4.

¹⁷ LC5.

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

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”.

17. There is no claim to acquired distinctiveness. The relevant date for determining whether the mark is objectionable under the above grounds is the date of application, i.e. 14 March 2019.

18. I bear in mind that the above grounds are independent and have differing general interests. It is possible, for example, for a mark not to fall foul of section 3(1)(c), but still be objectionable under section 3(1)(d) and/or 3(1)(b) of the Act: *SAT.1 SatellitenFernsehen GmbH v OHIM*, Case C-329/02 P at [25]. However, Ms Gregory accepted at the hearing that the opponent’s case under s. 3(1)(b) is not advanced on a different basis from that under s. 3(1)(c), with which it will stand or fall.

19. The position must be assessed from the perspective of the average consumer, who is deemed to be reasonably observant and circumspect: *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04. Mr Stobbs accepted at the hearing that most of the goods and services will be purchased by members of the general public. Some of the goods and services, such as firmware or cloud computing featuring software for managing machine-to-machine applications and machine-to-machine networks, are more likely to be purchased by business or professional users. The level of attention is likely to be variable, depending on the particular goods and services at issue. There will be some attention paid to the particular function or attributes of the goods and the scope of the services. The member of the public will pay at least a medium degree of attention, whilst the business or professional user is likely to pay at least a reasonably high degree of attention

(due to, for example, higher costs, greater concerns over reliability and more specific requirements for integration with existing systems).

Section 3(1)(c)

20. The case law under section 3(1)(c) (corresponding to article 7(1)(c) of the EUTM Regulation, formerly article 7(1)(c) of the CTM Regulation) was set out by Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) as follows:

“91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

“33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94 , see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461 , paragraph 24).

36. [...] due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94 . Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia , *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44 , paragraph 45, and *Lego Juris v OHIM* (C-48/09 P) , paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley* , paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing*

Chiemsee [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms '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', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods

or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97]).

21. In *Campina Melkunie BV and Benelux-Merkenbureau*, Case C-265/00, the Court of Justice of the European Union (“the CJEU”) stated that:

“39 As a general rule, the mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics within the meaning of Article 3(1)(c) of the Directive even if the combination creates a neologism. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned.

40 However, such a combination may not be descriptive within the meaning of Art.3(1)(c) of the Directive, provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word mark, which is intended to be heard as much as to be read, that condition will have to be satisfied as regards both the aural and the visual impression produced by the mark.

41 Thus, a mark consisting of a neologism composed of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, is itself descriptive of those characteristics within the meaning of Art.3(1)(c) of the Directive, unless there is a perceptible difference between the neologism and the mere sum of its parts: that assumes that, because of the unusual nature of the combination in relation to the goods or services, the word creates an impression which is sufficiently far removed

from that produced by the mere combination of meanings lent by the elements of which it is composed, with the result that the word is more than the sum of its parts”.

22. In her skeleton argument, Ms Gregory indicated that the opponent’s objection under this ground is on the basis that (a) the mark is aurally identical to and an obvious misspelling of “FOOTWEAR” and (b) that it is an obvious portmanteau of “FOOTWEAR” and “HARDWARE”, “SOFTWARE” and/or “FIRMWARE”. At the hearing, Mr Stobbs objected strenuously to (a), although he characterised this as an argument that “FOOTWEAR” was a common misspelling, which, he says, was not pleaded. I do not think that there is anything in this. Although Ms Gregory’s response at the hearing was based on Mr Stobbs’ characterisation of the claim as one of a common misspelling, that is not the terminology used in her skeleton argument. It is true that the opponent did not claim explicitly that the contested mark is an obvious misspelling in its notice of opposition. It was, however, clearly claimed that the word is a portmanteau of “FOOTWEAR” and other words ending in “-WARE”. Mr Stobbs himself relies on the argument that “FOOTWEAR” is a “clever play on words” and a jarring “different” spelling of a known word, whilst also making arguments in his own skeleton argument as to whether the mark would be registrable “if it were to be interpreted simply as a misspelling of the word ‘footwear’” (none of which arguments is presaged in the defence). I do not think that the distinction between the mark being a play on words and an obvious misspelling is such that the opponent is precluded from making the point, despite not having identified it as a separate basis for its objection under s. 3(1)(c), particularly when it appears that the applicant itself relies on the word being a “play on words with the (mis)spelling of ‘footwear’ [...]”.¹⁸ To the extent that the opponent now seeks to argue that “FOOTWEAR” is a common misspelling of “footwear”, that is clearly not pleaded. I would not have considered it to be a fact of which I may take judicial notice and the evidence is far from sufficient to substantiate the assertion.

¹⁸ Applicant’s skeleton, paragraph 28.4.

23. “FOOT” is a common word which will be readily understood as a body part. Mr Stobbs accepted, sensibly in my view, that “-WARE” may be perceived as referring to software. I do not see any reason why it might not also be perceived as referring to hardware or firmware, in the context of use on such goods.

24. The opponent’s position appears to be that “FOOTWARE” is a combination in the format “descriptor + WARE”. However, it is not clear to me on what basis “FOOT” is descriptive of any of the goods or services for which registration is sought. There is no evidence that “FOOT” has a distinct meaning in relation to any of the contested goods or services, unlike, for example, “BOOT”, which may mean an item of footwear or an action in relation to a computer, depending on the context. It seems to me that, while “-WARE” is not inherently distinctive in relation to the goods in class 9 or services in class 42, given that it is likely to be perceived as referring to software, hardware, firmware or software as a service, “FOOT” is distinctive. In respect of the services in class 38, “-WARE” is unlikely to be perceived as a contraction of software (or hardware or firmware), nor is its commonplace meaning of articles of the same kind or material particularly apt for services.¹⁹ Even if that were the case, I see no basis, and none has been offered, for concluding that “FOOT” is anything other than inherently distinctive in relation to the contested services in class 38. I do not, therefore, agree with the opponent that the word “FOOTWARE” is a combination of two non-distinctive elements, the combination of which amounts to no more than the sum of its parts.

25. The opponent indicates that “FOOTWARE” will be seen as a misspelling of “FOOTWEAR”. It is not clear to me that that would be the case: the opponent’s own evidence shows the deliberate use of “footware” instead of “footwear” to suggest that the goods have features such as sensors. There is one example of a “footware wall”, where it is not clear whether the use of “footware” is a deliberate reference to the interactive technology or whether it is a misspelling of “footwear” (the wall in question being an interactive means of selecting footwear). It is, however, only one example and insufficient to prove the point. The deliberate distinction in the vast majority of the opponent’s

¹⁹ See <https://www.collinsdictionary.com/dictionary/english/ware> [accessed 20 August 2020]

evidence between “footware” and “footwear” appears of itself to suggest that the mark is more likely to be seen as a neologism rather than a straightforward misspelling. I agree with Mr Stobbs that the misspelling in this case changes the meaning and requires some mental effort on the part of the consumer.

26. It seems to me that the word “FOOTWARE”, in the context of all of the goods and services for which registration is sought, is likely to be perceived as a play on the word “FOOTWEAR”. Clearly, software, hardware and firmware have some application in footwear with embedded technology. The same can be said of the contested services in class 42: application interfaces may be used or data may be uploaded to the cloud. Even where it is not shown in the evidence that there has already been use of such technology in relation to these services, I have no doubt that in today’s connected world the average consumer would understand that embedded devices may use computer technology services to upload, interpret and store data remotely. The difficulty I have is that I doubt that the use of “FOOTWARE” would be considered descriptive of such services. It seems to me that whilst the average consumer may ultimately deduce that “FOOTWARE” means software or hardware (or related services) for footwear, specifically footwear with embedded technology, it is not a meaning which is immediately apparent or easily recognisable without some stretch of the imagination. In respect of class 38, I have already indicated that neither of the two parts of the mark is likely to be perceived as having a descriptive meaning. With that in mind, whilst I note Ms Gregory’s submission that telecommunications services may be used in order to transmit data from footwear to connected devices, I see no reason why the combination “FOOTWARE” would be perceived as descriptive of the telecommunications services themselves. The mark is not descriptive and does not fall foul of s. 3(1)(c).

27. It is shown in the evidence that there have been a number of footwear products, mainly sports shoes, which feature computer technology to collect data, such as speed, cadence and location. There does not appear to be any serious dispute that such technology exists. However, registration is not sought for footwear. There is next to no evidence of the term “FOOTWARE” being used to describe any of the goods or services

for which registration is sought. I do not accept that use of the term in relation to “smart” footwear or footwear connected to other devices constitutes use in relation to the contested goods and services: the goods being discussed under the term are clearly footwear, not goods and services in classes 9, 38 or 42. I have already indicated that the evidence of an interactive “footwear wall” is insufficiently clear to be of assistance. In relation to software, there are two sources which refer to the same “Footware” software. The use in question appears to be trade mark use in relation to a particular product, not descriptive use of the term in relation to the software (which is, moreover, not software for footwear but a patient record system).

28. It is not fatal to the opposition under this ground that there is no clear evidence of current use of “FOOTWARE” for the goods and services at issue. The applicant has pointed to other terms which are used, such as “smart” or “connected” footwear. On the basis of the evidence before me, those terms appear to be more frequently used to describe footwear with embedded technology. However, the fact that other terms are available, or even more common, does not mean that the mark is inherently distinctive. Nonetheless, it seems to me that the mark is imprecise and that further explanation is required to identify the nature and purpose of the goods and services to which it relates. It is, therefore, unlikely to be used in future to describe the goods and services. The evidence does not establish that the mark is used descriptively in relation to the contested goods and services, nor do I consider it likely that that will occur in future.

29. The opposition under s. 3(1)(c) is dismissed.

Section 3(1)(b)

30. The principles to be applied under article 7(1)(b) of the CTM Regulation (which is now article 7(1)(b) of the EUTM Regulation and is identical to article 3(1)(b) of the Trade Marks Directive and s.3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) as follows:

“29. [...] the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it 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 those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that 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 perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per

se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Proctor & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37)".

31. Whilst this ground of objection is independent of the grounds already considered, Ms Gregory accepted at the hearing that there was no alternative basis for the claim and that the success of the ground would depend on the outcome under s. 3(1)(c). The ground fails for the reasons given above.

Section 3(1)(d)

32. In *Telefon & Buch Verlagsgesellschaft GmbH v OHIM*, Case T-322/03, the General Court summarised the case law of the CJEU under the equivalent of s.3(1)(d) of the Act, as follows:

"49. Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, by analogy, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31,

and Case T-237/01 *Alcon v OHIM – Dr. Robert Winzer Pharma* (BSS) [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public's perception of the mark (*BSS*, paragraph 37).

50. With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (*BSS*, paragraph 38).

51. Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering trade in the goods or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).

52. Finally, signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services covered by that mark are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark (see, by analogy, *Merz & Krell*, paragraph 37, and *BSS*, paragraph 40)".

33. In *Stash Trade Mark* BL O/281/04, Ruth Annand (sitting as the Appointed Person) provided further guidance, stating:

“33. In the event, I do not believe this issue of the interpretation of section 3(1)(d) is central to the outcome of the appeal. “Customary” is defined in the Oxford English Reference Dictionary, 1995 as: “usual; in accordance with custom”. In my judgment, the Opponent has failed on the evidence to prove that at the relevant date STASH contravened section 3(1)(d) as consisting exclusively of signs or indications which have become customary either in the current language or in trade practices for the goods concerned”.

34. As I have indicated above, there is only very limited evidence of “FOOTWARE” in use in the UK, and still less evidence of its use in relation to any of the goods or services at issue. The evidence is, in my view, wholly insufficient to establish that the use of “FOOTWARE” had become customary in the trade, for any of the contested goods or services, at the relevant date. The ground under s. 3(1)(d) fails.

Conclusion

35. The opposition has failed. The mark will proceed to registration.

Costs

36. The applicant has been successful and is entitled to an award of costs, which are sought on the scale (Tribunal Practice Notice (2/2016) refers). I award costs to the applicant as follows:

Considering the notice of opposition and filing the counterstatement:	£200
Filing evidence and considering the other party’s evidence	£500
Preparing for and attending a hearing:	£600
Total:	£1,300

37. I order Puma SE to pay Nike Innovate C.V. the sum of **£1,300**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 2nd day of September 2020

Heather Harrison

For the Registrar

The Comptroller-General