

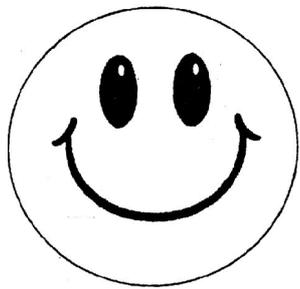
TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2243591 BY ANAGRAM INTERNATIONAL, INC. TO REGISTER A TRADE MARK IN CLASS 28

DECISION AND GROUNDS OF DECISION

Background

1. On 24 August 2000 Anagram International, Inc. of 7700 Anagram Drive, Eden Prairie, Minnesota 55344-7307, United States of America applied under the Trade Marks Act 1994 for registration of the trade mark shown below:



in Class 28 in respect of:

Balloons; balloons to be filled with air; balloons to be filled with lighter than air gas; foil balloons; latex balloons; balloons which are shaped to resemble characters; balloons having appendages; all included in Class 28.

2. Objection was taken to the mark under Section 3(1)(b) of the Act because the mark consists of a smiling face device being a design that is commonly used on eg balloons.

3. On 10 September 2001 the applicants filed evidence of use of the mark which was intended to show that the mark had acquired a distinctive character as a result of that use. However this evidence was not considered sufficient to overcome the objection which was maintained.

4. At a hearing on 12 February 2002 at which the applicants were represented by Mr Nigel Brooks of Nigel Brooks CPA, their trade mark attorneys, the objection under Section 3(1)(b) was maintained.

5. Following refusal of the application under Section 37(4) of the Act I am now asked under Section 76 of the Act and Rule 62(2) of the Trade Marks Rules 2000 to state in writing the grounds of my decision and the materials used in arriving at it.

The Law

6. The relevant parts of Section 3(1) of the Act are as follows:

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

- (a)
- (b) trade marks which are devoid of any distinctive character,
- (c)
- (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 Prima Facie Case for Registration

7. In his decision concerning a virtually identical “smiley face” design, BL No. O/313/01 (unreported), Geoffrey Hobbs Q.C. acting as the Appointed Person said:

“31. In the instances illustrated in the evidence before me, the smiley face appears to have been wanted for use (in commercial contexts, no less than in other contexts) for its inherent capacity to communicate the sentiments that a warm and friendly smile is capable of conveying to people everywhere: light-heartedness, pleasure, amusement, benevolence, affection, approval, satisfaction and so forth. I do not think that in the instances I have seen in the evidence, the use of the smiley face was likely to have been perceived as an indication that the goods or services with reference to which it was used came from the same undertaking or from economically-linked undertakings: c.f. Case C-39/97 Canon Kabushiki Kaisha v. Metro Goldwyn Mayer Inc. [1998] ECR I-5507, paragraphs 27 to 29. On the contrary, I would expect people to have seen the smiley face as being, in and of itself, an origin-neutral expression of amiability.”

and

“43. It is precisely because I consider that use of the smiley face by rival suppliers of the relevant goods would not, of itself, have given rise to any likelihood of deception or confusion in the United Kingdom in 1995 that I do not regard the smiley face as, of itself, eligible for the absolute protection requested in the present application for registration. The smiley face appears to me to be meaningful (as an origin-neutral expression of amiability) to a degree which makes it unacceptable for registration under Section 3(1)(b) in the absence of evidence sufficient to establish that it has come, through use in the United Kingdom, to be seen and understood as a single source specific indication of trade origin.”

8. Mr Brooks, on behalf of the applicant, did not argue that the mark qualifies for registration as an unused mark, and I believe this to be the correct position. In the case referred to above the “smiley face” was used in relation to articles of clothing. When used in relation to balloons, the sign applied for, in my opinion, is even more likely to be seen as an indication of “light-heartedness, pleasure, amusement, benevolence, affection, approval, satisfaction and so forth” rather than as an indication of trade origin, bearing in mind that balloons are commonly associated with parties and other celebrations. It is devoid of any distinctive trade mark character, and therefore it follows that this application is debarred from prima facie acceptance under Section 3(1)(b) of the Act.

The Case for Registration based on Acquired Distinctiveness.

9. The evidence submitted in support of this application consists of a Statutory Declaration dated 7 September 2001 by Robert Edward Howes who is Finance Director of Amscan International Ltd. He states that Amscan International Ltd and Anagram International, Inc. the applicants, are wholly owned subsidiaries of Amscan, Inc. Mr Howes has held this position since 18 December 1989. Mr Howes states that the trade mark the Smiley Face logo has been used in the United Kingdom on balloons since 1994.

10. Exhibit REH1/4 consists of foil balloons and their packaging demonstrating use of the mark as applied for. Mr Howes states that the trade mark represents the main, or only, significant feature on the balloons. However I note that the “smiley face” appears as a design on the balloons themselves, and that on all the balloons and their packaging there also appears the “Anagram” logo, as well as various other trade marks eg “© 1999 amscan ®”, “Jumbo TM”, “Sunny Funny TM Smiley Face”, and “Bionic AirWalkers ®”. A copy of an example of the packaging is shown at Annex A.

11. Turnover in terms of sales in goods in relation to which the trade mark has been used for the five years immediately preceding the date of application are given and are reproduced below:

1996	£59,612
1997	£136,700
1998	£203,647
1999	£22,932
2000	£32,305

12. Mr Howes states that the mark has been used in towns and cities which are in all areas of the United Kingdom. He states that the mark has been advertised in trade magazines, trade exhibitions and in catalogues circulated within the party industry. There are no exhibits showing the way the mark is advertised in trade magazines and at trade exhibitions.

13. Exhibit REH2/4 is a catalogue for the year 2001, which is after the date of application for registration and is therefore of no assistance in this matter.

14. Mr Howes states that Exhibit REH3/4 contains copies of the front cover and pages showing the balloons bearing the trade mark from his companies [sic] catalogues for the years 1997 - 2000. I note that these pages show balloons of various shapes and designs, each accompanied by a description and a catalogue number. The mark applied for is shown as a design on balloons which are shaped like a round face. The descriptions sometimes include elements which are indicated as trade marks by the symbols ® or ™. The mark applied for is not shown accompanied by the symbols ® or ™. Examples of these pages are shown at Annex B.

15. Finally Exhibit REH4/4 is further examples of balloons bearing the trade mark, which I note show the mark used as a design on the balloons in the same way as in the previous exhibits.

Decision

16. The question to be determined is whether, through the use made of it, the sign applied for has acquired a distinctive character in respect of the goods contained within the specification as filed on the form of application.

17. It is now well established that this question must be asked through the eyes of the average consumer who is reasonably well informed and reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel BV*, Case C-342/97 [1999] ECR I-3830 para. 26). In the *Windsurfing Chiemsee* case, the European Court of Justice ruled on the nature of the enquiry as to whether a mark has acquired a distinctive character under Article 3(3) (section 3(1) proviso). It held that the national authorities may take into account evidence from a variety of sources. The Court said:

“In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations” (paragraph 51).

18. It is also well established that use does not necessarily equate with distinctiveness. As Morritt L.J. put it in *Bach Flower Remedies Ltd v Healing Herbs Ltd* [2000] RPC 513:

".....use of a mark does not prove that the mark is distinctive. Increased use, of itself, does not do so either. The use and increased use must be in a distinctive sense to have materiality."

19. In my assessment it seems to me that nowhere in the evidence is the mark applied for seen to be used as a trade mark or promoted as one. It is used as a design on balloons, which to the average consumer would indicate that these were balloons for happy occasions. The evidence of use does not establish that the sign has come to identify the goods as originating from a particular undertaking.

Conclusion

20. For the reasons indicated, the mark is not acceptable prima facie because it is debarred from registration under Section 3(1)(b) of the Act.

21. The evidence filed to substantiate the claim that the mark has acquired a distinctive character is insufficient to satisfy the proviso to paragraphs (b), (c) and (d) of Section 3(1) of the Act.

22. In this decision I have considered all the documents filed by the applicant and all the arguments submitted to me in relation to this application and, for the reasons given, it is refused under the terms of Section 37(4) of the Act because it fails to qualify for registration under Section 3(1)(b) of the Act.

Dated this 31st day of October 2002.

ANNE PRITCHARD
For the Registrar
the Comptroller General

Annex on hard copy only