

TRADE MARKS ACT 1994

**IN THE MATTER OF
APPLICATION NO. 2239970 BY
COPPLESTONE STORES TO
REGISTER THE TRADE MARK:
PARCELPOINT IN CLASS 39**

-and-

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No. 51955 BY
PAYPOINT NETWORK LIMITED**

DECISION

1. On 20th July 2000 Coplestone Stores applied to register the trade mark PARCELPOINT in Class 39. By letter dated 9th August 2000 the Registry objected to registration having regard to section 3(1) (b) of the Trade Marks Act 1994 on the basis that *“the mark consists of the words “parcel” and “point” conjoined, the whole being devoid of distinctive character and a term which others in the trade may legitimately wish to use for e.g. a collection/storage service point for parcels”*. By letter dated 15th August 2000, Michael James, the proprietor of Coplestone Stores, supplied information relating to the use and purpose of the trade mark application and by letter dated 22nd August 2000, having reviewed that material, the Registry waived the objection under section 3. The application was published on 4th October 2000 with the specification “Storage of parcels and similar items – Class 39”.

2. On 4th January 2001 Paypoint Network Limited filed a notice of opposition to this application. Both parties filed evidence. In the case of the Opponent, it was in the form of a witness statement by Mark Alan Armitage, a partner in the firm of Withers & Rogers, agents acting on behalf of the Opponent and, in the case of Applicant, there was a witness statement from Michael James. Mr. Armitage then sworn a short statement in reply. A review of the evidence shows not only that it exhibits the material originally put before the Registry by Mr. James but also certain other material as well as containing a good deal of argument. In the circumstances both parties agreed that a decision on the opposition should be taken by the Registrar on the basis of the papers filed without further oral argument.

3. This decision was given by Mr. Landau, the officer acting by for the Registrar on 11th March 2001. He held that the trade mark was not devoid of distinctive character so that the objection raised by the Opponent under section 3(1)(b) was dismissed. It is against that decision that the Opponent now appeals to the Appointed Person.

4. In his Decision Mr. Landau reviewed the evidence in some detail. Mr. Armitage who appeared before me on behalf of the Opponent on this appeal did not contend that this review was either unfair or incomplete. He did however take me through the evidence to emphasise his contention that the mark was directly descriptive and therefore should not be registered. It appears to me, and Mr. Armitage did not suggest to the contrary, that the points he was drawing my attention to were points that Mr. Landau would have considered in reaching his Decision.

5. Mr. Landau dealt first with the fact that other similar marks had been registered; POST MAN, Mailbag and POST CARD. He concluded that the nature of the specifications of those goods were such that the registrations were not on a par with the application in suit and Mr. Armitage did not disagree. Mr. Landau also drew attention to the registration of a composite trade mark consisting of the letters "PayPoint" but with a strong device element on it and concluded also that that mark was not on a par with the application in suit. Again Mr. Armitage did not disagree. Finally Mr. Landau considered the registration of the trade mark MAILPOINT which he considered to be much more on a par with the application in this case but warned himself that he must consider this opposition on the basis of the facts before him and that he should not be diverted from this course by considering the merits of an earlier registration. Again neither Mr. Armitage nor Mr. James, who spoke for the Applicant, suggested that this was wrong.

6. In paragraph 24 of his Decision, Mr. Landau went on to consider the fact that the mark applied for consisted of the conjoined words, Parcel and Point but held that nothing turned upon whether the words were conjoined or separated since he concluded that the conjoining of the words did not affect their meanings or create a whole that diluted those meanings. Neither party suggested that this was a wrong approach.

7. Mr. Landau then reviewed some reply evidence of Mr. Armitage which exhibited part of a website for Red Star parcels which included a reference to the expression:

“When a consignment is presented at any Red Star Parcel Point the customer will be advised of its arrival time”

and in paragraph 25 of his Decision he said:

“The web site evidence of Mr. Armitage emanates from well after the relevant dates. The usage is also not clearly generic. The words are in capitals and form part of a composite with Red Star. Therefore, I do not consider that the website evidence has a bearing upon the instant case”.

8. Mr. Armitage accepted that this use was not before the date of application but contended that this was irrelevant since it was evidence of descriptive usage. To my mind the evidence is entirely neutral. On the one hand it supports Mr. Armitage’s contention that the words Parcel and Point are potentially descriptive in nature and on the other hand it shows that Red Star parcels were, subsequent to the date of application, using the expression Parcel Point as part of a usage indicating the origin of the Red Star service. I therefore do not believe that Mr. Landau can be criticised for concluding that that evidence did not assist him.

9. Mr. Landau then disposed of a contention by Mr. James that the mark had become distinctive as a result of use, an argument which was not repeated before me.

10. Next, in paragraph 27, Mr. Landau referred to the fact that the Opponent sought to purchase the mark from the Applicant during the course of the opposition. Mr. Armitage contended that this incident was of no relevance to the question of registrability and since my provisional view was that this was correct I left the argument to be developed by Mr. James. Mr. James argued strongly that weight should be attached to this incident on the basis that it showed that the Opponent must have concluded that the mark had the capability to distinguish the services of one trader from those of another otherwise it would not have been willing to pay money for it. Like Mr. Landau, I am unpersuaded that this incident is of any relevance. The Applicant has succeeded in persuading the Registry to register their mark. If the Registry was wrong to be so persuaded, and the Opposition were to be compromised, the mark would remain on the Register in the name of whoever was the Proprietor unless and until a third party went to the length of seeking to have the mark invalidated. A registered mark, even if potentially invalid, can well be a valuable commercial asset. This consideration leads me to the conclusion that no weight can be attached to the fact that the

Opponent saw benefit in obtaining the mark even if invalidly registered in reaching a conclusion as to whether or not the mark should be registered.

11. Mr. Landau then went on to consider the issue under section 3 afresh based on the evidence before him and directed himself as to the law by reference, particularly, to the decision of the Court of First Instance in EUROCOOL (Case T-34/00). In paragraph 29 he adapted the test set out by the Court in EUROCOOL and asked himself the question

“whether the term PARCELPOINT, taken as a whole, enables the section of the public targeted to distinguish the services of the Applicant from services with a different commercial origin”.

12. Mr. Landau then continued as follows:

“PARCELPOINT alludes to the services in that parcel appears in it, however, this does not make it necessarily devoid of distinctive character according to European jurisprudence. It is certainly not the most obvious way of describing the service of the storage of parcels or similar items. I consider that the trade mark as a whole represents to an extent an unusual combination of the words “parcel” and “point”. “Point” is not a word that one would normally use in relation to a place where one stores or even picks up parcels. In David West t/a Eastenders v. Fuller Smith & Turner PLC (Case No. HC 00 03374) Mr. Christopher Floyd Q.C., sitting as a deputy high court judge held:

- i) “Sections 3(1)(b), (c) and (d) are not designed to exclude from registration marks which merely possess an indirect descriptive connotation: the words “devoid of any” in subsection (b) and “exclusively” in (c) and (d) are to be given effect to:*
- ii) the fact that some mental activity is necessary in order to discern a reference to the quality or a characteristic of the goods may assist in its registrability;*
- iii) uncertainty as to the precise nature of the reference to the quality or character of the goods will also assist”.*

I consider that there would be uncertainty as to the precise nature of the services. I can see no reason why PARCELPOINT would not enable members of the public who pick up stored parcels or the like to distinguish the service of the applicant from other commercial concerns. I consider that the sign can readily form its purpose as

indicator of origin by nature and does not require the nurture of use”.

13. Mr. Armitage accepted that Mr. Landau had correctly instructed himself as to the law but contended that he had gone wrong in applying the law to the facts. Before I consider the grounds put forward by Mr. Armitage in support of that contention, it is necessary that I consider the approach of this tribunal to reviewing, on appeal, decisions such as Mr. Landau’s.

14. The matter has recently been considered by the Court of Appeal in Bessant v. South Cone Incorporated (**REEF** trade mark) in a Judgment given on 28th May 2002. This was an appeal to the Court of Appeal following a first instance appeal decision of Pumfrey J. on appeal from the Registry. Pumfrey J. set out his approach to appeals of this nature as follows:

“Findings of primary fact will not be disturbed unless the hearing officer made an error of principle or was plainly wrong on the evidence. His inferences from the primary facts may be reconsidered, but weight will be given to his experience. No question of the exercise of a discretion arises. In this way, error will be corrected, but a different appreciation will not be substituted for that of the hearing officer if he has arrived at this conclusion without error”.

15. In paragraph 30 of Robert Walker L.J.’s Judgment (with which the other two members of the Court agreed) he accepted that this was the right general approach to the task of an appellate court but amplified upon it in a number of respects. He referred to the now well known observation of Buxton L.J. in Norowzian v. Arks Limited (No. 2) [2000] FSR 63 at 370 where he stated:

“Where it is not suggested that the Judge has made an error of principle, a party should not come to the Court of Appeal simply in the hope that the impression formed by the Judges in this court, or at least by two of them, will be different from the trial Judge.”

16. Robert Walker L.J. then referred in paragraph 19 to the observations of Hoffmann L.J. in In Re: Grayan Building Services Limited [1995] Ch 241 at 254:

“The Judge is deciding a question of mixed fact and law in that he is applying the standard laid down by the Courts (in that case conduct

appropriate to a person fit to be a director) to the facts of the case. It is in principle no different from the decision as to whether someone has been negligent or whether a patented invention was obvious; See Benmax v. Austin Motor Co. Limited [1995] AC 370. On the other hand the standards applied by the law in different contexts vary a great deal in precision and generally speaking the vaguer the standard and the greater the number of factors which the court has to weigh up in deciding whether or not the standards have been met, the more reluctant an appellate court would be to interfere with the trial judge's decision".

17. Finally Robert Walker L.J. also referred to the now well known observations of Lord Hoffman in Biogen Inc. v. Medeva plc [1997] RPC 1 at 45.

18. In paragraphs 23-24 of his Judgment Robert Walker L.J. stated as follows:

*"In my view the Judge's approach was not wrong, but his formulation
"His inferences from the primary facts may be
reconsidered, but weight will be given to his
experience"*

would, if taken in isolation, be a rather meagre summary of what is quite a complex point. The Judge cannot, I think, have intended it to be taken in isolation. He cannot have overlooked the passages which he had just cited from Norowzian and Pro Seiben.

24. *It is worth reflecting on what judges mean when they speak of "inferences" in this context. An inference from a number of primary facts may itself be a simple matter of fact. That is an inference from circumstantial evidence, or what might be called the "smoking gun" type of inference (references from a litigant's failure to call a particular witness are also akin to this category). In the present context, however, the inference is not a simple matter of fact because it involves a process of evaluation. It was put very clearly by Viscount Simonds in Benmax v. Austin Motor Co. Limited (1955) AC 370 at 373 (a patent case on obviousness);*

"I cannot help thinking that some confusion may have arisen from failure to distinguish between the finding of a specific fact and a finding of fact which is really an inference from facts specifically found or, as it has sometimes been said, between the perception and evaluation of facts.

19. The learned Lord Justice then continued in paragraphs 26-29 by giving the following guidance:

“26. *How reluctant should an appellate court be to interfere with the trial judge’s evaluation of, and conclusion on, the primary facts? As Hoffman LJ made clear in Grayan there is no single standard which is appropriate to every case. The most important variables include the nature of the evaluation required, the standing and experience of the fact-finding judge or tribunal, and the extent to which the judge or tribunal had to assess oral evidence.*

27. *It is worth noting that Biogen was a case very close to the top end of the scale. It involved very complex biotechnology which was the subject of a lot of expert evidence given at a lengthy trial before a very experienced judge of the Patents Court. In the circumstances Lord Hoffman’s memorable reference to Renan was not (if I may respectfully say so) out of place. There are far fewer nuances to be picked up from a bundle of statutory declarations which contain a good deal of irrelevant or tendentious material and on which there is no cross-examination.*

28. *In this case the hearing officer had to make what he himself referred to as a multi-factorial comparison, evaluating similarity of marks, similarity of goods and other factors in order to reach conclusions about likelihood of confusion and the outcome of a notional passing-off claim. It is not suggested that he was not experienced in this field, and there is nothing in the Civil Procedure Rules to diminish the degree of respect which has traditionally been shown to a hearing officer’s specialised experience. (It is interesting to compare the observations made by Lord Radcliffe in Edwards v. Bairstow [1956] AC 14, 38-9, about the general commissioners, a tribunal with a specialised function but often little specialised training). On the other hand the hearing officer did not hear any oral evidence. In such circumstances an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle.*

29. *The appellate court should not treat a judgment or written decision as containing an error of principle simply because of its belief that the judgment or decision could have been better expressed. The duty to give reasons must not be turned into an intolerable burden: see the recent judgment of this court in English v. Emery Reimbold & Strick Ltd (and two other appeals heard with it)[2002] EWCA Civ 605, 30th April 2002, para 19:*

“... the judgment must enable the appellate court to understand why the Judge reached his decision. This does not mean that every factor which weighed with the Judge in his appraisal of the evidence has to be identified and explained. But the issues the resolution of which were vital to the Judge’s conclusion should be identified and the manner in which he resolved them explained. It is not possible to provide a template for this process. It need not involve a lengthy judgment. It does require the Judge to identify and record those matters which were critical to his decision”.

20. On the basis of this, it is apparent that this Tribunal should show a real reluctance but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle. The degree of reluctance in this case is, if anything, even lower than in the REEF case since Mr. Landau did not have the benefit of any oral argument, a benefit which I have had. That said, having reviewed the evidence before Mr. Landau, I am satisfied that all relevant arguments were in fact raised in the written evidence so that the absence of oral argument is not a significant factor.

21. As indicated above, Mr. Armitage accepted that Mr. Landau had not made any error in identifying the correct legal test. When pressed, he accepted that his argument was, in truth, that the Hearing Officer’s Decision in applying the facts to the law was plainly wrong. He contended

- (i) that the expression “PARCELPOINT” did not merely allude to the services, it did more and was in fact directly descriptive.
- (ii) that it required no mental activity to discern a reference to the quality or characteristics of the goods and
- (iii) that there was no uncertainty as to the precise nature of the services. In support of this, he drew my attention to the dictionary definitions

exhibited in exhibit MAA1 and to the use of the word “point” both by the Applicant and by Red Star parcels in their promotional literature.

22. In my judgment there is substance in Mr. Armitage’s contentions but equally weight must be attached to the rival contentions of Mr. James that the expression “PARCELPOINT” merely alludes to the services referred to in the application and that the combination of the words sought to be registered is, in some respects, unusual. I do not think it can be denied that this is a borderline case. This is indicated by the fact that the Registry initially refused the mark and subsequently accepted it after receiving evidence and submissions. This is precisely the sort of case where an appellate tribunal should be slow in substituting its own judgment, whatever that may be, for the decision of the hearing officer. The hearing officer has not misdirected himself, he has applied his mind to the correct question and has used his experience to reach what he considers to be the correct answer. Wherever borderline cases are involved, it will be possible to attribute weight to the argument that the case falls on one side or the other of the line. In the present case Mr. Landau has considered that the mark falls on the side of the line that permits registration. It would therefore be wrong for me to interfere with this exercise of judgment where no error of principle has been identified. It cannot, in the circumstances, be said to be plainly wrong.

23. Accordingly, the appeal will be dismissed, the opposition fails and the mark will remain on the Register.

24. The parties addressed me on the question of costs. Mr. Landau made an award of £800.00 to the Applicant as a contribution to its costs. It should be remembered that the Applicant was not represented by agents and that there was no hearing but it was put to the expense of preparing and filing evidence. Mr. Armitage did not dispute that if the appeal were to fail, the applicants would be entitled to a further contribution to their costs of this appeal. In assessing these costs, I must take into account the fact that the applicant again was not professionally represented. No further documents had to be prepared or filed but Mr. James and a colleague had the expense of preparing for and attending the hearing. In these circumstances I have concluded that the correct award of costs on this appeal is to make an order that the Opponent do pay to the Applicant an additional sum of £500; making £1300 in all, to be paid as directed by Mr. Landau.

Simon Thorley Q.C.

15th October 2002

