

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NUMBER 3468225
BY KORE LABS LIMITED
TO REGISTER THE FOLLOWING MARKS IN CLASSES 9, 36 & 42:**

PRODUCT RELATIONSHIP MANAGEMENT PLATFORM

product relationship management platform

Background

1. On 19 February 2020 Kore Labs Limited (“the applicant”) applied to register the above series of two marks for the following goods and services:

Class 9: Computer software; downloadable software; application software.

Class 36: Financial services; provision of financial advice; provision of financial information; financial information services; financial management services; provision of information in relation to investments and securities and in relation to the management of investments and securities.

Class 42: Software as a service; software as a service featuring information and advice in relation to financial products and services; software as a service relating to the management of financial products and services.

2. On 2 March 2020 the Intellectual Property Office (“IPO”) issued an examination report in response to the application. In that report the following objection was raised under Sections 3(1)(b) & (c) of the Trade Marks Act 1994 (“the Act”):

“The application is not acceptable in Class 9, 36 and 42. There is an objection under Section 3(1)(b) and (c) of the Act. This is because the mark consists exclusively of a sign which may serve in trade to designate the kind of the goods/services e.g. a software platform relating to product relationship management and financial services delivered through said platform.

*A software platform is the environment in which a piece of software is executed. Research conducted during the examination of your application has shown that “product relationship management” is a term used to describe an approach to marketing in which the primary focus is the product and how it can provide long term profit. Product relationship management as an approach is often contrasted with customer relationship management. Please see internet references at **Annex A**.*

It is considered that the average consumer, when greeted with the sign “PRODUCT RELATIONSHIP MANAGEMENT PLATFORM”, would not attribute any trade mark significance to the sign, but would instead perceive it as describing a software platform relating to product relationship management and financial services being delivered through a product relationship management platform.”

(Annex A can be found at the end of this decision)

In line with standard IPO procedure a period of two months was allowed for the agent to respond.

3. On 2 March 2020 Elkington and Fife LLP (“the agent”) requested a hearing. The hearing took place on 8 April 2020 with Mr McLeod of the agents. At the hearing Mr McLeod submitted that the Internet hits included in Annex A of the examination report were not enough to sustain an objection as all the hits related to physical products, such as printing ink, and none of the hits were recent or relating to financial products. Mr McLeod added that when the mark is used in relation to non-tangible products the mark had no meaning and is distinctive. Mr McLeod requested that the class 42 specification be amended by deleting ‘software as a service’ and limiting the remaining specification to ‘all relating to financial products.’

4. I reserved my opinion at the hearing in order to consider whether the proposed limitations to the specifications overcame the objection. Having considered these limitations I did not believe that they do. Although financial services may not consist of physical items, financial services can be referred to as ‘products’ as evidenced by the limitation Mr McLeod proposed for the class 9 specification and by the terminology used in the class 42 specification. Even though there is not a considerable amount of use of the term, where it is used, it is being used in a descriptive sense. The term ‘relationship management’ can be used in respect of how organisations relate to either their dealings with their customers (customer relationship management) or to their products (product relationship management). On carrying out further Internet research after the hearing I found that the applicant is using the term ‘product relationship management’ in a descriptive sense, as shown below and I included this in the hearing report for Mr McLeod’s attention and a period of four months was granted to allow Mr McLeod to respond:

<https://qtr.ukri.org/projects?ref=105740>

Kore: a world-first PRM (Product Relationship Management) platform for Financial Institutions

Financial institutions (FIs) manage a large number and a wide variety of products, e.g. credit cards, investment funds, pensions etc. The number and diversity of products managed is increasing as new products are added. Products have long lifecycles, and FIs are constrained in their ability to retire legacy products.

The industry faces increasing regulatory requirements to:

document product development and monitoring processes
ensure that these processes are consumer-centric, e.g. identify and document a target market
evidence that senior managers have oversight of all product being distributed (by the end of 2019 this will be subject to a personal liability clause if the senior manager fails in this duty)
In short, the volume and complexity of financial products' records are increasing.

Current product management platforms are product specific and focused on managing the operational aspects, e.g. making payments, managing risk, etc. This causes an inconsistent approach and oversight to product management with a substantial impact on FIs' productivity and on wider society too (as it is a major contributor to poorer outcomes and value for consumers).

As such, there is a strong demand for a platform to support the management of products in a consistent and regulatory compliant way. In other words, a platform that:

establishes a single "golden source" of product information
creates a "one-view" of products in a single product hub, with no silos
captures and retains the history of a product, from idea generation to retirement
allows staff to interact with products readily and supports their activities, simplifying product related tasks and reducing manual process

We aim to create such a financial product lifecycle management platform. Our first step is to create a prototype which delivers the major components for a single product family, namely investment funds.

5. As I felt it likely that consumers would only see the mark as descriptive and would not see it as an indicator of trade origin, I maintained the objection. On 17 August 2020 the agent submitted a form TM5 request for a statement of reasons for the Registrar's decision, I am now asked under Section 76 of the Trade Marks Act 1994 and Rule 69 of the Trade Mark Rules 2008, to state the grounds of my 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.

The Law

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

3(1) The following shall not be registered –

(b) trade marks which are devoid of 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.

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

7. 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)(c) of the Directive and Article 7(1)(c) of the Regulation, whose provisions correspond to Section 3(1)(c) of the UK Act. I derive the following main guiding principles from the cases noted below:

- 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 (*Wm Wrigley Jr & Company v OHIM*, C-191/01P ‘*Doublemint*’, paragraph 30);
- Article 7(1)(c) (section 3(1)(c)) pursues an aim which is in the public interest that descriptive signs or indications may be freely used by all (*Doublemint*, paragraph 31);
- It is not necessary that such a sign be in use at the time of application in a way that is descriptive of the goods and services in question; it is sufficient that it 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 and services. The word ‘exclusively’ in Paragraph (c) is not intended 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 v Benelux Merkenbureau*, C-363/99 ‘*Postkantoor*’, paragraph 57);
- An otherwise descriptive combination may not be descriptive within the meaning of Article 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 trade mark, which is intended to be heard as much as to be read, that condition must be satisfied as regards both the aural and the visual impression produced by the mark (*Postkantoor*, paragraph 99).

8. In *Matratzen Concord AG v Hukla Germany SA* (C-421/04), the CJEU stated that:

“...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 in to account the perception of the relevant parties, that is to say in trade and or amongst average consumers of the said goods or services, who are reasonably well informed and reasonably observant and circumspect, in the territory of which registration is applied...”.

9. I am also mindful of the decision of the General Court (formerly the Court of First Instance) in *Ford Motor Co v OHIM*, T-67/07 where it was stated that:

“...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”.

10. I am also aware that the test is one of immediacy or first impression, as confirmed by the General Court which, in its decision on *Sykes Enterprises v OHIM (Real People Real Solutions)*, [2002], ECT II-5179, stated:

“...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 and services in question, so as to enable the relevant public to distinguish, without any possibility of confusion, the goods and services of the owner of the mark from those of a different commercial origin.”

11. It is clear from the aforementioned case law that I must determine whether or not the marks applied for will be perceived by the relevant consumer as a means of directly designating characteristics of the goods and services being provided. In order to do this I must assess who I consider the relevant consumer to be.

12. The goods in question are software and the services covered are financial services, information relating to investments and securities, software as a service relating to financial products and the management of financial products. Although the average consumer for the goods and services could be the general public, I consider that many of the goods and services will be aimed at the commercial sector, such as banks and financial institutions, rather than only the general public.

13. For goods and services that are clearly aimed at businesses within the financial sector, the level of attention paid by the consumer is likely to be higher than that given by the general public. For the more general services provided to the general public the level of attention is likely to be lower, but this is not to suggest that the general public would be anything less than reasonably circumspect in their purchases. In any event, I would not say the identification of different types of consumer, or differing levels of attention, has any impact upon my findings in this case – see e.g. CJEU Case C-311/11P *Smart Technologies ULC v OHIM* (ECLI:EU:C:2012:460), at paragraph 48, as follows:

“the fact that the relevant public is a specialist one cannot have a decisive influence on the legal criteria used to assess the distinctive character of a sign. Although it is true that the degree of attention of the relevant specialist public is, by definition, higher than that of the average consumer, it does not necessarily follow that a weaker distinctive character of a sign is sufficient where the relevant public is specialist”.

14. As the series of marks applied for consist of the same combination of words, with the only difference being the presentation in either upper or lower case, this does not alter the identity of the marks or the level of distinctiveness of each sign. Therefore, for ease of reference, in this report, I will refer to the signs in the singular.

15. In assessing the mark applied for I must consider the mark as a whole and not only take into account the individual meaning of the words within the mark, but also what has become known by the term ‘relationship management’. In the online website Investopedia (which states is the world’s leading source of financial content on the web) the term ‘relationship

management' is described as '*a strategy in which an organization maintains an ongoing level of engagement with its audience*' and it goes on to say that '*Relationship management involves strategies to build client support for a business and its offerings, and increase brand loyalty*'. I appreciate that this reference appears in an online American website, but in my opinion the word of finance is global and the meaning would be relevant throughout the financial world.

The following definitions of the individual words within the mark are taken from the online Collins English Dictionary:

Product – *something produced by effort, or some mechanical or industrial process*

Relationship – *the relationship between two things is the way in which they are connected*

Management – *the skilful or resourceful use of materials, time etc*

Platform – *a specific type of computer hardware or computer operating system*

16. So, what is meant by the overall term 'product relationship management platform'? From the dictionary definitions of the words, and the meaning of the term 'relationship management', the mark in totality indicates a platform offering support strategies for businesses in relation to the products they have purchased or are considering purchasing. As the examiner stated in the examination report the term 'product relationship management' is often compared to 'customer relationship management' which is an approach whereby an organisation uses data analysis with a company to improve business relationships with customers. 'Product relationship management' on the other hand is where an organisation focuses on the product rather than the customer, whether this be a tangible product or non-tangible product, such as financial services. This involves developing and providing an appropriate product for the customer.

17. The specifications of this application include software, software as a service at large, financial services and software as a service relating to financial products. In respect of the financial industry, financial institutions manage a wide variety of products and many of these products have to comply with various regulatory requirements. As the applicant states on their website, there is a demand for a platform to support the management of such products in a consistent and regulatory compliant way. In other words, a platform that develops a relationship with the product, managing the requirements of the customer.

18. In an article (shown above) headed '*Kore: a world first PRM (Product Relationship Management) platform for Financial Institutions*', the applicant states that there are increasing regulatory requirements to document product development and monitoring processes. They add that current product management platforms are "*product specific and focused on managing the operational aspects e.g. making payments, managing risk etc*" This causes an inconsistent approach and oversight to product management As such there is a strong demand for a platform to support the management of products in a consistent and regulatory compliant way". I am therefore of the view that the mark would be seen as descriptive of the goods and services offered by the applicant and would not be seen as an indicator of trade origin.

19. At the hearing Mr McLeod submitted that the mark had no meaning when used in relation to non-tangible products. I do not agree that this is the case, the word 'product' does

not only relate to a physical item but can also relate to non-tangible services, in fact anything that is produced. As the applicant states on their web site, financial institutions manage a large number, and wide variety, of products and goes on to list some of these e.g. investment funds and pensions. These could not be considered 'tangible' products. Also, Mr McLeod's request to limit the specification to 'all relating to financial products' is a further indication that the term 'products' is not limited to tangible goods such as printing ink, for example. I do not agree that deleting 'software as a service' from the application assists in overcoming the objection, there would still be an objection in classes 9 and 36 for those goods and services provided by a product relationship platform.

20. Turning to the Internet hits included in Annex A of the examination report (and shown below in Annex A of this statement), Mr McLeod did not consider these relevant as they refer to tangible products and the hits were not recent. I agree that the hits were not recent. However, my main reasons for finding the words descriptive are their dictionary meanings, reinforced by the applicant's own use of the term. I believe that they indicate that 'product relationship management' has become a known term in business to indicate that it is important to put an emphasis on the product an organisation is selling in addition to concentrating on the customer and that would apply not only to tangible products but also to non-tangible product. Even if the term may not be currently widely known, I should stress that the legal test is whether it could be and, in that regard, I have no doubts.

21. I have taken into account the guidance set out in relevant case law and I consider that the average consumer of the relevant goods and services will not perceive the signs as indicating trade origin of the goods and services. I therefore conclude that the marks consist exclusively of signs which may serve, in trade, to designate a characteristic of the goods and services, being the kind and intended purpose of the goods and services and which are therefore excluded from registration by section 3(1)(c) of the Act. Any mark found to be unacceptable under 3(1)(c) will automatically be found to be non-distinctive. The objection taken under 3(1)(b) is solely on the basis that the marks designate a characteristic of the goods and services and for no other reason. In other words, the objections under section 3(1)(b) and (c) in this case are co-extensive; there is no independent, contingent or separate rationale required under section 3(1)(b).

22. In this decision, for the reasons given above, the application is refused under section 37(4) of the Act because it fails to qualify under section 3(1)(b) and (c) of the Act.

Dated this 24th day of September 2020

Linda Smith

For the Registrar

The Comptroller-General

Annex A

<https://www.marketingdonut.co.uk/blog/10/11/prm-vs-crm-which-strategy-provides-better-solution-for-long-term-profit>
<http://>

Customer Relationship Management (CRM) has become increasingly popular in recent years and many businesses funnel large proportions of their expenditure into this discipline. CRM campaigns that specifically focus on customer interaction and consumer confidence have become an integral area of operation for many businesses.

But there is another discipline that many businesses overlook and it is one that can provide improved long-term profits if implemented correctly – **Product Relationship Management** (PRM).

PRM's primary focus is the product and how it will provide continuous long-term profit. Yes, a business needs to persuade consumers to make that initial purchase, but once it makes a sale a business should not be chasing customers for further business — it should make the customer do the chasing. This is where PRM has an advantage over CRM.

<http://www.grombles.com/2016/01/introducing-product-relationship.html>

Relate to the **Product**, *not* to the **Customer**. As far as I am concerned, who I am is not important for companies to know. In fact I'd much rather they didn't know. It's what I bought that I am happy we both share an interest in. As a customer, I believe it's **Product Relationship Management**, not *Customer Relationship Management* that should be the focus of all businesses and the world in general outside my circle of friends.

<https://www.marketingweek.com/its-time-to-ditch-crm-in-favour-of-product-relationship-management/>

So why not abandon this frustrating pursuit of the customer, and try building **product relationship management** instead? In future every product would carry a barcode which, when read by RedLaser or some similar application, would unlock a world of useful information for the user – instruction manuals, hints and tips, service offers or maybe even firmware upgrades.