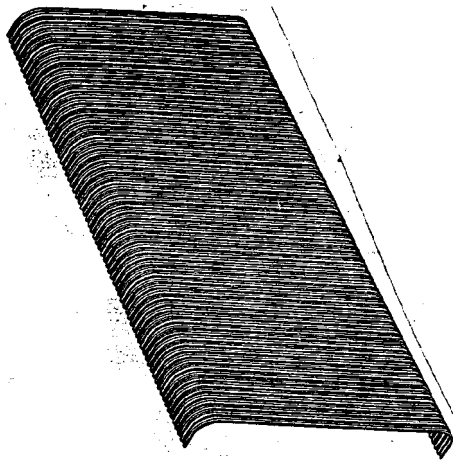


TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NO. 2026530
BY FORD MOTOR COMPANY LIMITED
TO REGISTER A TRADE MARK
IN CLASS 12 & 37

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 47841
BY HALFORDS LIMITED.

BACKGROUND

1) On 10 July 1995, The Ford Motor Company Ltd, of Eagle Way, Brentwood, Essex, CM13 3BW, applied under the Trade Marks Act 1994 for registration of a three-dimensional trade mark shown below:



The mark consists of a three dimensional fascia panel coloured silver (as shown in the form of representation), which is used on the premises from which the applicants goods and services are sold or provided.

2) In respect of the following

Class 12: “Motor land vehicles and parts and fittings therefor; all included in Class 12.”

Class 37: “Repair and maintenance of motor land vehicles, civil engineering construction machines, agricultural machines, internal combustion engines and parts and fittings for the aforesaid goods; diagnostic and inspection of motor cars and parts and fittings therefor and of internal combustion engines.”

3) On the 27 November 1997 Halfords Limited of Icknield Street Drive, Washford West, Redditch, Worcs, B98 0DE filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is a well known retailer of parts and fittings for motor land vehicles and has an extensive chain of repair and maintenance garages at which they also provide diagnostic and inspection services. For many years the opponent’s premises have been clad or partially clad by silver or dove-grey ridged cladding panels generally

of the same type shown in the application.

b) The application is said to offend against sections 1(1), and 3(1)(a) of the Trade Marks Act 1994 and the opponent notes that the application includes three different drawings which render the application so ambiguous that no single sign has been represented graphically. The original application referred to there being a series of two marks when there were three drawings which they claim added to the ambiguity. They also claim that in deleting one of the representations the applicant has amended the mark contrary to Section 39 and the application should be refused under Section 3(6). Further, the “limitation” introduced after filing is contrary to Section 39 as it substantially affects the identity of the Trade Mark and again the application should be refused under Section 3(6).

c) The mark is devoid of distinctive character and is a sign or indication which is customary in the bona fide and established practices of the trade and should be refused under Section 3(1)(b) and (d).

d) The evidence of use filed to overcome objections under Section 3(1)(b) was selective and deceptive and filed in bad faith. In particular no evidence was filed concerning the circumstances under which the declaration from Mr Samuels was obtained nor why the Head of Legal Services of the Society of Motor Manufacturers and Traders Limited (SMMT) would have any knowledge of the market place nor was any relationship between the applicant and the declarants company revealed. The application should, for the above reasons, further be refused under Section 3(6).

4) The opponent further requested that the Registrar refuse application number 2026530 in the exercise of her discretion. However, under the Trade Marks Act 1994 the Registrar does not have a discretion to refuse an application as she did under the old law. An application can only be refused if it fails to comply with the requirements of the Act and Rules in one or more respects.

5) The applicant subsequently filed a counterstatement denying the above grounds.

6) Both sides ask for an award of costs. Both sides filed evidence in these proceedings and the matter came to be heard on 22 May 2001, when the applicant was represented by Mr Hamer of Counsel instructed by Messrs Grant Spencer Caisley & Porteous whilst the opponent was represented by Mr Meade of Counsel instructed by Messrs Wynne-Jones Laine & James.

OPPONENT'S EVIDENCE

7) The opponent filed a declaration, dated 1 September 1998 by Howard Davies the Store Planning and Building Controller for the opponent. He has held the post for five years.

8) Mr Davies states that since the early 1980's his company has been moving from High St locations to out of town retail parks. He states that typically a developer builds a number of units to a common design, and that the planners and developers “keep a tight control on the basic look of such stores”. He also claims that:

“Since at least the earlier 1980's it has been common for such stores to be built of steel

framework, with glass or brick infill at the lower level and coloured steel cladding above.”

9) At exhibit HD2 Mr Davies provides photographs of his company’s store in York taken on 7 March 1988 which show grey side cladding panels that extend horizontally, are corrugated and have curved edges. At exhibit HD3 he provides photographs of another company’s store at Ruislip (built in 1988) which show similar panels. At exhibit HD4 he provides photographs of various other units which also have similar panels which he states were filed in support of the application but serve to show that the panels are in common use.

10) At exhibit HD6 Mr Davies provides a brochure from Precision Metal Forming Ltd dated 1987 which shows similar panels offered for sale.

11) Mr Davies states that the papers at exhibit HD7 constitute a copy of the trade marks file for the application in suit. He claims that the original application consisted of three pictures, two of which have been deleted although he is of the view that it is not lawful to amend an application after filing. He also questions the filing of a statement more precisely defining the mark some two years after the mark was filed.

12) Mr Davies notes that the evidence by the Head of Legal Services of the SMMT is in respect of the two panels which were deleted from the application.

APPLICANT’S EVIDENCE

13) The applicant filed a declaration dated 3 March 1999 by Robert William Drakeford a Chartered Patent Agent employed by the applicant. Currently Mr Drakeford is assigned to the post of Intellectual Property Counsel.

14) Mr Drakeford points out that the application in suit is for a fascia panel and not cladding panels which are referred to in the opponent’s evidence. He claims that in all of the photographs submitted by the opponent the cladding is part of the structure of the building whilst the boards which have the names of the various occupiers are fascia panels.

15) Mr Drakeford states that the mark in suit has acquired distinctiveness and refers to a report at exhibit RWD1. This he claims shows a high level of recognition between the mark applied for and his company.

16) The report at RDW1 is dated 1 March 1999. It states that 123 respondents in six locations in England were shown a colour photograph of the fascia panel, read a description of it and informed that it is used on a car dealer’s premises. The card included a sketch of an “anonymous dealership frontage to show where the panel would be applied”. The respondents, who were all car owners or “main drivers”, were then asked what motor company has dealerships that looked like those on the display card. Following this they were given a card with ten manufacturers names on which they were told included the make to which the mark related and asked to respond again irrespective of their earlier answer. The report shows that the applicant was chosen by 37% of the unprompted respondents and 36% of those who were prompted.

17) The card which is said to show the fascia panel differs slightly from the mark advertised

and is similar to one of the other versions of the mark. The file copy has a blue hue although it was accepted at the hearing that the original version was silver in colour.

OPPONENT'S EVIDENCE IN REPLY.

18) The opponent has filed a declaration dated 28 May 1999 by Deborah Bates a Market Research Manager for the opponent. Ms Bates states that she has been a market researcher since 1982.

19) In referring to the methodology of the survey evidence of the applicant Ms Bates makes the following comments:

- a) The research was carried out almost four years after the mark was applied for.
- b) The research was limited to England, although no clear location is given, she questions if it was conducted next to a Ford dealership.
- c) The interviewees were informed as to the purpose of the survey, thus encouraging them to link the fascia plate with a motor vehicle dealership.
- d) The show card B shows a different panel to that in the application. It also appears to be blue, suggesting Ford which uses blue in its logo.
- e) The card also contains a representation of a dealer's premises, which provides additional clues as to the company involved.
- f) The questions invite the interviewee to name the company "most likely to have a dealership that looks like the one in the sketch with the silver coloured three dimensional fascia panel". This and the instruction to guess allows the respondent to answer even if they have doubts.

20) Lastly, Ms Bates comments that the survey was significantly weighted in its design and methodology towards obtaining the desired answer. She states that it shows a significant proportion of interviewees were unable to identify the mark with the applicant, and that she is unaware of any use by the applicant of the mark which has not been in conjunction with the trade mark FORD.

21) That concludes my review of the evidence. I now turn to the decision.

DECISION

22) At the hearing the opponent withdrew the ground of opposition under Section 3(6).

23) I shall first consider the grounds of opposition under Sections 1(1) and 3(1) of the Act. Section 1(1) of the Act is in the following terms:

"1 (1) In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings".

“A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.”

24) Section 3(1) of the Act is in the following terms:

3 (1) The following shall not be registered -

- (a) signs which do not satisfy the requirements of section 1(1),*
- (b) trade marks which are devoid of any distinctive character,*
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,*
- (d) 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.

25) There is no suggestion, under this ground of opposition, that the mark is not represented graphically so the objection relates to the inherent capacity of the mark to distinguish the applicant's goods. The question is whether the mark applied for can perform the function of a trade mark. In considering this question I have regard to the comments of Aldous L.J. in *Philips Electronics NV v. Remington Consumer Products Ltd* [1999 RPC 809 at 818]:

“The more the trade mark describes the goods, whether it consists of a word or shape, the less likely it will be capable of distinguishing those goods from similar goods of another trader. An example of a trade mark which is capable of distinguishing is WELDMESH, whereas WELDED MESH would not be. The former, despite its primary descriptive meaning, has sufficient capricious alteration to enable it to acquire a secondary meaning, thereby demonstrating that it is capable of distinguishing. The latter has no such alteration. Whatever the extent of use, whether or not it be monopoly use and whether or not there is evidence that the trade and public associate it with one person, it retains its primary meaning, namely mesh that is welded. It does not have any feature which renders it capable of distinguishing one trader's mesh from another trader's welded mesh.”

26) I also have regard to the comments of Morritt L.J. in the *Bach and Bach Flower Remedies Trade Marks* case [2000 RPC 513 at page 526 line 10]:

“The question is whether or not the word BACH had, by 1979, acquired such a meaning so as to be incapable, without more, of affording the requisite distinction. If it

had then section 1(1) is not satisfied, the word BACH cannot be a capricious addition so that registration of the sign would be in breach of paragraph (a); if it had not then the word BACH is an addition to the words FLOWER REMEDIES which is 'capricious' because it is not purely descriptive, so that both the expression BACH FLOWER REMEDIES and the word BACH are capable of affording the necessary distinction. Accordingly I accept the submission that it is both permissible and necessary in considering the application of paragraph (a) to determine the meaning of the word as used at the time of the application for registration. I do not understand Aldous L.J. in *Philips v. Remington* in the passage I have quoted, to have been considering the relevance of use to the meaning of the word."

"The usage in question must be by those engaged in the relevant trade or activity. Normally that will be the usage of the average consumer of the goods in question as described in *Lloyd Schuhfabrik* [European Court of Justice, *Lloyd Schuhfabrik Meyer v. Klijsen Handel BV* 1999 ETMR 690]. Obviously the evidence on that question is not limited to those who are consumers or end-users but may extend to others concerned in the trade such as manufacturers, wholesalers and retailers."

27) I am not convinced that a three dimensional silver fascia panel is so descriptive that I can say now that the applicant will never be able to educate the public to regard the term as a trade mark denoting only its goods or services. The term therefore passes the "soap for soap" test of Section 1(1) and 3(1)(a).

28) Whilst the opponent has shown that other businesses including other motor traders use fascia panels of a silver or metallic colour they have not shown that such fascia panels have become customary in the trade nor that they designate the kind, quality, quantity etc of the goods and services. As such the opposition under Sections 3(1)(c) and (d) fails.

29) I must therefore consider the evidence of the applicant that at the relevant date, 10 July 1995, the average consumer had been educated into viewing a three dimensional silver coloured fascia panel as providing a guarantee as to the trade origin of the goods and services specified. Where an applicant relies upon evidence of acquired distinctiveness then the burden of proof would appear to be on the applicant. The comments of Lloyd J. in *Dualit Ltd's Application* [1999 RPC 890 at paragraph 30]:

"I have mentioned the burden of proof. In *Procter & Gamble* the Court of Appeal said that it was "doubtful whether it helps to discuss the judgement which the Registrar has to make in terms of burden of proof". However, in that instance no case was put forward that distinctive character had been acquired through use. Where such a case is made, as here, the burden of proof must be at least potentially relevant. The Hearing Officer [1999] RPC 304 at 314, lines 26 -28) assumed no burden of proof either way. That seems to me, in principle, too favourable to the applicant, though in practice it may not have made any difference."

30) The applicant chose not to file the evidence it had originally provided to the Registry in support of their application. Instead they filed survey evidence. However, the opponent filed (at exhibit HD7) a copy of all the papers from the Registry's application file.

31) Mr Hamer referred me to the evidence of Daniel Fritzdorf which is part of exhibit HD7.

This showed that Ford dealers throughout the UK had used silver fascia panels as a backdrop on all signs. A number of photographs had been provided by Mr Frizdorf showing the mark applied for with words applied on top of it such as “Ford”, “reception”, “parts”, “sales”, “new cars” etc. Even the garage opening hours are printed onto a silver coloured fascia panel. Mr Frizdorf states that the fascia panels were “designed for display along the roof-line of the dealer’s premises, particularly those sections of the roof-line visible to customers passing by or entering the dealer’s premises. The box-signs were designed to stand outside the dealer’s premises on pylons or poles, and the display signs were designed to be mounted on internal walls or hung from ceilings”. There is also clear evidence that the applicant has incurred considerable expense in subsidising its dealerships to ensure that the vast majority of its approximately one-thousand dealers use the signage system including the mark in suit.

32) However, as Morritt L.J. stated in *Bach Flower Remedies* [2000 RPC 513 at 530 lines 19-21]:

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

33) I must therefore consider whether the average customer would regard the mark in suit as indicating that the goods or services originated from the applicant. In my view, the use of the fascia panel on the building would be viewed as simply part of the structure. Customers have in recent years grown accustomed to retail outlets being in what many years ago would have been deemed industrial units. Traditional brick build buildings are rarely used with the majority of new outlets having metal panels bolted to a steel main structure.

34) Regarding the use of the panels as part of the signage, I believe that the average consumer would be paying attention to the message printed on the panel rather than the panel itself. The use of a silver colour would not in itself cause the consumer to wonder whether it was indicative of the product or service provider. The majority of signs are written in black and therefore require a light coloured background to give the best contrast. Silver or metallic finishes are commonly utilised by companies who wish to imbue their products with a “high tech” image.

35) The applicant has also provided survey evidence which it claims shows that a significant number of respondents, one third, identified the mark applied for as representing Ford. On the face of it this could be regarded as compelling evidence that the mark in suit does indeed have a distinctive character. However, I note that at the commencement of the survey respondents were read a description of the mark and informed that it was used on a car dealer’s premises. They were then shown a photograph of the fascia panel and, on the same display card, a sketch of an anonymous dealership frontage showing where the panel would be applied. They were then asked which motor company had dealerships that looked like those on the display card. The respondents were then given a card with a list of ten motor companies upon it and informed that the make to which the dealership card related was included in the list. They were then invited to respond again irrespective of what they had said earlier.

36) In my view the survey was fundamentally flawed in that the respondents were informed that what they were being shown was used by dealerships of a motor vehicle company and they were then asked to speculate which such company had dealerships which looked like the anonymous dealership shown on the card. This would have had the effect of a) directing

respondents towards premises used by dealerships for motor manufacturers and away from premises used by others engaged in the sale of second hand cars, parts and fittings for motor vehicles, and servicing and repair (such as the opponent), and b) encouraging the respondents to guess. The fact that 58% of respondents named nineteen other vehicle manufacturers when asked the first question, and only 7% admitted they did not know, shows that much guesswork was involved. This is contrary to the basic rules of surveys; see *Raffles* case [1984] FSR 293.

37) These are other aspects of the survey which are less than satisfactory. I note that the anonymous dealership had the name “Kings motors”. No details of where the survey occurred are provided. Therefore it is unclear whether the area chosen had only one motor dealership, whether there was a dealership called Kings Motors nearby. The number of car dealerships locally might have been small thereby weighting the sample towards the applicant. There is also the question over the photograph of the mark used in the survey being different to the mark advertised. The survey used a photograph of an actual fascia panel whilst the mark advertised is a representational drawing of a fascia panel. Further, the representation showed where the fascia panel was applied to the premises and also provided the general layout of the applicant’s premises which form no part of the subject matter of the proposed registration, but which gave additional clues as to the “correct” answer.

38) I note that in *Dualit Ltd’s* trade mark application [1999] RPC 890, Lloyd J criticised survey evidence for inviting speculation and stated at paragraph 49:

“In my judgement these results, even to the limited extent that they might otherwise assist the applicant, need to be discounted by reference to the methodology of the survey.”

39) Considering all of the evidence put in by the applicant in support of the application, in my opinion the survey does not even establish a clear association between the sign and the applicant, let alone that the sign is sufficient to designate the applicant’s goods and services and thus function as a trade mark. The opposition under Section 3(1)(b) therefore succeeds.

40) In view of this finding I do not need to consider the ground of opposition under section 39.

41) The opposition having been successful the opponent is entitled to a contribution towards costs. I order the applicant to pay the opponent the sum of £1335. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 31ST day of July 2001

George W Salthouse
For the Registrar
The Comptroller General

