

O-333-08

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2418511  
BY THE COCA-COLA COMPANY TO REGISTER  
A TRADE MARK IN CLASS 32**

**AND**

**IN THE MATTER OF OPPOSITION NO 95457  
BY PEPSI CO INC**

## **TRADE MARKS ACT 1994**

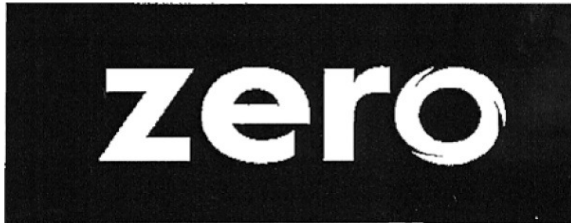
**IN THE MATTER OF Application No. 2418511  
by The Coca-Cola Company to register  
a trade mark in Class 32**

**And**

**IN THE MATTER OF Opposition No. 95457  
by Pepsi Co, Inc**

### **BACKGROUND**

1. On 4 April 2006 The Coca-Cola Company applied to register the following mark:



for a specification of goods that reads:

“Mineral and aerated waters and non-alcoholic drinks (not including non-alcoholic beer); fruit drinks and fruit juices; syrups and other preparations for making beverages.”

2. On 3 September 2007 Pepsi Co, Inc filed notice of opposition to this application citing grounds under section 3(1)(b) and (c) of the Act. It contends in relation to (b) that the mark consists of the word ZERO a term that is devoid of distinctive character in relation to beverages and syrups and other preparations for making beverages. Further, in relation to (c) it asserts that the word ZERO may serve to designate the quality or characteristic of beverages or syrups and other preparations for making beverages e.g. denoting that they contain zero calories, zero sugar etc. The opponent says that the non-verbal elements of the sign are non-distinctive and are insufficient to carry the non-distinctive word ZERO over the hurdle of inherent distinctiveness for section 3(1) purposes. Refusal of the application in its entirety is sought.

3. The applicant filed a counterstatement which :

-denies that the mark consists of the word ZERO

-does not admit that the word ZERO is devoid of distinctive character in relation to the identified goods

-denies that the non-verbal elements of the mark are non-distinctive or insufficient to satisfy the requirements of section 3(1) of the Act.

4. Both sides ask for an award of costs in their favour. Both sides have filed evidence. Neither side has asked to be heard. Both sides have filed written submissions. In the case of the opponent these were supplied under cover of a letter dated 11 December 2008 from D Young & Co and in the case of the applicant under cover of a letter dated 12 December 2008 from Simmons & Simmons. Acting on behalf of the registrar and with the above-mentioned material in mind I give this decision.

### **The evidence**

5. The opponent's evidence comes from Gemma Williams, a Trade Mark Assistant with D Young & Co. and the applicant's evidence from David Angus Stone, a partner in Howrey LLP. Part of the evidence amounts to submissions on the key issues that divide the parties. I will address that part of the evidence as part of my own appraisal of the issues.

6. Ms Williams exhibits (GMW1) a copy of the official file for the application in suit in order to contrast the applicant's description of its mark at the ex parte stage to the position in the counterstatement. Also exhibited (GMW2) is a copy of details of the trade mark record on the Office's online database showing the mark text as ZERO.

7. Next, Ms Williams exhibits (GMW3) online dictionary material from two sources ([www.dictionary.cambridge.org](http://www.dictionary.cambridge.org) and [www.yourdictionary.com](http://www.yourdictionary.com)) showing the meaning of zero as being 'not any' or 'no' including an example of "a snack with zero cholesterol". On that basis it is said that zero is a common word meaning a lack of something and is thus descriptive and non-distinctive. A Google internet search (GMW4) is provided to show that it is a word in common use.

8. Internet searches conducted on 11 March 2008 (GMW5) show an Asda product that is referred to as Cola zero. I note other products (a deodorant and a cleaning product) referred to by reference to the word zero e.g. zero limescale. A reference to 'zero dosage' champagne was also found on the [drinksdirect.co.uk](http://drinksdirect.co.uk) website (GMW6).

9. A further batch of exhibits (GMW7-10) contains material drawn from consumer forum websites showing zero to be in common use in relation to drinks, for example [wikianswers.com](http://wikianswers.com) poses the question "What is the difference between zero drinks and diet drinks?".

10. Finally, Ms Williams exhibits (GMW11) material from various Coca-Cola websites suggesting that the applicant uses the word zero descriptively to mean zero sugar, a point that is re-inforced by an extract from wikipedia (GMW12).

11. Mr Stone gives evidence about the use of the applicant's ZERO trade mark. The mark was first used in the United States in June 2005. A press release that preceded the launch is exhibited at DAS-1. The UK launch was in July 2006. A UK press release following the launch is exhibited at DAS-2. The product has evidently enjoyed considerable success in this country. However, as the UK launch postdates

the filing date of the application I do not need to say any more about the trade itself other than to note that other products in the company's portfolio also have their 'zero' equivalents. Thus, there is a FANTA ZERO and a SPRITE ZERO to take just two examples. Images of the products along with labelling is shown at DAS-3.

12. Mr Stone says that at the time the applicant launched its product in the UK there were no other traders offering soft drinks under or incorporating the ZERO trade mark. That is said to remain the position (Mr Stone was writing on 18 June 2008). The Asda product referred to by Ms Williams uses the terms 'zero added sugar' and 'zero aspartame' to describe characteristics but not as a trade mark (an image of the Asda product is exhibited at DAS-4).

13. Searches of the internet for the terms 'zero beverages' and 'zero drinks' are said not to have revealed any products other than those of the applicant (the results are exhibited at DAS-5 and 6). I will return to the content of these exhibits below.

14. The remainder of Mr Stone's evidence (and three more exhibits) is a detailed response to Ms Williams' evidence. I will deal with the issues that arise, as necessary, below.

15. Reply evidence from Ms Williams introduces three additional exhibits. The only one I need to refer to at this point is GMW14 consisting of a printout from the bio-synergy.co.uk website showing a product called Bio-Synergy Sub Zero. The mark is also registered in Class 32 for drink products. This evidence is in response to Mr Stone's claim that there are no other traders using ZERO as, or as part of, trade marks.

## **DECISION**

16. The relevant part of the statute reads as follows:

"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,
- (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."

17. The above provisions mirror Article 3(1)(b) and (c) of First Council Directive 89/104 of 21 December 1988. The proviso to Section 3 is based on the equivalent provision of Article 3(3) but has no part to play in this action.

### **Relevant authorities – general considerations**

18. The European Court of Justice (ECJ) has repeatedly emphasised the need to interpret the grounds for refusal of registration listed in Article 3(1) and Article 7(1), the equivalent provision in Council Regulation 40/94 of 20 December 1993 on the Community Trade Mark, in the light of the general interest underlying each of them (Case C-37/03P, *Bio ID v OHIM*, paragraph 59 and the case law cited there and, more recently, Case C-273/05P *Celltech R&D Ltd v OHIM*).

19. The general interest to be taken into account in each case must reflect different considerations according to the ground for refusal in question. Thus, in the case of the registration of colours per se, not spatially delimited, the Court has ruled that the public interest is aimed at the need not to restrict unduly the availability of colours for other traders in goods or services of the same type. Also, in relation to Section 3(1)(b) (and the equivalent provisions referred to above) the Court has held that “.....the public interest ..... is, manifestly, indissociable from the essential function of a trade mark” (Case C-329/02P, SAT.1 *SatellitenFernsehen GmbH v OHIM*). The essential function thus referred to is that of guaranteeing the identity of the origin of the goods or services offered under the mark to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin (see paragraph 23 of the above mentioned judgment). Marks which are devoid of distinctive character are incapable of fulfilling that essential function. Section 3(1)(c) on the other hand pursues an aim which reflects the public interest in ensuring that descriptive signs or indications may be freely used by all – *Wm Wrigley Jr v OHIM (Doublemint)* , C-191/0P paragraph 31.

### **SECTION 3(1)(c)**

20. There are now a number of judgments from the ECJ which deal with the scope of Article 3(1)(c) of First Council Directive 89/104 and Article 7(1)(c) of Council Regulation 40/94 (the Community Trade Mark Regulation), whose provisions correspond to Section 3(1)(c) of the UK Act. In terms of the issues before me in this case 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 – (Doublemint)* paragraph 30;
- 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 – *Ford Motor Co v OHIM*, Case T-67/07;

- a sign's descriptiveness may only be assessed, first, in relation to the goods or services concerned and, secondly, in relation to the perception of the target public, which is composed of the consumers of those goods or services – *Ford Motor Co v OHIM*;
- 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 or services in question. It is sufficient that it could be used for such purposes – *Wm Wrigley Jr v OHIM*, paragraph 32;
- it is irrelevant whether there are other, more usual signs or indications designating the same characteristics of the goods or services. The word 'exclusively' in paragraph (c) is not 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 and Benelux-Merkenbureau, Case C-363/99 (Postkantoor)*, paragraph 57;
- it is in principle irrelevant whether the characteristics of the goods or services which may be the subject of the description are commercially essential or merely ancillary – *Postkantoor*, paragraph 102.

### **The position at the examination stage**

21. The opponent has filed a copy of the contents of the official file relating to the examination of the mark in issue (exhibit GMW1). This discloses that relative grounds but not absolute grounds objections were initially raised. At a later stage the examiner wrote to the applicant's then representatives indicating that an objection was also being raised under section 3(1)(b) and (c) in relation to what was at that stage a somewhat wider specification than is now before me. Following a hearing the application was allowed to proceed to publication for a more limited specification. I note that in their letter of 18 October 2006 to the trade mark examiner, Howrey, who were acting for the applicant, identified (by means of a Saegis database search) some 18 CTM, International and UK registrations or designations incorporating the word ZERO. In arguing against the cited marks the view was expressed that "[g]iven the number of entries coexisting on the Registers (and presumably in the marketplace) in the names of apparently unrelated third parties which incorporate the word ZERO in Class 32 and that the word ZERO is not particularly distinctive for the claimed goods, the owners have limited rights in the word ZERO alone". I note that the supporting extracts from register searches disclose marks incorporating the word ZERO covering non-alcoholic beverages in Class 32. I bear in mind the position adopted by the applicant at the examination stage and the above-mentioned material in reaching my own view of the matter.

## The nature of the mark

22. The parties are at odds as to how the mark should be seen. The opponent's position is that it consists of the word ZERO or (at best) that word with a very slightly stylised letter O. The applicant's position, advanced by Mr Stone in his evidence, is that the mark consists of:

- the letters ZER in a distinctive white font
- a stylised "O", which the applicant refers to as the "vortex device"
- and
- a solid, black rectangle

23. As the opponent points out that analysis does not sit entirely easily with the claim put forward at the ex parte stage (Howrey's letter of 18 October 2006 in GMW1) that "...it is the O Device rather than the word ZERO that, at this time, gives the mark ZERO & O Device its distinctiveness".

24. What matters of course is how the average consumer will see the mark. The applicant (without conceding that ZERO is non-distinctive for non-alcoholic beverages) readily concedes that the combination of elements is intended to represent the word ZERO (paragraphs 22 and 28 of Mr Stone's evidence). I have no hesitation in reaching the view that that is precisely how consumers will see it. But that is not in itself an answer to whether a whole mark analysis suggests that consumers would understand that the mark consisted of other features as well. The point is of importance because, in the context of an objection under 3(1)(c), the question is whether the mark consists 'exclusively' of signs or indications which may serve in trade to designate characteristics of the goods.

25. Contrary to the opponent's submissions I am unable to agree that the white font is distinctive in any way. On the contrary it seems a perfectly ordinary font. Nor do I accept that the solid, black rectangle contributes to the distinctive character of the mark. A dark colour is required to provide a contrasting background for the white lettering and the shape itself is, it seems to me, a commonly used one particularly on labels.

26. The main issue is the role played by the vortex device (I will for convenience adopt the applicant's description). It is not suggested that a vortex device is in itself descriptive or non-distinctive in relation to the goods at issue and I note from the applicant's written submissions that the device is registered as a stand alone mark. The question is whether, in the context of the mark applied for, it would be noticed at all or whether, as the opponent says, the very slight stylisation does not create a perceptible difference between the mark applied for and the word ZERO. Hence, in the opponent's view the mark remains descriptive (I deal below with the merits of the word itself).

27. In writing this decision I have, of course, had the benefit of a reasonably close scrutiny of the mark. In a commercial context the mark would appear on drinks containers (bottles, cans etc) which would not be the subject of close or detailed inspection and where the mark would be on labels or printed packaging in displays that also expose the consumer to other competing visual stimuli. Mr Stone's exhibit

DAS-3 contains examples of just such labelling/packaging. The average consumer would be likely to make his or her choice from a selection of such goods on shelves in retail outlets or from vending machines where many brands would be available. The average consumer does not conduct a detailed or forensic examination of labels in these circumstances. I also bear in mind that non-alcoholic drinks are not expensive purchases and for that reason as well are unlikely to command high levels of attention to the minutiae of branding.

28. In *Ekabe International SCA v OHIM*, Case T-28/05 the CFI held:

“45 According to the case-law, if, when the overall impression conveyed by the trade mark applied for to the relevant public is examined, a component which is devoid of any distinctive character is the dominant element of that mark, whereas the other figurative and graphic elements of which it is composed are ancillary and do not possess any feature, in particular in terms of fancifulness or as regards the way in which they are combined, which would allow that mark to fulfil its essential function in relation to the goods and services covered by the trade mark application, then the trade mark applied for as a whole is devoid of any distinctive character within the meaning of Article 7(1)(b) of Regulation No 40/94 and must be refused registration (see, to that effect, Case C-37/03 P *BioID v OHIM* [2005] ECR I-7975, paragraphs 73 to 75).

46 The same conclusion can be drawn with regard to a trade mark applied for, the dominant element of which, in the overall impression conveyed to the relevant public, consists of a word element that is wholly descriptive for the purposes of Article 7(1)(c) of Regulation No 40/94, where the figurative elements which that mark contains do not have sufficient impact on the minds of the relevant public to keep their attention, to the detriment of the descriptive word element, or to bestow a distinctive effect on the overall sign in question (see, to that effect, the Opinion of Advocate General Léger in *BioID v OHIM*, point 75).”

29. In all the circumstances I am not persuaded that the other features of the mark described above make for a totality that is perceptibly different to the word ZERO. It is against that background that I go on to consider the merits or demerits of the word itself.

### **The word ZERO**

30. The opponent has supplied dictionary material to show that zero means ‘no’ or ‘not any’. That point is not disputed. There is also no doubt that the applicant’s use of ZERO is in a context where it intends to convey the message that the goods on which it is used contain no sugar (see the UK press release at DAS-2 and the product and labelling images at DAS-3 which show the subtext ‘zero added sugar’ or simply ‘zero sugar’).

31. Nevertheless, the applicant has not accepted that ZERO is non-distinctive for non-alcoholic beverages. Mr Stone says “the term ZERO alone is not descriptive of



beverages *per se* or of characteristics of beverages. Describing a beverage as a “zero beverage” tells the consumer nothing about the properties of the beverage”.

32. That is an important submission. The CFI reaffirmed in the *Ford* case that a sufficiently direct and specific relationship must exist between the sign and the goods in question such that it would enable the public concerned immediately to perceive, without further thought, a description of the category of goods in question or one of their characteristics. In that particular case the sign in question was the word FUN applied for in relation to land motor vehicles. In annulling the Second Board of Appeal’s decision the Court held that the word was “too vague, uncertain and subjective to confer descriptive character”. FUN was considered to be a case of evocation and not designation for the purposes of Article 7(1)(c). To complete the story on that case, the Board of Appeal was held to have inferred a (b) objection on the basis of the descriptiveness finding so it followed that that objection also fell away in the absence of a separately argued case under the (b) head.

33. Against that, uncertainty in the sense of a certain degree of ambiguity of the kind identified in *Wm Wrigley Jr v OHIM*, is not enough to escape a descriptiveness objection. In that case the CFI considered that the mark DOUBLEMINT could be said to convey two possible meanings (twice the usual amount of mint or flavoured with two varieties of mint). On that basis it held that the word had an ambiguous and suggestive meaning which was open to various interpretations and did not enable the public concerned immediately and without further reflection to detect the description of a characteristic of the goods in question. On appeal the ECJ held that the CFI had erred in its approach and that a sign must be refused registration if at least one of its possible meanings designates a characteristic of the goods concerned (paragraph 32 of the judgment).

34. I also bear in mind in this respect that consumers are aware that traders use descriptive words with varying degrees of precision. For instance, a word such as ‘light’, or its misspelling ‘lite’ has come to be in common use in relation to a variety of products. Despite the fact that it is inherently imprecise (inviting the question ‘light in what respect?’) it would nevertheless be taken as indicative of some characteristic of the product in question even though the consumer might need to look further in order to establish the precise context in which the word was being used. It is interesting to note, for instance, that the Asda website material at GMW5 shows a ‘deodorant – zero’ and a zero limescale domestic cleaning product. These are merely examples that occur in the sidelines of this case. I mention them only as a further example of how consumer perception can be fashioned by general trade usage of such words (I do not place any reliance on these examples in the circumstances of this case).

35. Where does ZERO stand in relation to all this? Is the applicant right to suggest that ZERO is simply too imprecise to act as a description of a characteristic of the goods? I remind myself at this point that I must consider the position at 4 April 2006. Much of the opponent’s evidence dates from sometime after that (most of it at or around the time the evidence was being prepared in March 2008). It may shed light retrospectively on what the position was or was likely to have been at the relevant date. But, the applicant is the market leader in the carbonated soft drink sector and, as Mr Stone puts it, “it is not unusual for the Applicant’s competitors to seek to emulate elements of the Applicant’s products, branding and marketing”. It follows

that some care is needed in approaching evidence that is not specifically directed to the position at the relevant date.

36. In fact there is little if any evidence as to use of ZERO in trade at the relevant date. The applicant's product was not launched in this country until July 2006. It seems to have been highly successful. A press release was put out in October 2006 containing the following:

“Coca-Cola’ expects to build on this success with the return of the ‘Coke’ Zero advertising campaign this week. The creative construct – ‘Great things in life without the downsides’ – communicates the *‘great Coke taste zero sugar’ message* that features in the advertising and on the packaging.” (my emphasis)

37. I do not think it is suggested that the advertising message has changed in a material way during the relatively brief life of the product. It seems, therefore, that the ‘zero sugar’ message has been made clear from the outset. Certainly, the images of labelling and packaging contained in DAS-3 indicate that this message is placed before the consumer, and no doubt intentionally so as it is the key selling point for the new product. The mark is, therefore, being used in circumstances where zero is flagged as meaning zero sugar.

38. The opponent points to other examples of trade usage after the relevant date. Thus, there is the Asda ‘Cola zero 2L’ shown in GMW5. It is true, as the applicant points out, that the product itself (an image of which is exhibited at DAS-4) has additional textual explanation, namely ‘zero added sugar’ and ‘zero aspartame’ but this does not detract from the fact that the website purchasing page relies purely on the words cola zero without further explanation.

39. Exhibit GMW6 is an advertisement for Ayala Cuvee Rose Nature (Zero Dosage) champagne. The supporting narrative text records that this is the first ever zero dosage (sugar-free) rosé in the market. The applicant notes that this is descriptive usage but in a different product area. It is of limited value in establishing whether ZERO solus would have indicated a characteristic of the applicant's Class 32 goods at the relevant date.

40. Exhibits GMW8 to 10 contain material from consumer websites said to show that ZERO is used and recognised as a descriptive indicator. The applicant challenges the reliability of this evidence in terms of its source and also in terms of whether it accurately reflects the difference between ‘zero’ and ‘diet’ drinks. The latter point appears to me to be more in the nature of a challenge to the technical appreciation of the writers but does not detract from the fact that ZERO is being used in circumstances where it presumes a certain amount of understanding of the context of the discussion. However, taken on their own, I do not consider these examples are sufficient in number or weight to sustain an objection at the earlier date.

41. I must turn back at this point to exhibits DAS-5 and 6 of the applicant's evidence filed to show that internet searches for ‘ZERO beverages’ and ‘ZERO drinks’ did not reveal any products other than those of the applicant. What have been supplied are the Google search result pages and not the underlying web pages but it is sufficient

in most cases to give an understanding of the references. They seem to me to fall into four categories. The first is, as the applicant suggests, references to the applicant's own products. The second consists of sentences where the reference to zero is simply used to indicate nil ("...women who consumed zero drinks per day.") or the two words coincidentally appear together (zero at the end of one sentence and beverages at the start of the next for instance). Thirdly, there are ambiguous references (e.g. "Our suggestion is to have zero drinks before you drive....."). The fourth category consists of references to zero drinks or beverages where the writer appears to be using the term generically to indicate (usually) low sugar or low calorie drinks ("Zero drinks vs standard sugar?", "For obvious reasons I always drink the diet or zero drinks." and "...so essentially vodka with one of those zero drinks or a diet one.").

42. A word of caution is necessary in relation to the DAS-5 and 6 exhibits as the search does not appear to have been restricted to the UK. Indeed it seems probable from some of the content that a significant number of 'hits' relate to the US or other markets (a point that cuts both ways bearing in mind that it is the applicant who has filed this evidence). However, the examples I have given above in the fourth category are taken from results that display .co.uk domain name addresses.

Bringing the threads of the argument together the position is:

- zero is a well known dictionary word with a clear meaning indicating 'no' or 'not any'
- register searches filed by the applicant at the examination stage disclosed a material number of marks covering non-alcoholic beverages in Class 32 which incorporate the element ZERO (along with other matter)
- there is no evidence as to use of these marks in the UK but it is an indication that a number of different traders have expressed the intention of using the element ZERO (see *Digipos Store Solutions Group Ltd v Digi International Inc*, [2008] R.P.C. 24 at paragraph 63)
- there is no evidence that ZERO was in use in trade in this country at the date of the application in relation to the goods of the application
- the Asda example was after the relevant date. The zero dosage champagne example was both after the date and for a different type of product
- the way in which the applicant promoted its mark was apt to explain and/or reinforce the descriptive nature of the word ZERO
- the internet searches (exhibits GMW8 to 10 and DAS-5 and 6) suggest that by early to mid 2008 the concept of zero sugar or zero calorie drinks was sufficiently entrenched that the term zero drinks was being used and would have been understood by consumers without the need for further explanation.

43. On the basis of these findings I do not think I can safely conclude that the mark in issue has been shown actually to serve in trade to designate a characteristic of the goods at the relevant date. However it was held in *Doublemint* that:

“.....it is not necessary that the signs and indications composing the mark that are referred to in that article actually be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that provision itself indicates, that such signs and indications could be used for such purposes. A sign must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned.”

44. Taking into account the natural and commonly understood meaning of the word ZERO and the evidential position discussed and summarised above, I find that the mark applied for (taking into account all the features claimed for the mark) consisted exclusively of a sign or indication that could be used to indicate one or more characteristics of the goods in question. I am re-inforced in that view by the fact that the applicant itself uses the word in trade in circumstances where the descriptive significance of the term is apparent.

45. To the extent that there is material before me from after the relevant date, it serves to confirm that it was reasonably foreseeable that zero was apt for use in a descriptive fashion. I am satisfied from the context in which the references occurred that they were in circumstances where it was considered to be legitimate usage of descriptive expressions and the authors were not preying on the applicant's own use in doing so. The mere fact that the applicant may have been the first trader in the field to use the word commercially in the context of the goods cannot in itself save the application. The opposition succeeds under section 3(1)(c).

### **Section 3(1)(b)**

46. In relation to (b) it was held in *Postkantoor* that:

“86. In particular, a word mark which is descriptive of characteristics of goods or services for the purposes of Article 3(1)(c) of the Directive is, on that account, necessarily devoid of any distinctive character with regard to the same goods or services within the meaning of Article 3(1)(b) of the Directive. A mark may none the less be devoid of any distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive.”

47. I have held that the mark applied for is not perceptibly different to the word ZERO and also that the word on its own (that is to say even absent additional descriptive indications such as ‘sugar’ or ‘calorie’) designates a characteristic of the goods. A consequence of that finding is that the (b) objection is also made out. However, in the event that, on appeal, I am found to be wrong in relation to either of these points I go on to consider whether a separate objection exists under (b).

48. I approach this ground of objection on the basis of the following principles derived from the ECJ cases referred to below:

- an objection under Section 3(1)(b) operates independently of objections under Section 3(1)(c) – (*Linde AG (and others) v Deutsches Patent-und Markenamt*, Joined Cases C-53/01 to C-55/01, paragraphs 67 to 68);
- for a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
- a mark may be devoid of distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive (*Postkantoor* paragraph 86);
- a trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought and by reference to the relevant public's perception of that mark (*Libertel Group BV v Benelux Merkenbureau*, Case C-104/01 paragraphs 72-77);
- the relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).

49. The applicant's written submissions also refer me to a number of European cases (for instance *Eurocool* Case T-34/00) where it has been held that a minimum degree of distinctive character will suffice to render the ground for refusal inapplicable.

50. Firstly, as regards the mark itself, if it was found that I had underplayed the significance of the presentational features of the mark (the vortex device in particular), then it might be said that the mark as a whole cannot be said to consist exclusively of indications that serve in trade to designate a characteristic of the goods. The applicant makes the point that it has the vortex device registered as a stand alone mark (under No. 2418513). I have already acknowledged that I can see no objection to the device itself. Does it, therefore, follow that the applied for mark cannot be held to be devoid of distinctive character because it contains an element that has shown itself to be independently registrable?

51. The answer to that will turn on the precise composition of the mark in issue. In BL O-205-04, an application by The Procter & Gamble Company to register a complex composite mark consisting of the words 'Quick Wash action', with the letter Q fashioned into a clockface together with a device of washing tablets and a bubble stream, the applicant was able to point to a pre-existing registration that included those words and the 'clockface Q'. The Registry's hearing officer considered that he was free to reach the decision he did under section 3(1)(b) (to refuse the mark)

notwithstanding the prior acceptance of a mark that consisted of elements that were substantially reproduced (but in less prominent form) as part of the mark under consideration. That decision was upheld on appeal. The opponent's written submissions also refer me to a number of Registry decisions where graphical elements of marks have been held to be insufficient to counteract the descriptive impact of words (Cases BL O-281-08, O-116-07 and O-074-08).

52. In other respects I remain of the view that consumers displaying the degree of attentiveness and observation that is to be expected when selecting a low price consumer product may either fail to spot the minor stylistic embellishment to the letter O of ZERO or, if noticed, would not attribute a trade origin message to a feature that would make minimal impact in a retail trading context.

53. Nor do I consider that the mark can escape objection if it is considered that it is too imprecise a term and not descriptive of beverages without the addition of some form of qualification. It was held in *Imperial Chemical Industries plc v OHIM*, case T-224/07:

“21 For a finding that there is no distinctive character, it is sufficient that the semantic content of the word mark in question indicate to the consumer a characteristic of the goods or service which, whilst not specific, represents promotional or advertising information which the relevant public will perceive first and foremost as such, rather than as an indication of the commercial origin of the goods or service (REAL PEOPLE, REAL SOLUTIONS, paragraphs 29 and 30, and Case T-128/07 *Suez v OHIM* (Delivering the essentials of life), not published in ECR, paragraph 20).”

54. Even if the mark falls short of conveying the requisite level of specificity to support an objection under section 3(1)(c) I would nevertheless hold that it would not be capable of performing the essential function of a trade mark without the relevant public being educated into seeing it that way. On that basis the (b) objection is also made out.

### **The scope of the objection**

55. It will be apparent from the applicant's specification set out at the start of this decision that it covers a very wide range of non-alcoholic beverages. The statement of grounds makes it clear that the refusal of the whole application is sought. The evidence and argument in this case have focussed on what is clearly the core issue for the parties, namely whether the word ZERO is meaningful in the context of soft drinks with no sugar or no calories. I have accepted that it is. The objection applies most obviously in relation to “non-alcoholic drinks (not including non-alcoholic beers); fruit drinks and fruit juices; syrups and other preparations for making beverages” all of which contain or can contain sugar or be in sweetened form.

56. That leaves “mineral and aerated waters”. The evidence does not specifically address the position in relation to these goods and it would seem that such goods have been at the periphery of the parties' vision. It is, however, common knowledge that these goods are available in flavoured forms and thus can contain sugars and

calories. The broad terms of the specification would encompass such goods. The objections are, therefore, equally applicable to such goods.

## **COSTS**

57. The opposition has succeeded. The opponent is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of **£1400**. This sum is 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 19<sup>th</sup> day of December 2008**

**M Reynolds  
For the Registrar  
The Comptroller-General**