

O-426-13

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NUMBER 2650337
BY TOY BROKERS HOLDINGS LTD
TO REGISTER THE FOLLOWING MARK IN CLASS 28:**

MEGA CONSTRUCTION

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NUMBER 2650337
BY TOY BROKERS HOLDINGS LTD
TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 28:**

MEGA CONSTRUCTION

Background

1. On 28 January 2013, Toy Brokers Holdings Ltd ('the applicant') applied to register trade mark application number 2650337 consisting of the words 'MEGA CONSTRUCTION' for the following goods in class 28:

Games, toys and playthings

2. On 12 February 2013 the examiner at the UK Intellectual Property Office ('IPO') raised objection to the application under sections 3(1)(b) and (c) of the Trade Marks Act 1994 ('the Act') stating that the sign may serve in trade to designate the kind of goods where size is likely to be relevant e.g. very large construction toys, games and playthings. The examination report cited the following definition of the word 'mega' taken from the Oxford Dictionary of English:

mega Informal; "very large, huge";

Adverb; "extremely".

3. In addition, the examiner provided examples from the internet showing the word 'construction' being used as a descriptive word in trade and in relation to toys. This reference to the supporting materials is purely for the record; I do not find it necessary to rely on those materials for the purposes of this decision.

4. The matter came before me for an *ex parte* hearing on 14 May 2013 where the attorney for the applicant, Mr Paul Dyson, contested the objection. Mr Dyson argued that the sign is not directly descriptive in relation to toys, as the word 'mega' has only an informal meaning encompassing a number of possible meanings including 'wicked', 'cool', and 'awesome' etc. Given both the wide spectrum of meanings for, and the informal nature of, the word 'mega', Mr Dyson submitted that the word could not be deemed to be 'directly descriptive' of goods in a trading context. As the word 'mega' was uncertain in precise meaning, the objection, he said, ought to be waived.

5. In argument, Mr Dyson also relied on a large number of prior registered signs containing the word 'mega' such as 'MEGA MAN', 'MEGA BOUNCE', 'MEGA ZONE', 'MEGA FUN', 'MEGA METAL' and 'MEGA SKETCHER'.

6. Finally, Mr Dyson submitted that the word 'construction' was also vague in meaning in relation to the goods, and was not an obvious descriptor as in, for example, 'ball' or 'brick'.

7. Having reserved my decision at the hearing, I issued a written decision on 20 May 2013. In that decision, I confirmed that the objection under 3(1)(c) had been waived, but refused the application under section 3(1)(b) in its entirety. I am now asked to write a full statement of grounds and note that in doing so, I have only the *prima facie* case to consider as no evidence of acquired distinctiveness has been filed.

Decision

8. The relevant parts of section 3 of the Act read 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.”

9. The above provisions mirror Article 3(1)(b) and (c) of First Council Directive 89/104 of 21 December 1988 (subsequently codified). The proviso to section 3 is based on the equivalent provision of Article 3(3). At this point, I should mention that whilst I acknowledge that objection in this case is only in relation to section 3(1)(b), I have nevertheless recited section 3(1)(c) as it is often helpful to understand how the two grounds relate to each other and potentially overlap. I also consider it helpful to explain why, in particular, I waived the objection in relation to section 3(1)(c) whilst maintaining the objection under section 3(1)(b).

Legal principles

10. The Court of Justice of the European Union (‘CJEU’) 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*).

11. The general interest to be taken into account in each case must reflect different considerations according to the ground for refusal in question. 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-

O-426-13

329/02P SAT.1 *Satelliten Fernsehen 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.

12. 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 (see Case C-191/0P *Wm Wrigley Jr v OHIM 'Doublemint'* at paragraph 31).

13. In terms of the relationship between sections 3(1)(b) and (c), a sign which is subject to objection under section 3(1)(c) as designating a characteristic of the relevant goods or services will, of necessity, also be devoid of distinctive character under section 3(1)(b) - see to that effect paragraph 86 of Case C-363/99 *Koninklijke KPN Nederland NV v Benelux-Merkenbureau ('Postkantoor')*. But plainly, and given the public interest behind the two provisions, they must be assessed independently of each other as their scope is different, that is to say that section 3(1)(b) will include within its scope marks which, whilst not designating a characteristic of the relevant goods and services, will nonetheless fail to serve the essential function of a trade mark in that they will be incapable of designating origin and this, in my opinion, is the case here.

14. I agree with Mr Dyson that the sign in question here does not have the requisite quality or degree of specificity whereby it could be said to designate a characteristic of the goods. The word 'designate' suggests that a direct, immediately comprehensible and objective characteristic is being presented. To illustrate, in the context of the goods intended for protection, the terms 'building brick' and 'board game' would convey immediately and without ambivalence a known genus of toy or game. The phrase 'mega construction', as was submitted by Mr Dyson, does not convey a clear and immediate message such as e.g. 'building brick' or 'board game' and therefore it is outside the scope of section 3(1)(c), and that ground of objection was accordingly waived.

15. The relationship between sections 3(1)(b) and (c) has also been commented upon at National Court level. For example, in the case of BL O/313/11 'Flying Scotsman', the Appointed Person notes the following at paragraph 19:

"Since there is no obligation to rule on the possible dividing line between the concept of lack of distinctiveness and that of minimum distinctiveness when assessing the registrability of a sign under Section 3(1)(b), see Case C-104/00 P Deutsche Krankenversicherung AG v OHIM ('Companyline')[2002] ECR I-7561 at paragraph [20], it is not necessary to dwell on the question of how far Section 3(1)(b) may go in preventing registration beyond the scope of section 3(1)(c). It is sufficient to observe that a sign may be:

(1) distinctive for the purposes of section 3(1)(b), with the result that it cannot be regarded as descriptive for the purposes of section 3(1)(c) and must be unobjectionable on both bases; or

O-426-13

(2) neither distinctive for the purposes of Section 3(1)(b), nor descriptive for the purposes of Section 3(1)(c), with the result that it must be objectionable on the former but not the latter basis; or

(3) descriptive for the purposes of Section 3(1)(c), with the result that it cannot be regarded as distinctive for the purposes of Section 3(1)(b) and must be objectionable on both bases.

These considerations point to the overall importance of establishing that a sign is free of objection under Section 3(1)(b)."

In this particular case, it is the circumstances in (2) above that apply.

16. The question then arises as to how distinctiveness is assessed for the purposes of section 3(1)(b). Paragraph 34 of the *Postkantoor* case reads as follows:

"A trade mark's distinctiveness within the meaning of Article 3(1)(b) of the Directive must be assessed, first, by reference to those goods or services and, second, by reference to the perception of the relevant public, which consists of average consumers of the goods or services in question, who are reasonably well informed and reasonably observant and circumspect (see inter alia Joined Cases C-53/01 to C-55/01 Linde and Others [2003] ECR I-3161, paragraph 41, and Case C-104/01 Libertel [2003] ECR I-3793, paragraphs 46 and 75)."

17. So the question of a mark being devoid of distinctive character is answered by reference to the goods and services applied for, and the perception of the average consumer for those goods.

18. In applying that assessment to this case it is important I am convinced, firstly, that the objection applies to all the goods applied for. If there are goods specified which are free of objection under section 3(1)(b) then they must be allowed to proceed. In CJEU Case C-239/05 *BVBA Management, Training en Consultancy v Benelux-Merkenbureau*, the question being referred to the Court was whether the Directive, on which the Act is based of course, must be interpreted as meaning that the competent authority is required to state its conclusion separately for each of the individual goods and services specified in the application. The court answered (paragraph 38), saying that the competent authority was required to assess the application by reference to individual goods and services. However, where the same ground of refusal is given for a category or group of goods or services, the competent authority may use only general reasoning for all the goods and services concerned. This guidance by the European authorities has, of course, been applied and interpreted in relation to the approach to be taken by the relevant UK authorities, for which see the latest iteration in Tribunal Practice Note 1/2012 headed 'Partial Refusals'.

19. A further principle is that I am entitled to consider use of the sign in relation to the goods, not just in the context of being affixed in some way to the goods, but also as it may be used in advertising or in other promotional contexts.

20. Finally, I need to consider who exactly the average consumer would be in this case. Given the limited range of goods listed, it will be the general public and especially those buying for or on behalf of young children.

Application of the legal principles

21. In this case, the sign possesses no particular stylisation or device elements; it is word only. Both words are in grammatically correct order and are recognisable even if, in the case of 'mega', such recognition may be as an informal term. That said, however the word 'mega' may be understood by the average consumer, it will in my opinion and in the *prima facie* case, only be seen as a laudatory term in relation to the goods which are toys, games and playthings.

22. Preceding as it does, the word 'construction', the combination of words will, in the *prima facie*, simply convey a laudatory message about the goods, i.e. that these are 'mega construction' toys or games. This laudatory message will be apparent in the various scenarios of normal and fair use in relation to the goods specified. The phrase 'normal and fair use' would encompass, for example, use on the products themselves or in another context, such as advertising.

23. As regards the word 'construction' and its application in respect of the goods, in my opinion and on the basis of judicial notice, toys such as LEGO are commonly referred to as 'construction toys'. The word would have immediate meaning in relation to toys which involve the (usually child) user in the use of their motor and co-ordination skills in order to build something.

24. When the words 'mega' and 'construction' are placed together in a grammatically correct order, to me they are apt to signify laudatory meaning only, as in the phrase, for example, "This is a mega construction toy". Naturally, 'mega construction' is an elliptical contraction of the longer contextual sentence but in modern advertising the average consumer is used to such contractions. The average consumer is also used to hyperbole in advertising and the use of informal or slang adverbs such as 'mega'. Such words would inevitably appeal to a youthful market, for example. Words which send the same message as 'large', as in the dictionary quoted above, or 'great' or 'fantastic' are forever changing in an everyday, youth-oriented, slang context especially. Reference dictionaries will often find it hard to keep pace with such linguistic changes and may not be able to do so at the same pace. As a principle, it is nonetheless important to recognise that slang can be pertinent in a commercial or trading context, and thus in the analysis I am required to conduct. This principle has been affirmed by the Appointed Person in BL O/431/12 '*KILLER TRACKS*' at para 33 and following. Against this background, and in my consideration, this sign falls on the wrong side of the divide for *prima facie* acceptance and the consumer would be likely to regard the words as devoid of distinctive character.

25. I should also say that I have considered the objection in relation to all the goods specified and am of the view that there are no goods in this case which are plainly free from objection.

O-426-13

26. Finally, I should say I have considered the other comparison marks referred to me by Mr Dyson to enable me to see if the 'bar has been set too high' in this case. I may mention that this argument amounts to a plea of, what before the European Trade Mark Office (OAMI) would constitute a plea of 'equal treatment'. Each case is inevitably fact-specific and I am not persuaded the bar has been set too high. I would add at this point that I do not feel constrained to provide the rationale for each of the prior acceptances and insodoing explain exactly why this case is different. For one thing, I am not privy to such deliberations as may have taken place at a different time and even in another jurisdiction (OAMI). I have, then, simply asked myself the question whether I have unreasonably set the bar too high in regard to the prior acceptances taken as a whole and answered that question, as I have said, in the negative¹

27. In this statement of grounds I have taken account of the papers on file and submissions made.

Dated this 28th day of October 2013

Edward Smith

For the registrar

The Comptroller General

¹ A similar approach was taken in BL O/185/12 FEEDBACK MATTERS, a decision of the Appointed Person at paragraphs 63-69.