

# Prosecution problems.

Eric Ramage,  
Alexander Ramage Associates.

# **Classification and Specification**

**Absolute Grounds**

**Relative Grounds.**

- Don't call me nuts...

All included in Class 29....

...or do I mean Class 6?



# • Altecnic's Application.

## Filed for

- *“valves; valves for use in water circulation; blending valves; and all other goods and services in [ Class 7]”.*

## Amended to

- **“valves; valves for use in water circulation; blending valves” in Class 11.**

# • Altecnic's Application.

- Opposed –
- S.39 permits correction of obvious mistake
- the mistake was not “obvious”
- change to the classification was ultra vires.

- Altecnic's Application.

- **the application was a considered statement of the applicant which, on the ordinary principles of the construction of documents, had to be read as a whole to determine its meaning and effect.**

- Altecnic's Application.
- **The registrar was entitled to treat the Class number in the application as relevant to the scope of the application**

- **Communication No 4/03**

- **OHIM's approach to specifications –**
- **“the class heading covers all goods”**

- **Communication No 4/03**

- **Communication No 4/03 of the President of the Office of 16 June 2003 concerning the use of class headings in lists of goods and services for Community trade mark applications and registrations**

# • **Communication No 4/03**

- A Community trade mark application
  - must contain a list of goods and services.
- Rule 2 (2) of the IR stipulates
  - clearly indicate nature of the goods and services
  - allow each item to be classified in only one class.

# • **Communication No 4/03**

- The Office strongly recommends that applicants properly classify their list of goods and services in the application and group them in the order of the Nice Classification. If this is not done, the Office will invite the applicant to remedy that deficiency pursuant to Rule 9 (3) (a) IR.

# • Communication No 4/03

## • Paragraph III

- It constitutes **a proper specification** of goods and services in a CTM application **if the general indications or the whole class headings** provided for in the Nice Classification **are used**. The use of these indications allows a proper classification and grouping. **The Office does not object to the use of any of the general indications and class headings as being too vague or indefinite, contrary to the practice which is applied by some national offices** in the European Union and in third countries in respect of some of the class headings and general indications.

- **What is the effect of this?**
- **Claiming:**
- **Class heading covers**
  - **All the goods or services within that class**
    - *Whether or not specified.*
- **General indication covers**
  - **Everything within the general indication.**
    - *Whether or not specified.*

- What is the effect of this?
- "Pharmaceutical and veterinary preparations"
  - encompasses all pharmaceutical preparations.
- "data processing equipment and computers"
  - covers computer software.

# • The effect of this -

- **becomes apparent when**
- restricting goods and services,
- dealing with a partial surrender or
- an attack on a registration or
- identity or similarity of goods or services in opposition or cancellation proceedings
  - can legitimately be restricted to specific goods or services in the same class and the class headings.

# • What is permitted?

- Delete general indication and substitute specific items falling under the general indication.
- "data processing equipment and computers" can be limited to "computer software".

- **What is permitted?**

- **Add limitation to a general indication:**
  - **alcoholic beverages, namely gin, whisky, vodka;**
- **or**
  - **alcoholic beverages with the exception of gin, whisky, vodka.**

• **But!**

- **There's no going back!**
- **'where the original specification contained "data processing equipment and computers" and was thereafter limited to "computer software", it is then no longer possible to return to a broader indication'** (*Article V Clause 1 fourth paragraph*).

- How this works in practice.
- **DECISION of the Cancellation Division of 19/05/2006 IN REVOCATION  
Number: 1073C Community trade mark:  
686196 PREMINET.**

- CTM 686196 PREMINET registered for:
  - “Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin operated apparatus; cash registers, calculating machines, **data processing equipment (excluding software)**, wireless telecommunication network.”

- Article V Clause 1 fourth paragraph
- **‘where the original specification contained "data processing equipment and computers" and was thereafter limited to "computer software", it is then no longer possible to return to a broader indication’**

- Cancellation Division said
- The submitted evidence relates **only** to software. Thus **for any other goods** or services **the CTM has to be declared revoked**

# • Cancellation Division said

- PREMINET not used for:
- “Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin operated apparatus; cash registers, calculating machines, *data processing equipment (excluding software)*, wireless telecommunication network.”

# • Cancellation Division said

- when a specification contains "data processing equipment and computers" as a general indication, this will be considered as embracing also "computer software". Any "data processing equipment and computer" contains "software". To argue as maintained by the applicant that software is not included in such broad specification of goods is contrary to said communication
  - Communication No 4/03 paragraph IV

# • Cancellation Division said

- The proprietor ...submitted evidence relating to ....software,
- ... shows overall genuine use of the trade mark PREMINET for software. ...
- ...for the remaining goods ... the CTM has to be declared revoked.
- As concerns "data processing equipment and computers" the CTM is revoked for said products excluding “software” for which genuine use has been shown.

- CTM 686196 PREMINET registered for:

- “Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin operated apparatus; cash registers, calculating machines, **data processing equipment (excluding software)**, wireless telecommunication network.”

- Communication No. 4/03

- 159 decisions of the Opposition Division, and 6 of the Boards of Appeal refer to the Communication either to justify that a specific general indication encompasses particular goods or covers goods that are to be regarded as similar.

# • Pay attention at the back, there!

## Earlier registration covers:

- Furniture, mirrors, picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum, substitutes of all these materials or plastics.

## Application claims:

- Pillows.

# • **Homezone: Case T-344/07**

- **JUDGMENT OF THE GENERAL COURT  
(Sixth Chamber)**

- **That Was the CFI, That Was**

- **Decision of Fourth Board of Appeal**

- **OHIM**

- **5 July 2007**

- **(Case R 1583/2006-4),**

# • **Homezone: Case T-344/07**

- **OHIM rejected O2's HOMEZONE application.**
  - **Article 7(1)(b) and (c) and Article 7(2)**  
Regulation No 40/94
    - (now Article 7(1)(b) and (c) and Article 7(2) of Regulation No 207/2009, “the Regulation”)
- **for goods and services of Classes 9, 38, 42.**

# • The Board of Appeal said

- designates characteristics of the goods and services in question.
- not capable of distinguishing
- a word mark which designates the characteristics of those goods or services, in a directly perceptible manner, was inevitably devoid of any distinctive character on that basis.
- the grounds for refusal could not be overridden on the basis of Article 7(3)
- no evidence of trade acceptance in UK or Ireland, the grounds for refusal existed also in English-speaking regions.

- As an aside.
- **The purpose of actions before the Court is to review the legality of decisions of the Boards of Appeal of OHIM....**
- **...it is not the Court's function to review the facts in the light of documents produced for the first time before it.**

# • The applicant argued

- Article 7(1)(c)
  - must be specific and direct link without further thought.
  - public not likely to analyse specific designation.
- The Board of Appeal
  - **did not** indicate how in everyday English or German, the term ‘homezone’ is descriptive.
  - **wrongly found** that German-speakers would perceive ‘homezone’ as meaning ‘Heimbereich’ (home area) or ‘Nahzone’ (local area).
  - **failed to establish** direct link between the term and the goods and services or their characteristics.

# • **OHIM said that**

- ‘homezone’
  - can describe characteristics.
  - may designate a zone to which a reduced tariff applies,
  - also relevant to the other services and goods
  - fact may be used outside telecom does not mean not descriptive

# • **OHIM said that**

- Homezone
- could indicate goods and services to be used at home or that special home area tariffs are applicable to those services.
- other possible meanings not relevant
- sufficient that one possible meaning descriptive

# • **OHIM said that**

- Assessment of descriptive character must be based on the point of view of the average consumer and that of professionals
- Reliable information was used to find sign had been used descriptively in the German-speaking world.

- The Court said

- Application must be refused
  - if not distinctive in one Member State,
  - even if registrable in another Member State
  - if one possible meaning designates a characteristic

- The Court said

- Distinctiveness

- Must be assessed
- by reference to the goods or services and
- by reference to the public perception

# • The Court said

- ‘homezone’
  - English words understood by most German-speakers
- A neologism
  - Descriptive if each element is descriptive
    - [unless] there is a perceptible difference between the neologism and the sum of its parts.

- Applicant had argued
  - ‘homezone’
    - residential zone [where] the emphasis is on a high standard of living and security,
  - Board of Appeal
    - failed to show the sign designates telecommunications goods or services.

- The Court said

- neologism may be refused if it appears to be descriptive.
- But public must be able to perceive without further thought a description of the goods or of one of their characteristics.

- Board of Appeal had said:
- *mobile* telephone services offered some services at [favourable] tariffs inside a specified zone.
- Internet hits indicated ‘homezone’ was used by certain providers descriptively to designate those services.

- Board of Appeal had said:
  - Not essential for the sign to be in use [descriptively] when the application was filed.
  - ‘homezone’ was capable of designating the zone to which the reduced tariff applied.

- The Court said

- Decision based on characteristics of **specific** mobile telephone services
- Not characteristics common to all telecommunications services.
- So, must establish the mark actually descriptive of those mobile telephone services.

- The Court said

- Merely referred to internet hits given by the examiner, without describing their relevance even in summary form.
- Did not justify the conclusion that the trade mark Homezone is descriptive

- The Court said
  - The Hits were filed to support proposition that Homezone was devoid of any distinctive character
    - Because already in use for services concerned
    - Don't support the proposition that the sign was actually descriptive
  - No explanation how they justified finding Homezone is descriptive.

# • The Internet Articles

- Internet articles presented in the form of a list. Mentioned their titles, addresses of the sites and quoted a few sentences without giving their precise origin.
- These referred to ‘homezone’ without specifying how that is capable of designating the services in question.

- Wikipedia

- **Must be disregarded because** it was based on an article from a collective encyclopedia established on the internet, whose **content may be amended at any time** and, in certain cases, **by any visitor**, even anonymously. **Therefore the finding based on information lacking certainty.**

- BofA correctly reasoned

- Descriptiveness did not depend on use.
- **but had not explained** how Homezone
- described the reduced tariff or
- the idea of a tariff and, so,
- can designate telecommunications service characterised by a specific tariff system.

- It must be shown -
- There is a sufficiently direct and specific link to the goods or services in question to enable the public concerned immediately to perceive, without further thought, a description of the goods or services in question or of one of their characteristics.

- It is settled case-law
- Each ground for refusal
  - is independent
  - calls for separate examination.
  - must be interpreted in light of the public interest underlying each
  - must reflect different considerations,
  - dependant on which ground is at issue.

# • Firecraft

- **Evans v Focal Point Fires Plc**
- **[2009] EWHC 2784 (Ch)**
  - **High Court, Chancery Division,**
    - **Mr Justice Peter Smith**
      - **Date: 10/11/2009**
    - Application for summary judgment pursuant to [CPR 24](#) on a claim for passing off.

# • Background.

- IPO Hearing Officer (Mr Allan James)
- UK No 2 223 882 “Firecraft”
- Registered 29 February 2000
  - Focal Point Fires plc
    - for *i.a.* “gas fires; electric fires; fires simulating fuel effect” in class 11
- Declared invalid.

# • Background

- W and S M Evans (a partnership)
- Trading as FIRECRAFT
  - since around October 1991
  - Providing stone fireplaces and installing fires and associated accessories.
- ‘Earlier right’ Section 5(4)(a) of the Act.
- Said Focal knew of its prior use

- Focal denied this.

- FIRECRAFT not distinctive of Evans.
- Did not know of Evans' use.
- Its use since 2000 did not result in deception.
  - Absence of any evidence of deception (despite this concurrent use) confirmed no likelihood of deception.

# • In evidence Evans filed:

- i) Three witness statements from William Evans,
  - (one of the two partners);
- ii) A witness statement from Susan Evans
  - (the other partner)
- iii) A witness statement from manager employed by Evans;
- iv) A witness statement from their Works Manager;
- v) Sixteen witness statements from stockists of Evans' Firecraft fireplaces.

- Focal filed:

- i) Two witness statements from the Sales Director;
- ii) A witness statement from the Chief Executive;
- iii) A witness statement from M.D. of a business-to business publication.
  - Fires & Fireplaces Magazine.

- At the IPO Hearing:
  - Both sides represented by Counsel.
    - Mr Evans, Mr Southall and Mr Richards were cross examined on their evidence.
  - Argued:
  - Firecraft used concurrently by Evans and two retailers
  - Not distinctive of Evans’.

- The IPO Hearing – distinctive?
- *Office Cleaning Services* case considered and distinguished
- ‘Office Cleaning Services’ 100% descriptive.
- Firecraft distinctive of Evans’
- *and enforceable against third parties*

# • The IPO Hearing – goodwill?

- Evans did have sufficient goodwill to found a passing off action.
  - Distinguished *Hart v Relentless Records* [2003] FSR 36, (claimant's case rejected - insufficient goodwill)
  - *Sutherland v V2 Music* [2002] EMLR 28, (concerning residual goodwill; so, of little relevance)

# • The IPO Hearing – goodwill?

- Of more relevance
  - *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41- Laddie J. identified the trade as being only just sufficient.
- Each case must be decided on its own facts.
  - Wrong, in principle, to determine [this case] through a process of comparison with the facts in earlier cases.
- Use relied upon by Evans considerably more substantial than that described in the above cases.

- The IPO Hearing – deception?
- Finding not undermined by the absence of evidence of actual deception.
  - Those deceived may not (yet) have realised it.
- Until 2006 the parties had largely separate distribution networks.
  - This would have significantly reduced the potential for any existing deception to come to light.

- The IPO Hearing - outcome.
- Damage to Evans' goodwill.
  - Dissatisfaction with Focal rub off on Evans.
- Focal's use of Firecraft, passing off
  - Registration declared invalid.
- Focal did not appeal the Decision.
  - Therefore 'final'.

# • Action for Summary Judgement.

- Application for declaration of passing off based on the Decision.
- Question of further relief for further argument.
- If Defendant resists claim entitled to take the matter to trial.
- The only issue was the ambit of the Decision and its legal effect.

- A number of matters are open.
- Future injunctive relief
- Debarred by reason of their delay?
- Defendant's undertaking
  - (Given after proceedings started).

- Claimants contended:

- The primary liability was established by Mr. James' Decision and it would be quite wrong for them to be required to re-prove and re-establish that which had already been determined by a relevant tribunal on a final basis.

- The Defendant argued:

- Only issue before IPO was validity, small level of costs.
  - They filed limited evidence.
- Had no idea registry decision could block use of Firecraft, with damages.
- The judge did not accept any of that as relevant.

- The judge said:
  - Can challenge validity in registry or Court.
    - Parallel methods determining the issues.
  - Both offer right of appeal.
    - Both Appeal powers governed by [CPR 52.11 \(1\)](#).
    - Limited to review.
    - If to a lesser level of judicial authority.

- Significant point:
- Passing off made out as at 29th February 2000, but
  - Use continued until after proceedings commenced.
- Undertaking might protect Defendant as to costs, but
  - Undertaking embodied in a Court Order ensures it is enforceable by committal.

- Claimant said:

- Hearing Officers decision relieved Claimant of need to re-prove passing off.
- All Court need do is determine relief to be granted.
- Hearing Officer had no jurisdiction to do so.

- The judge thought – sensible:

- It saves time.
- It saves costs.
- No one is prejudiced.
- Defendant was able fully to challenge the action for passing off.
- Defendant could have appealed.
- Chose not to do so.

- The judge thought:
  - Obviates problems caused by identical issues determined by different tribunals.
    - High Court decisions re-litigated in Registry?
  - Final Decision restricted Claimants and Defendants equally.
  - Confuses tribunal procedure with ‘competent jurisdiction’

- And,
- Registry procedures governed by the [Trade Marks Rules](#)
  - (but appeal procedure is covered by the [CPR](#) ).
- Cross examination and disclosure are rare.
- There are fixed costs.
- But parallel jurisdiction with the High Court set up under the Trade Marks Act.

- Clear therefore,
- Registry decision could have same effect as a judgment in the High Court.
- Nothing significant in the way Hearing Officer came to the decision.
  - Entitled to do so on the Tribunal rules.
- Dissatisfied party has a right of appeal.

# • Estoppel.

- Decision must be final.
- Once the Defendant chose not to appeal, the decision became final.
- Decision ought to be final on every matter which had to be decided to make the decision.

# • Hearing Officer,

- Must decide **actual claim** for passing off.
  - Not simply an arguable claim.
- Has jurisdiction to decide that.
  - Essential to do so
- If not proved case dismissed.
- No power to award any relief.
  - But must determine that the cause of action was made out.

# Principles for summary judgment

- Is there a real prospect of the Defendant successfully defending this claim?
- If there is an argument over the evidence there must be a trial.
- If the Decision is final, binding and conclusive; is there any real prospect of the Defendant defending the claim?
- The short answer to that is no.
- If the Defendant cannot challenge the findings, it cannot re-litigate the issue and there is no point in allowing the action to proceed.

# • **Tribunal Practice Notice (TPN 6/2009)**

- Owing to the significant consequences that could arise in civil actions for infringement and/or passing-off subsequent to a decision of the registrar, it has been decided that invalidation actions that include grounds under sections 5(1), 5(2), 5(3) and 5(4) of the Trade Marks Act 1994 will be decided following a hearing.
- in relation to such cases the parties or their legal representatives will be required to attend the hearing
- What about opposition cases?



- **Proof read by Gina.**

All the case references can be found in the text of my talk, which is being distributed as my handout. My email is [eric@ramage.co.uk](mailto:eric@ramage.co.uk)

ALEXANDER  
R A M A G E  

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ASSOCIATES