

**DECISION OF THE CONTROLLER OF PATENTS, DESIGNS AND TRADE
MARKS IN PROCEEDINGS UNDER THE TRADE MARKS ACT, 1996**

BETWEEN

IC COMPANYS A/S (Holder/Proprietor)

and

CBR TEXTILE GmbH (Applicant for Declaration of Invalidity)

CONCERNING

International Trade Mark No. 0792497

The registered trade mark

1. IC COMPANYS A/S, of Raffinaderivej 10, DK-2300 Copenhagen S, Denmark is the registered holder of the International Trade Mark,

COMPANYS

which is registered under No. 0792497 in the following classes:

Class 3: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.

Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.

Class 25: Clothing, footwear, headgear.

Class 35: Advertising; business management; business administration; office functions; retail services relating to clothing, footwear, headgear, perfumery and leather goods; bringing together for the benefit of others of clothing, footwear, headgear, perfumery and

leather goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods.

The mark in question is an International Registration made by the International Bureau of the World Intellectual Property Organisation pursuant to the Madrid Agreement Concerning the International Registration of Marks and the Protocol relating thereto. Ireland is one of the countries designated under these International Registrations, the date of designation being 20th June, 2003. Designation of the State constitutes a request for the extension to the State of the protection resulting from the International Registration and, by virtue of Regulation 3 of the Trade Marks (Madrid Protocol) Regulations, 2001 (S.I. 346 of 2001), the Trade Mark Act 1996 (“the Act”) applies to the request for protection as it applies to an application for registration under the Act.

Application for declaration of invalidity

2. On 21st October, 2008, CBR Textile GmbH, a German company of Hunausstrasse 5, 29227 Celle, Germany applied under Section 52 of the Act for a Declaration of Invalidity in respect of the registration and included with the application a statement of the grounds on which it was made. On 23rd January, 2009, the Holder filed a Notice of Opposition against the application under Rule 41(3) of the Trade Mark Rules, 1996 (“the Rules”). On 3rd February, 2009 the Office wrote to the Applicant and Holder informing them that no further evidence, statements or counter-statements, as provided for in Rule 41(4) were required and inviting both parties to indicate if they wished to be heard. Both parties replied indicating that they did not wish to be heard.

Original Decision

3. The matter was decided, based on the evidence filed, by Mr. Tim Cleary, acting for the Controller. The parties were notified by letter of 10th June, 2009 that Mr. Cleary had decided to refuse the Application for a Declaration of Invalidity and to allow the registration of the Trade Mark to stand. Subsequently both parties made applications, under the provision of Rule 27(2) of the Rules, for the written grounds of the Controller’s decision. Unfortunately, due to the death of Mr. Cleary, the Controller was unable to issue the grounds. The parties were informed that, in the interest of fairness, the original decision to refuse the Application for Declaration of Invalidity was

suspended and that the application would be decided, for a second time, by a Hearing Officer.

4. The matter was decided by me, acting for the Controller, and my decision is to refuse the application and to allow the registration of the mark to stand. I now state the grounds of my decision and the materials used in arriving thereat.

Grounds of the Application

5. In its Statement of Grounds in support of the application for a declaration of invalidity, the Applicant makes a number of statements and claims, which I summarise as follows:
 - (i) The Mark offends against the provisions of Sections 6 and 8 of the Trade Marks Act, 1996.
 - (ii) The Marks is not capable of distinguishing the goods/services of the Holder from those of other undertakings.
 - (iii) The Mark is devoid of any distinctive character and consists exclusively of a sign or indication which may serve in trade to designate the kind, intended purpose or other characteristics of the goods/services rendered by the Holder.
 - (iv) The registration ought in the discretion of the Controller to be declared invalid.

The Applicant stated also that a similar action with respect to corresponding Community Trade mark Registration No. 2126969 COMPANYS had been taken and enclosed a copy of the application for invalidity in that regard.

Notice of Opposition

6. In its notice of opposition against the application for a declaration of invalidity, the Holder denies all the grounds and makes a number of statements and claims supporting that denial. The Holder also states that the said trade mark has been accepted for registration in a number of jurisdictions, including the vast majority of EU Member States.

Issues for Decision

7. In the first ground of the Statement of Grounds the Applicant claims that the Mark offends against the provisions of the Trade Marks Act, 1996 and in particular offends against the provisions of Sections 6 and 8; which is a general claim that does not particularise the specific provisions of either section. Subsequent grounds refer to the provisions of Sections 8(1)(a), which relates specifically to Section 6(1), and Sections 8(1)(b) and 8(1)(c). These are the relevant provisions on which I have decided this case and I will return to them later.

Notwithstanding the above, there are other provisions of Section 8 under which an Application for Declaration of Invalidity could be granted – namely 8(1)(d), 8(2)(a), (b) and (c), 8(3)(a) and (b), and 8(4)(a) and (b). While, in this case, is it unnecessary for me to address these I do so now for the sake of completeness and to demonstrate that I have dealt fully with the broadest possible interpretation of the first mentioned ground. It is clear to me that the Mark does not offend against any of these provisions as:

- It does not 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 (Section 8(1)(d))
- It does not consist exclusively of a shape of the type referred to in Sections 8(2)(a), (b) or (c)
- It is not contrary to public policy or to the accepted principles of morality (section 8(3)(a))
- It is not of such a nature as to deceive the public (Section 8(3)(b))
- It is not prohibited in the State under Section 8(4)(a)
- The application was not made in bad faith (Section 8(4)(b))

Sections 6 and 8 – Is the sign applied for a distinctive Trade Mark?

8. The relevant parts of Sections 6 and 8 of the Act insofar as the present case is concerned read as follows:

6.-(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.

8.-(1) *The following shall not be registered as trade marks:*

- (a) signs which do not satisfy the requirements of section 6(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 the goods or rendering of services, or other characteristics of goods or services;*

9. The effect of those provisions is, firstly, that a sign may only be considered to be a trade mark for the purposes of the Act if it has the potential to function as such, i.e., to identify a trader's goods and to distinguish those goods from the goods of other traders and, secondly, that any such sign may only be registered as a trade mark if it is distinctive in nature and not simply descriptive of the relevant goods such that it may be required for use by traders generally to designate characteristics of their competing products.
10. In dealing with the first of these, i.e., capacity to distinguish, it is fair to say that COMPANYS is not a complex sign, as it comprises a single word only. In support of the application the Applicant argues that the Mark is derived from, and is a misspelling of the plural of the English word 'company', which belongs to basic English vocabulary and is commonly used to name a business enterprise. The Applicant claims also that use of the word 'company' is not exclusive to the English speaking world and suggests that any consumer in the European Union is aware of its meaning. Therefore, the Applicant claims that COMPANYS is incapable of identifying the commercial origin of the goods and services.
11. It is not disputed that the Mark derives from the word 'company' or that 'company' is well known to consumers as referring to businesses. However, I do not accept the claim that the word is simply a misspelling of the common word 'companies'. In my opinion COMPANYS is not a misspelling. It is what it is - an invented word, and can only be looked upon as such. In answering the question 'is it capable of distinguishing goods or services of one undertaking from those of other undertakings' the answer is yes. Its capacity to distinguish stems from the fact that the word COMPANYS does not

designate any individual product within the specification in Classes 3, 18, 25 or 35 and the word creates an overall impression that is sufficiently individual and memorable as to have the requisite capacity to distinguish the Holder's goods. The sign would not, in my opinion, be taken as anything other than a trade mark when observed by the average consumer and I could not accept that it is incapable of identifying the Applicant's goods and setting them apart from the like goods of other traders. It is, therefore, a trade mark within the statutory definition and cannot be deemed to be invalid in terms of Section 6(1) or Section 8(1)(a) of the Act.

12. Section 8(1)(b) of the Act prohibits the registration of trade marks that are devoid of any distinctive character. In doing so, the Section implements the mandatory provisions of Article 3(1)(b) of Council Directive 89/104/EEC to Approximate the Laws of the Member States relating to Trade Marks, of 21 December, 1988 (the Directive). The purpose and effect of that prohibition has been expounded upon at length by the European Court of Justice (ECJ) in several cases¹ concerning the interpretation of the Directive or laws made thereunder and it is now well established that the prohibition serves to withhold the protection conferred by registration from marks that cannot perform the essential function of a trade mark, namely to identify the goods or services of the undertaking that is its proprietor and to distinguish them from goods or services that have a different commercial origin. The distinctive character required of a mark in order to qualify for registration is that which enables it to perform this essential function.
13. Section 8(1)(c) of the Act prohibits the registration of trade marks that consist exclusively of signs or indications that may serve, in trade, to designate the goods or services in respect of which registration is sought or essential characteristics of those goods or services. In this area also, the ECJ has given considerable guidance as to the scope of, and policy underpinning, that prohibition. In Case No. C-191/01, *Office for Harmonisation in the Internal Market (Trade Marks and Designs) –v- Wm. Wrigley Jr. Company [DOUBLEMINT]*, the ECJ reiterated its earlier finding that the prohibition against registration contained in Section 8(1)(c) “pursues an aim which is in the public interest, namely that descriptive signs or indication relating to the characteristics of

¹ Including Case No. C-39/97 Canon Kabushiki Kaisha –v- Metro-Goldwyn-Mayer Inc., Case No. C-299/99 Koninklijke Philips Electronics NV and Remington Consumer Products Ltd. and Case C104/01 Libertel Groep BV and Benelux-Merkenbureau

goods or services in respect of which registration is sought may be freely used by all”.

In light of that, the ECJ found that a sign must be refused registration if at least one of its possible meanings designates a characteristic of the goods or services concerned.

14. In support of its claim, that the said mark lacks any distinctive character and that it is descriptive, the Applicant quotes selective findings from examples of case law and decisions² and argues that these are pertinent to this case. The examples are of instances where signs containing the word ‘company’ were found to be devoid of distinctive character on the basis that the term ‘company’ is generic, or suggestive of services provided for by a firm or intended for companies or firms, or merely an indication of a business enterprise.
15. In its Notice of Opposition to the application the Holder identifies instances³ where signs containing the word ‘company’ were found to qualify for protection. The Holder also denies that any of the case law and decisions referenced in the Application are relevant, in the sense that they relate to marks that comprise elements in addition to ‘company’, which, having been added, made the marks descriptive and for this specific reason render the marks devoid of distinctiveness.
16. The difficulty faced by the Applicant’s arguments on this matter is the wording of the Act itself, which preclude registration only in the case of marks that are devoid of *any* distinctive character or that consist *exclusively* of descriptive content. Even a modicum of distinctiveness is, therefore, apt to ensure registration on these grounds. The fact remains that a low level of distinctiveness is still enough to warrant registration as all that is required of a mark is that it be sufficiently distinctive to enable the average consumer, who has once been exposed to goods offered for sale under it, to recognise it on a subsequent occasion of purchase and to associate it with the goods that he has previously seen marketed under that brand.
17. Having considered the claims of both parties I am satisfied that they identify a consistency in the approach taken by the courts and OHIM, which I must follow. It is

² Including CFI T-19/99 (Companyline), FBA R-126/2005-1 (The Leadership Company), SBA R-1119/2005-2 (The Internet Communications Company) and OHIM Opposition B 271085 (E.B. Company)

³ Including ‘A’COMPANY’, ‘FIRST COMPANY’ and ‘COMFORT COMPANY’

clear to me that that approach is such that marks, which contain the term 'company' and an additional verbal element are deemed to lack distinctiveness only when the term combined with the additional element renders them so. All the examples referenced by the Applicant fall into this category, which may be described as '*doing what it says on the tin*'. It follows therefore, that marks, which contain the term 'company' and an additional verbal element, can be afforded protection if the additional element is not considered descriptive and is capable of bestowing upon the mark a level of distinctiveness.

18. I am happy that the said Mark falls into the latter category and the addition of the letter 'S', which makes it an invented word, gives it sufficient distinctiveness to perform the essential function of identifying the goods and services of the Holder and of distinguishing them from goods or services that have a different commercial origin.

19. While the Applicant argues that the word COMPANYS designates and describes undertakings that provide the goods and services, as I have already found, the word COMPANYS does not designate (in the sense of naming or making reference to) any of the products within the specification of goods covered by the registration and nor do they directly describe characteristics of any such products. As I have already said, I believe the average consumer would instinctively perceive the present sign as a trade mark of a particular undertaking and it is sufficiently distinctive to warrant registration. I find, therefore, that the mark is not devoid of any distinctive character and does not consist exclusively of descriptive matter.

Dermot Doyle

Acting for the Controller

11th January, 2010