

TRADE MARKS ACT 1994

AND

THE TRADE MARKS INTERNATIONAL REGISTRATION ORDER 1996 AS AMENDED

IN THE MATTER OF INTERNATIONAL REGISTRATION NO 873858 AND THE REQUEST TO PROTECT A TRADE MARK IN CLASS 9

1. On 16th February 2006, the World Intellectual Property Organisation ('WIPO') notified the United Kingdom of an international registration 873858, in the name of Interactive Intelligence, 7601 Interactive Way, Indianapolis, USA (the holder) for which protection was sought in the UK under the provisions of the Madrid Protocol. The relevant details of the registration are as follows:

Mark:

Deliberately Innovative

Indication relating to the nature or kind of mark: Standard characters

List of goods and services:

Class 9

Computer programs for combining and integrating voice and data communications with computer technologies, namely, relational databases and local area networks; computer programs for controlling internal and external voice and data communications for a computer network; computer programs for managing and integrating voice and data communication and computer technologies, namely, directory services, operator services, answering services, call routing, call distribution, unified messaging, out calling, faxing, voice response and customized applications, namely, call center automation and process reengineering.

2. It was considered that the request failed to satisfy the requirements for registration in accordance with Art 3 of the Trade Marks (International Registration) Order 1996 (as amended), and under Art 9(3) of that Order, Notice of Provisional Total Refusal was sent to the holder dated 24th March 2006 via WIPO. Such a Notice is issued in accordance with Rule 17(1) and (2) of the Common Regulations under the Madrid Protocol. It constitutes a provisional notice, subject to final confirmation, against which the holder is entitled to argue, on provision of an address for service in the European Economic Area.

3. The ground of refusal was stated as being under section 3(1)(b) in that the mark consisted of a words 'Deliberately Innovative' which would not be seen as a trade

mark as it is devoid of distinctive character because the phrase is a “straightforward value statement which could apply to any undertaking” .

4. The firm of Taylor Wessing, based in the UK, were subsequently appointed by the holder to contest the provisional refusal.

5. In a detailed letter dated 26th June 2006 they made the following key submissions:

- the words ‘Deliberately Innovative’ are not a value statement about software. The statement is an oxymoron and/or its meaning is unclear;
- even if it is a ‘value statement’, case law is clear that such statements can perform dual function as both trade marks and promotional incitements, enticements or other statements;
- the registry did not consider the mark as a whole;
- guaranteeing quality is a recognised function of a trade mark and thus any reference, or perceived reference to quality, cannot render a mark unregistrable. In any event, there is no direct reference to quality in this mark (see by analogy the case of *EUROPREMIUM* Case T-334/03 which was held not to be descriptive).

6. These arguments failed to persuade the examiner that the objection should be waived and by letter of 18th July 2006 he maintained the objection relying upon the dictionary meanings of the words and fact that, in his view, the only message the average consumer would get from the words would be as a statement about company ethos or values.

7. The agent asked to be heard and at a hearing of 21st February 2007, at which the holders were represented by Mr Benson of Taylor Wessing, I maintained the objection under 3(1)(b) and introduced a further objection under 3(1)(c), in that I saw the words as also having descriptive meaning in relation to the goods. The case was suspended pending an indication as to how the holders wished to proceed. Following suspension, the designation has now been formally refused and a request for a statement of grounds has now been filed. I am required to issue a reasoned decision. There has been no evidence filed and so the questions must be determined in the *prima facie*.

DECISION

8. There are two grounds for refusal – 3(1)(b) and (c), and I need to consider these independently.

Section 3(1)(b)

This reads:

“Absolute grounds for refusal of registration

3- (1) The following shall not be registered –

(a).....

(b) trade marks which are devoid of any distinctive character,”

9. Section 3(1)(b) has been summarised by the European Court of Justice in paragraphs 37, 39 to 41 and 47 of its Judgment in Joined Cases C-53/01 to C-55/01 *Linde AG, Windward Industries Inc and Rado Uhren AG* (8th April 2003) in the following terms:

37 It is to be noted at the outset that Article 2 of the Directive provides that any sign may constitute a trade mark provided that it is first, capable of being represented graphically and, second, capable of distinguishing the goods and services of one undertaking from those of other undertakings.

.....

39. Next, pursuant to the rule 1 Article 3(1)(b) of the Directive, trade marks which are devoid of distinctive character are not to be registered or if registered are liable to be declared invalid

40. For a mark to possess distinctive character within the meaning of that provision it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from products of other undertakings (see *Philips*, para 35).

41. In addition, a trade mark's distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought and, second, the perception of relevant persons, namely the consumers of the goods or services. According to the Court's case law, that means the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect (see Case C- 210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, para 31 and *Philips*, para 63).

.....

47. As paragraph 40 of this judgment makes clear, distinctive character means, for all trade marks, that the mark must be capable of identifying the product as originating from a particular undertaking, and thus distinguishing it from other undertakings."

10. The important principle this case iterates is that the question of 'devoid of any distinctive character' must be assessed by reference to the perceptions of the average consumer in relation to the goods and services applied for. In this particular case the goods seem to be specialist software products in the main, and whilst there was no detailed discussion or evidence on the point I would assume the average consumer to be specialist trade users rather than the general public.

11. In addition to the *Linde* case, we now have a body of case law in relation to slogan marks. It is necessary to refer also to leading authorities on this type of mark. I might add that in correspondence and at the hearing the attorney referred

me to a number of cases, some of which are helpful and some not. By ‘helpful’ I mean that an important legal principle is being set out. As I said at the hearing, in my opinion the ECJ Case C-64/02P *DAS PRINZIP DER BEQUEMLICHKEIT* (*The Principles of Comfort*), provides us with the leading guidance on the subject of slogans. I shall accordingly rely on this case and its interpretation as below.

12. In case BL O-010-06 *‘YOU WON’T BELIEVE YOUR EYES’*, the Appointed Person sets out the guidance she sees as being confirmed by ‘The Principles of Comfort’ case. This guidance is as follows:

(i) Every trade mark including those comprising slogans must be capable of identifying the product as originating from a particular undertaking and thus distinguishing it from those of other undertakings (paragraphs 33, 42).

(ii) The criteria for assessing distinctiveness are the same for the various categories of marks (paragraph 32).

(iii) It is inappropriate to apply to slogans criteria for assessing distinctiveness (e.g. a requirement for “imaginativeness” or “conceptual tension which would create surprise and so make a striking impression”) that are different/stricter than those applicable to other types of sign (paragraphs 31, 36).

(iv) Use in advertising may be taken into account (paragraphs 35, 38).

13. Based on this guidance I must address the question: how is this mark likely to be perceived by the relevant (specialist) average consumer identified above ?

14. The mark comprises two normal English dictionary words ‘deliberately’ and ‘innovative’ in that order. The attorney submits that in combination the phrase is an oxymoron, or at the very least has no discernable meaning in relation to the goods. I cannot agree with this. I am unable to see any semantic or syntactic tension or quirkiness in the combination, let alone that combination having the quality of an oxymoron. Whilst there is no requirement for ‘semantic or syntactic tension’ to be registrable, we are nevertheless required to assess the mark in relation to the goods. The more apt the words are to be used to promote, including of course in advertising, a characteristic of the product or company responsible, the less capacity such words have to distinguish the goods of a single undertaking.

15. Being ‘innovative’ is a desirable quality which anyone in the software industry (and many other industries) would strive toward or claim to possess. For many it would be more than a desirable quality, rather an essential attribute or even *raison d’être*. To be ‘deliberately innovative’ simply reinforces the message to the (specialist) average consumer that the undertaking concerned, wilfully and single-mindedly, sets out to be innovative. I see the phrase as a readily understandable combination with some ellipsis (ie it’s not “We are deliberately innovative”), but this ellipsis is common ellipsis, such that in the context of advertising especially, would not be such as to convey distinctive character.

16. However, even if I do share the examiner's view that the message conveyed by the mark is that of mere value statement, either in relation to the company itself or to the goods, I must address the critical submission that such marks are nevertheless capable of 'dual' function. In other words, refusal under section 3(1)(b) cannot follow simply because a mark may be found to be 'promotional'. As I indicated at the hearing, in my opinion the case law teaches us that, in the prima facie, marks which are asserted to have dual function must be capable of being perceived immediately as an indication of origin of the goods/service. In other words, the essential 'origin' function is immediately recognisable alongside the other function of promotion (see para 35 of *The Principles of Comfort*).

17. In this particular case, I am unable to come to that conclusion. My assessment of the mark above places particular emphasis on the word 'innovative' as being a quality desired of almost everyone in the field of software, no less so for the particular software in question. It is hard therefore to see the words 'deliberately innovative', absent evidence, conveying anything but the promotional message that the undertaking using it sets out to be innovative. I do not see the words as capable of simultaneously functioning as a trade mark. In very simple terms, this mark says (to the sophisticated average consumer) 'what' we (ie Interactive Intelligence) are concerned with and aspire to, and not 'who' we are.

18. For these reasons, the objection under section 3(1)(b) is upheld.

Section 3(1)(c)

19. This section reads:

“Absolute grounds for refusal of registration

3- (1) The following shall not be registered –

(a).....

(b)

(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 services, or other characteristics of goods or services,

20. The reason I introduced this objection was the belief that the mark would describe a characteristic of the goods themselves. I stress this is a separate consideration to my discussion under section 3(1)(b) above, which in essence goes to the question whether the mark in question would be seen as purely promotional in relation to the goods and/or undertaking responsible.

21. The word 'innovative' is surely a characteristic of software (albeit specialist) which other traders would wish to use, but how about the combined term 'deliberately innovative' ? In view of my linguistic analysis of the words the

capacity of the words to function as an indication of the nature and quality of the goods cannot be ruled out. As I have said, in my view there is no linguistic tension in the words. As the relevant authorities state (eg ECJ Case C-191/01P *DOUBLEMINT*), it suffices that that the term *may* serve in trade descriptively, and there is no obligation on the registry to prove that it currently is being used in such a way.

22. I can readily accept that a mark such as *EUROPREMIUM* (CFI Case T - 334/03) which the agent has cited, conveys no immediate, direct or obvious message about the quality of goods/services offered under such a mark. The term, in totality, is simply too vague. I do not believe however that 'deliberately innovative' is on a par with that. What we have here is normal and natural descriptive language in relation to the goods.

23. For these reasons I also find that the objection under section 3(1)(c) is upheld.

Conclusion

24. In this decision I have considered all the documents filed by the holder and all the arguments submitted to me in relation to the international registration and, for the reasons given, it is refused under the terms of Articles 3, 9(3) and 11(5) of the Trade Marks (International Registration) Order 1996 (as amended) because it fails to qualify under section 3(1)(b) & (c) of the Act.

Dated this 14th day of May 2007

**Edward Smith
For the registrar**