

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NUMBER 2153382
BY DAIMLER-BENZ AG**

TO REGISTER A TRADE MARK IN CLASS 12

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DECISION AND GROUNDS OF DECISION

On 12 December 1997 Daimler-Benz AG of DaimlerChrysler AG, Epplestrasse 225, D-70567, Stuttgart, Germany, applied under the Trade Marks Act 1994 to register the trade mark **CLASS** in Class 12 in respect of “ Passenger vehicles ”.

The Registrar originally raised objections in the examination report under Section 3 (1) (b) & (c) of the Act on the grounds that the mark consisted exclusively of the laudatory word “ CLASS “ which was devoid of any distinctive character and a sign which may serve in trade to designate the quality of the goods.

On 20 August 1998, the applicant filed evidence of use of the mark comprising a Statutory Declaration by David Moore, who is responsible for all intellectual property matters of the applicant, Daimler Benz AG, and supported by exhibits illustrating the use of the mark. The evidence was deemed not to have demonstrated that the mark had in fact acquired a distinctive character as a result of the use made of it. The examiner also raised further objections under Sections 3(1) (b) and (c) of the Act, on the grounds that the mark would be seen to designate a group or category of passenger vehicles.

Objection was also taken under Section 5 (2) (b) of the Act as the mark was considered to conflict with 114 separate applications. The applicant actually owned 110 of these citations and has taken appropriate assignment action, which has allowed these 110 citations to be waived, and therefore will not be referred to again. The other four Section 5 (2) (b) objections were maintained in respect of the following earlier marks :-

<u>Mark</u>	<u>Number</u>	<u>Class</u>	<u>Specification</u>
Ritz Class	2011361	12	Motor cars, motor bikes, aeroplanes, boats.
Corporate Class	2151339	39	Vehicle rental services; vehicle leasing services; vehicle towing services; vehicle breakdown recovery services; vehicle rental and leasing services; and reservation services for the rental and/or leasing of vehicles.
S&C Status & Class	E461533	12	Apparatus for locomotion by land, air or water; car bodies, bonnets, seats, wheel rims; bodies, streamlined body parts and chassis and frames for cars, motorbikes, boats and aircraft.

37 Services for the construction and rebuilding of special car bodies and car-body parts; aerodynamics and aesthetic rebuilding services for cars and vehicles in general; finishing services for cars, motorbikes, boats and aircraft; maintenance and repair services for vehicles in general.

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10 Crown Class E391631 39 Air transportation services; aircraft leasing; car hire; travel arrangement , and all other services in this class.

15 On the 1st July 1999 a New Guide to the Cross Searching of Trade Marks in the United Kingdom came into effect. Following the introduction of this new guide , I have reviewed the four citations and have decided to waive the Section 5 objections raised against Application No 2151339 for the mark Corporate Class in Class 39 and also Application No E391631 for the mark Crown Class in Class 39. A global review of Application No E461533 for the mark S & C Status & Class has also taken place and it is no longer felt to be in conflict with this application and has therefore
20 been waived.

25 At the Hearing at which the applicants were represented by Mr Moore of Jenson & Son, their trade mark agents, objections under Section 3(1) (b) & (c) and Section 5 (2) were maintained. Following refusal of the application under Section 37(4) of the Act, I am now asked under Section 76 of the Act and Rule 56(2) of the Trade Marks Rules 1994 to state in writing the grounds of my decision and the materials used in arriving at it.

Firstly , I must consider the prima facie case for acceptance.

30 Sections 3 (1) (b) and (c) of the Act reads as follows :-

" The following shall not be registered:-

35 (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."

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The mark consists exclusively of the ordinary dictionary word "CLASS". Collins English Dictionary (Third Edition 1994) gives the following meanings for the word "CLASS":

45 **CLASS** - Collins English Dictionary 1. (Kls) n 1 . A collection or division of people or things sharing a common characteristic, attribute , quality , or pro-perty. 9. Informal . Excellence or elegance, esp. In dress, design, or behaviour:that girl's got class. 10. A. Outstanding speed and stamina in a racehorse. B. (as a modifier) : the class horse in the race.13. In a class by oneself or

in a class of its own. Unequaled; unparalleled.¹⁴ To have or assign a place within a group, grade, or class.

CLASS. abbrev. for: 1.classic(al)

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During correspondence with the examiner and at the Hearing, the agent argued that the word “CLASS” was not a laudatory term as such. The primary broad meaning was “ a rank or order of persons or things”. He also felt that the general use of the word was simply to denote a group. The laudatory term in this field was the word “CLASSIC” and these two words were
10 distinct and were not similar. The agent also went on to say that in the passenger car industry the word “CLASS” was not used to denote a rank or order, the industry as a whole tended to use the word Sector to denote a particular type of vehicle. I disagree. In my view the word “CLASS” is laudatory and, consequently devoid of any distinctive character. The dictionary definitions also indicate that the word “CLASS” is used to describe a group of things sharing a common
15 characteristic, attribute, quality or property. In this particular field of goods, my own experience tells me that vehicles are commonly referred to as belonging to a particular “CLASS”. The word “CLASS” Is clearly a word which other traders may wish , and should be free to use in the course of trade, for example, “ Best in Class”, “The Safest Car in it’s Class” , “The most Economical Car in it’s Class”, “The Roomiest Car in it’s Class”, “The Best 4 x 4 in it’s Class”.

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I recognise that there are other ways of conveying the same meaning, although the mark at issue seems particularly apt to describe both the quality of these goods and their classification but as Mr Hugh Laddie said in the “PROFITMAKER” case 1994 RPC 613 at page 616 lines 38-44:

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“ The fact that honest traders have a number of alternative ways of describing a product is no answer to the criticism of the mark. If it were, then all these alternative ways could, on the same argument , also be the subject of registered trade marks. The honest trader should not need to consult the Register to ensure that common descriptions or laudatory words or not unusual combinations of them, have been monopolised by others. “

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I did not see anything in the word CLASS that would serve to distinguish the goods of the applicant from those of other traders. It is totally devoid of any distinctive character.

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The question as to what exactly “ devoid of any distinctive character “ means was commented upon by The Hon. Mr Justice Jacob in the “TREAT” trade mark case (1996 RPC 296) case and these comments also go to Section 3 (1) (c) of the Act. He said at lines 2-10 of that decision :-

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"Next, is "Treat" within Section 3(1)(b)? What does **devoid of distinctive character mean**? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark? A meaningless word or word inappropriate for the goods concerned ("North Pole" for bananas) can clearly do so. But a common laudatory word such as "Treat" is, absent use and recognition as a trade mark, in itself (I hesitate to borrow a word from the old Act **inherently** but the idea is much the same)
45 devoid of any distinctive character. I also think “ Treat” falls within Section 3(1)(c) because it is a trade mark which consists exclusively of a sign or indication which may serve in trade to perform a number of the purposes there specified, particularly to

designate the kind, quality and intended purpose of the product”.

5 I therefore consider the mark “CLASS” consists exclusively of a sign which is laudatory and may serve in trade to designate a group or category of vehicles and consequently therefore not acceptable, prima facie, for registration under Section 3(1) (b) or (c) of the Act. It follows that this application would, at the very least, need appropriate evidence of use in order to show that the public have been educated to see the word as a trade mark.

10 I now go on to consider the use which has been made of the mark and whether it has in fact acquired a distinctive character as a result of such use and whether this evidence is also sufficient to allow this mark to proceed via Section 7 (2) of the Act.

The proviso to Section 3 (1) is in the following terms:-

15 “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.”

The Applicant’s Evidence

20 The following exhibits supported the evidence of use.

Exhibit A The applicants filed a Statutory Declaration dated 20 August 1998 (see annex 1) by Mr David Moore who is the Trade Mark Agent responsible for all intellectual property matters of the applicant, Daimler-Benz AG in the U.K.

25 Mr Moore states that:-

30 Daimler first introduced a vehicle under the CLASS mark ie the S-CLASS, in 1972. In the early 1990's it was decided to standardise the use of the CLASS mark across the passenger vehicle range. The present S-CLASS was introduced in 1991, C-CLASS in 1992, E-CLASS in 1993, V-CLASS in 1996, A-CLASS in 1997 and the M-CLASS in 1998. Mr Moore also provided the following Sales figures, Turnover figures and Advertising figures for each of these vehicles under the various CLASS marks as follows (1997 up to the end of November).

DETAILS OF THE NUMBER OF VEHICLES SOLD UNDER THE CLASS MARK

40

Model	1992	1993	1994	1995	1996	1997
C-CLASS	8576	8894	14888	18268	18909	18522
E-CLASS	-	12429	12142	12751	14482	15267
S-CLASS	1974	1735	1594	2569	2355	2185
V-CLASS	-	-	-	-	200	1325
A-CLASS	-	-	-	-	-	4

TURNOVER FIGURES

Precise details were unavailable, an approximate turnover under all of the CLASS marks for each of the years is:-

5	1992:	£250M
	1993:	£570M
	1994:	£710M
	1995:	£830M
	1996:	£890M
10	1997:	£920M

ADVERTISING FIGURES (IN THOUSANDS OF POUNDS)

15	Model	1992	1993	1994	1995	1996	1997
	C-CLASS	-	2001	942	1082	2513	929
	E-CLASS	-	773	1821	3579	3507	1383
	S-CLASS	-	1048	430	425	829	1141
	V-CLASS	-	-	-	-	603	392
20	A-CLASS	-	-	-	-	-	1836
	Total	-	3822	3193	5086	7452	5683

Exhibit B.

25 A copy of a page taken from the Autocar magazine (see annex 2) which compared the prices of various car manufacturers was sent in . Unfortunately this exhibit was dated 19 August 1998, which was 8 months after the date that this application was applied for and cannot be used to show that the mark "CLASS" had acquired a distinctive character through use.

Exhibit C.

30 A Statutory Declaration was filed by Sarah Tyson (see annex 3), who was employed as a Summer Intern by Jenson & Son. Sarah Dyson looked at every entry in the "Complete Encyclopaedia of Motorcars, 1885-1968 edited by G N Georgano, 2nd Edition, 751pp, published in 1973 by Ebury Press. During her search Sarah Dyson did not locate a single use of the word CLASS as a model name, designation or type. However, this appears to be of historic interest only. 1968 is almost 35 30 years before the date of the application.

Exhibit D.

40 A number of Mercedes Sales Brochures (see annex 4) were also sent in . However, none of them showed the mark CLASS on its own it was nearly always shown with the Trade Mark Mercedes-Benz or codified with a letter and hyphenation mark such as: C-CLASS or A-CLASS.

Exhibit E.

A copy of The 1997 The Society of Motor Manufactures and Traders Limited (SMMT) Historic Register of Model Titles was sent to the Registry (see annex 5). Unfortunately this Brochure does not show use of the mark CLASS on its own, it is only shown as A-CLASS or C-CLASS etc. It is also important to note that under the paragraph **Full Registration Service**, applicants who use the register are asked to "...provide details of the **class** of vehicle for the name..... (see annex 5)." It is also notable that the SMMT actually registers the name of cars under three separate headings: Model Title, **Class** and Organisation.

It seems to me that the evidence has not established that the mark alone has acquired a distinctive character as a trade mark in its own right. The sign is never used alone; use has always been accompanied by either the house mark Mercedes-Benz or shown with a single letter separated by a hyphen punctuation mark. I therefore conclude that the applicant has failed to satisfy the proviso of Section 3 of the Act.

I am fortified in this belief by the extract from the judgement of the Hon Mr Justice Jacob in the "TREAT" case (1996 RPC 281, at page 299).

" I turn to consider how the word "Treat" is used here. I have no evidence from the public in relation to this question. I have some evidence of internal thinking at Robertson's but the most important thing of all must be my own impression from the label and all of the surrounding circumstances. Looking at the label I think that the average customer would not see "Treat" used as a trade mark. It is true that it is written as part of a phrase "Toffee Treat" but this is done in context where the maker's name is plain. It is of course the case that you can have two trade marks together ("Ford Prefect"), but whether the secondary word is used as a trade mark is a question of fact. If it is a fancy word, then obviously it is a trade mark because it could not be taken as anything else. But where it is highly descriptive I see no reason why a member of the public should take the mark as a badge of trade origin."

The applicant was given the opportunity to file further evidence that the word "CLASS" alone had acquired a distinctive character and was capable of distinguishing the applicant's goods without the need to be combined with any other matter. However the applicant decided to rely on the evidence of use already referred to - evidence that, in my view, does not prove that the mark is distinctive in fact.

Turning now to the objections raised under Section 5 (2) (b) of the Act which reads as follows

5 (2) A trade mark shall not be registered if because -

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (b) it is similar to an earlier mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark

5 Dealing first with the respective goods, it is immediately apparent that the goods contained within the specification of the application are identical to, or contained within the broader specification of the earlier application. Consequently, the matter hinges on the question of the similarity between the respective marks.

10 The earlier mark numbered 2011361 is for the words "RITZ CLASS" in a plain type and in upper case. The applicant's mark is for the word "CLASS" is also in plain type and in upper case and is clearly part of the earlier mark. Since the mark of this application is not identical to the cited registered mark the matter falls to be decided under sub-section (b) of Section 5(2). The question, therefore, is whether the word "CLASS" is so similar to the words "RITZ CLASS" that there exists a likelihood of confusion which includes the likelihood of association on the part of the public.

15 At the hearing there was no discussion of the Section 5 objections as it was felt that in view of the very strong Section 3 objection, extensive additional evidence of use would have to be filed in order to progress this application. If this evidence was acceptable then it would have allowed the Section 5 objection to have been waived and enabled this application to proceed under Section 7 (2) of the Act. When corresponding with the examiner the agent has argued that the marks were not similar in totality because there was an additional element (the word RITZ) in the earlier mark which served to differentiate. The capacity of a house mark to distinguish two otherwise confusingly similar marks was considered in the BULOVA ACCUTRON trade mark case (1969) RPC 102 in which Mr Justice Stamp said at page 109 line 44 to page 110 line 8;

20 "Particularly having regard to the fact that BULOVA is the house name of the applicants and has a significance other than a trade mark, its addition before the word ACCUTRON does not in my judgement serve to prevent the deception or confusion which would in the view of the Court of Appeal have been caused but for that adoption. As the Assistant Registrar remarks in his decision : " As BULOVA and ACCUTRON do not hold together as a phrase or present a wholly different meaning to the separate components, I think that their combination will be taken by many persons on first impressions as an indication that the manufacturer of the watches is using two separate trade marks in connection with his products". I would add that the combination of the two words is likely to be taken by other persons on first impression as an indication that the part of the trade mark which consists of BULOVA is a house name of the marketers of the watches, that the trade mark is ACCUTRON and they will confuse them with watches marketed under the trade mark ACCURIST simpliciter."

25 30 35 40 The combination of RITZ and CLASS does not hold together as a phrase or present a wholly different meaning to the separate components. If I am found wrong under Section 3 (1) (b) & (c) of the Act, and the word CLASS is capable of distinguishing the goods of one trader , I think it is likely that the public will assume that the applicant's mark and the earlier trade mark denote goods from the same trader or traders connected in trade. On that footing, the applicant's mark is excluded from registration under Section 5 (2) (b) of the Act.

The evidence of use of the mark applied for might have allowed the application to proceed under Section 7(2) of the Act. However for the same reasons as I have found that the user does not assist under Section 3, I find that it does not assist under Section 7 (2) either.

5 In this decision I have considered all the documents filed by the applicant and all the arguments submitted to me in relation to this application and for the reason given it is refused under the terms of Section 37(4) of the Act because it fails to qualify under Sections 3(1)(b) (c) and Section 5 (2) (b) of the Act.

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Dated this 6 day of August 1999

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GEOFFREY MILLER
For the Registrar
The Comptroller General

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Trade Marks Act 1994

IN THE MATTER OF Trade Mark
Application No. 2153382 for CLASS
by Daimler-Benz AG

STATUTORY DECLARATION

I, David Moore, of 22 Reveley Square, London SE16 1HS do hereby solemnly and sincerely declare as follows:

1. I am a Trade Mark Agent and am responsible for all intellectual property matters of the applicant, Daimler-Benz AG (hereinafter "Daimler") in the U.K. Unless otherwise stated the facts and matters described in this declaration come from my own personal knowledge and from consulting records belonging to the applicant to which I have access; I am duly authorised to speak on behalf of the company in this application.

2. Daimler first introduced a vehicle under the CLASS trade mark, the S-Class, in 1972. In the early 1990's it was decided to standardise the use of the CLASS trade mark across the passenger vehicle range. The present S-CLASS was launched in 1991. The C-CLASS was launched in 1992, the first vehicles being delivered to the U.K. in early 1993. At the start of 1993 the middle or executive model was rebadged as E-Class.

3. With the increasing fragmentation of the vehicle market and due to competitive pressures, further vehicles have been introduced under the CLASS mark, such as the V-CLASS in 1996, the A-CLASS in 1997 and the M-CLASS in 1998.

3. Details of the sales of each vehicle under the CLASS mark are as follows (1997 up to end of November):

<u>Model</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
C-CLASS	8576	8894	14888	18268	18909	18500
E-CLASS	-	12429	12142	12751	14482	15267
S-CLASS	1974	1735	1594	2569	2355	2185
V-CLASS	-	-	-	-	200	1325
A-CLASS	-	-	-	-	-	4

4. Precise details of the turnover are unfortunately not available. However, the 1998 list prices as published in Autocar are attached as Exhibit A to this declaration. As an approximate guide of the turnover under the CLASS mark for each of the years is at least:

1992: £ 250 M
 1993: £ 570 M
 1994: £ 710 M
 1995: £ 830 M
 1996: £ 890 M
 1997: £ 920 M

5. Daimler also advertises quite extensively and the advertising spend per model type is as follows (in thousands of pounds):

<u>Model</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
C-CLASS	2001	942	1082	2513	929
E-CLASS	773	1821	3579	3507	1385
S-CLASS	1048	430	425	829	1141
V-CLASS	-	-	-	603	392
A-CLASS	-	-	-	-	1836
Total	3822	3193	5086	7452	5683

6. Various samples for brochures of vehicles sold under the CLASS mark are attached as Exhibit B. The brochures consist of compilations of advertisements, which are used in a variety of media, from magazines and the daily press to bill boards, together with some technical details of the vehicles.

AND I MAKE THIS SOLEMN DECLARATION conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835.

Declared this 20th day of August 1998 by: David Moore

At: Richard Thomas & Co
27 PAIP STREET
LONDON EC4A 4NP

Before Me: Paul [Signature]
Paul [Signature]
SEWTON

Trade Marks Act 1994

IN THE MATTER OF Trade Mark
Application No. 2153382 for CLASS
by Daimler-Benz AG

STATUTORY DECLARATION

I, Sarah Tyson, of 18 Willow Avenue, Kirby Cross, Essex CO13 0PS do hereby solemnly and sincerely declare as follows:

1. I am employed as a Summer intern by Jensen & Son and as part of my duties I have undertaken searches at the Science Reference and Information Service.

2. During the course of my searches I located the Complete Encyclopedia of Motorcars, 1885-1968 edited by G N Georgano, 2nd Edition, 751pp, published in 1973 by Ebury Press. This encyclopedia, which I understand has a high reputation among motor vehicle historians claims to be a comprehensive review and listing of every motor car type manufactured from 1885 to 1968. A copy of the front cover is attached as Exhibit A.

3. I looked at every entry in the encyclopedia over the course of a number of days and did not locate a single use of the word CLASS as a model name, designation or type.

AND I MAKE THIS SOLEMN DECLARATION conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835.

Declared this 20th day of August 1998 by: Sarah Tyson

At: Paul Jones & Co
27 Hill Street
London
EC2A 4NJ

Before Me: Paul Jones
PAUL JONES
SOLICITOR

The Complete Encyclopaedia of
Motorcars 1885-1968



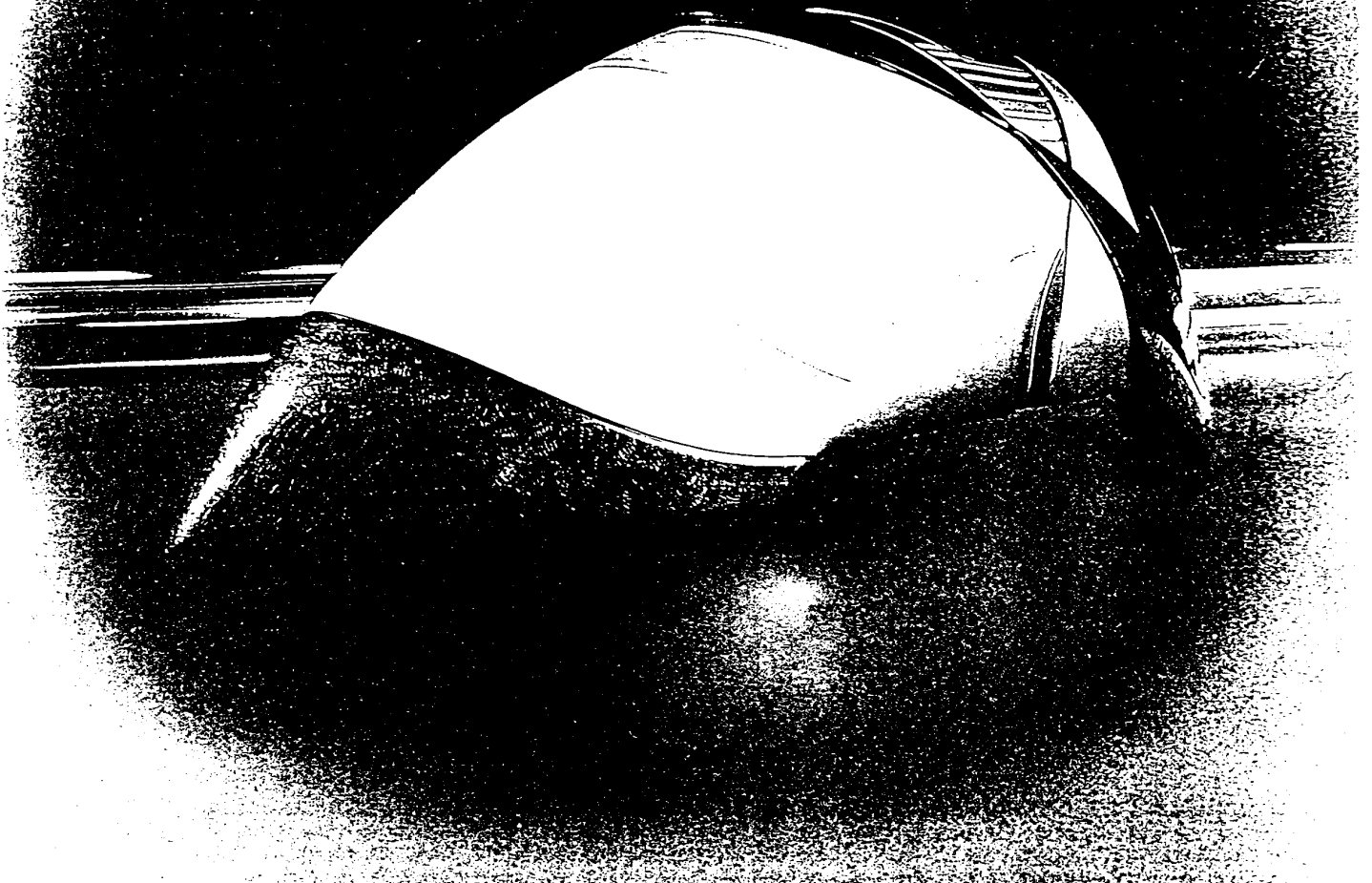
Ebury Press, London



THE MERCEDES-BENZ A-CLASS



THE SOCIETY OF MOTOR MANUFACTURERS AND TRADERS LIMITED
CURRENT REGISTER OF MODEL TITLES
1997 EDITION



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Published by the SMMT Legal and Corporate Affairs Department

Full Registration Service

This service includes:

- checking the RMT database for identical or similar names recently registered;
- writing to current registered holders of the requested name to obtain their consent to a parallel registration of the same name or for the registration of a similar name;
- keeping you informed in writing of the progress of your registration.

PLEASE NOTE: The fee increase from £25 to £30 per name takes into account the added value to you of a sophisticated RMT database which means quicker and more efficient searching and registration on your behalf.

In order to apply for the full registration service for a proposed model name, you are required to complete a copy of the application form enclosed with this Register, providing details of the class of vehicle for the name (see Vehicle Classes below), whether it is a special edition, whether it is already registered as a trademark or a trademark application is pending and any other details about the vehicle which would assist a competing manufacturer in deciding whether to consent to a parallel registration (see Prior Registration below).

PLEASE NOTE: Only written or faxed applications on the application form enclosed will be accepted - no telephone applications will be accepted.

Name Search Service

Many manufacturers wish to obtain up-to-date information on the status of a particular name before deciding to register it themselves or because they do not wish to register the name if another manufacturer is the registered holder of it. For the first time, therefore, we are introducing a name search service where, for a fee of £5 including VAT per name, we will provide you with that information.

If you then decide to pursue a full registration, (which may involve our approaching another manufacturer) the search fee will be deducted from the registration fee so that you will ultimately be charged only £30 including VAT per name.

Our name search service also requires completion of the application form enclosed. We will ensure a same day response by fax. No telephone searches will be accepted.

Database Printout Facility

At any time, you may request, free of charge, a print-out from our RMT database, of all names currently registered to your company, including those contained in the published register and recent registrations since publication.

Vehicle Classes

The Register is comprised of the following classes:

- A. Cars, Car Chassis and Bodies.
- B. Commercial Vehicles, Commercial Vehicle Chassis and Bodies.
- C. Public Service Vehicles, Public Service Vehicle Chassis and Bodies.
- D. Heavy and Light Trailers, Freight Containers.
- E. Motorised Caravans.
- F. Agricultural and Industrial Tractors, Implements and Cranes, Earth-Moving Vehicles including Dumpers and Scrapers.
- G. Engines - Marine, Stationary and Vehicle