

TRADE MARKS ACT 1994

**IN THE MATTER OF
APPLICATION No 2256640
BY EDOCS, INC. TO REGISTER
A TRADE MARK IN CLASSES 9, 36 AND 42**

DECISION AND GROUNDS OF DECISION

Background

1. On 22 December 2000 edocs, Inc. of 176 East Main Street, #7, Westborough, Massachusetts, 01581, USA applied to register the trade mark EDOCS in classes 9, 36 and 42.

2. Following revisions to the specifications registration is now sought for the following goods and services:

Class 9 Computer software for conducting transactions via a computer network, namely software that facilitates the production, delivery, presentation and payment of billing procedures; excluding electronic documents to the extent that they are included in the aforesaid goods.

Class 36 Financial services, namely payment services; excluding the provision of electronic documents.

Class 42 Services rendered in connection with providing payment via a computer network, namely accounting, billing, invoicing via a computer network excluding the provision of electronic documents.

3. Objection was taken against the application under Section 3(1)(b) and (c) of the Act because the mark consists exclusively of the word EDOCS, E being the abbreviation of electronic and DOC being an abbreviation of the word document, the whole being devoid of any distinctive character and a sign that may serve in trade to designate the kind and characteristics of the goods and services for e.g. services and products related to and provided by electronic documents.

4. Objection was also raised under Section 5(2)(b) of the Act but this was subsequently waived and I need make no further reference to it in this decision.

5. At a hearing, at which the applicants were represented by Mr Olsen of Field Fisher Waterhouse, their trade mark attorneys, the objection was maintained.

6. Following refusal of the application I am now asked under Section 76 of the Act and Rule 62(2) of the Trade Mark Rules 2000 to state in writing the grounds of my decision and the materials used in arriving at it.

7. No evidence of acquired distinctiveness has been placed before me. I have, therefore, only the prima facie case to consider.

Specifications

8. Although the specifications proposed in classes 9 and 36 are acceptable as far as the classification of goods and services are concerned the specification proposed in Class 42 is not acceptable. The specification is in respect of services rendered in connection with accounting, billing and invoicing and regardless as to how these services are delivered they are proper to Class 35. In correspondence prior to the refusal of this application this was conveyed to Field Fisher Waterhouse but to date no proposals to address this have been received. For the purposes of this decision I assume that, should this application eventually proceed to publication, these services will be transferred to class 35.

The Law

9. Section 3(1)(b) and (c) of the Act reads as follows:

“3.-(1) The following shall not be registered-

(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,”

The case for registration

10. In correspondence prior to the hearing it was suggested that “the word EDOCS would not automatically be taken as an abbreviation of the phrase ‘*electronic documents*’”. In correspondence, and at the hearing, submissions were made that the words EDOCS are not descriptive of the actual goods and services contained within the specifications applied for. In fact the latest proposed specifications go so far as to specifically exclude electronic documents in class 9 and the provision of electronic documents in classes 36 and 42.

Decision

11. In a judgement issued by the European Court of Justice on 23 October 2003, *Wm. Wrigley Jr. Company v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case - 191/01 P, (the DOUBLEMINT case), the Court gives guidance on the scope and purpose of Article 7(1)(c) of the Community Trade Mark Regulation (equivalent to Section 3(1)(c) of the Trade Marks Act). Paragraphs 28 - 32 of the judgement are reproduced below:

“28. Under Article 4 of Regulation No 40/94, a Community trade mark may consist of signs capable of being represented graphically, provided that they are capable of distinguishing the goods or services of one undertaking from those of other undertakings.

29. Article 7(1)(c) of Regulation No 40/94 provides that trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographic origin, time of production of the goods or rendering of the service, or other characteristics of the goods or service are not to be registered.
30. Accordingly, signs and indications which may serve in trade to designate the characteristics of the goods or service in respect of which registration is sought are, by virtue of Regulation No 40/94, deemed incapable, by their very nature, of fulfilling the indication-of-origin function of the trade mark, without prejudice to the possibility of their acquiring distinctive character through use under article 7(3) of Regulation No 40/94.
31. By prohibiting the registration as Community trade marks of such signs and indications, Article 7(1)(c) of Regulation No 40/94 pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is sought may be freely used by all. That provision accordingly prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks (see, inter alia, in relation to the identical provisions of article 3(1)(c) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of Member States relating to trade marks (OJ 1989 L 40, p. 1), *Windsurfing Chiemsee*, paragraph 25, and Joined Cases C-53/01 to C-55/01 *Linde and Others* [2003] ECR I-0000, paragraph 73).
32. In order for OHIM to refuse to register a trade mark under Article 7(1)(c) of Regulation No 40/94, it is not necessary that the signs and indications composing the mark that are referred to in that article actually be in use at the time of the application for registration in a way that is descriptive of goods or services such as those in relation to which the application is filed, or of characteristics of those goods or services. It is sufficient, as the wording of that provision itself indicates, that such signs and indications could be used for such purposes. A sign must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned.”

12. Section 3(1)(c) of the Act excludes signs which may serve, in trade, to designate the kind of goods or other characteristics of goods. It follows that in order to decide this issue it must first be determined whether the mark designates a characteristic of the goods in question. The goods contained within the Class 9 specification are now limited to computer software that facilitates the production, delivery, presentation and payment of billing procedures. The services contained within the Class 36 specification are payment services and the specification in Class 42 (to be transferred to Class 35) is for services rendered in connection with accounting, billing and invoicing via a computer network. These goods and services are all concerned with

computer software with a specific purpose which is the production, delivery, presentation and payment of billing procedures. In order to present a person or an organisation with a bill or invoice electronically it is, of course, essential for the appropriate computer software to be available. Anyone wishing to submit bills or invoices electronically will have no alternative but to produce or purchase the appropriate computer software. If they purchase such computer software they will, of course, ensure that it meets their requirements. They will ensure that the computer software is capable of enabling them to submit their bills and invoices electronically and subsequently to process payments electronically. It will be vital to them that this software supports their intention to process their billing documents and subsequent payments electronically. The bills etc. may be provided, presented and processed electronically but they are still bills etc. Apart from speed of delivery their effect is identical to their paper equivalents. As they are provided electronically they are likely to be described as electronic documents. In my view, the words ELECTRONIC DOCUMENTS is a term which, when used in relation to the goods and services in question, will designate software and services which enable billing and payment through the medium of electronic documents.

13. I am aware that the mark applied for is not the words ELECTRONIC DOCUMENTS but the word EDOCS. Collins English dictionary (Third Edition Updated 1994) provides the following definition of the word DOC:

“doc. Abbrev. For document.”

14. In my view the word DOCS will be seen and understood to be an abbreviation of the plural of the word documents i.e. DOCUMENTS. The word DOCS is preceded by the letter E. On 17 October 2002 the Registry issued guidance on E, I and M Prefixed Marks (PAN 9/02). The appropriate section of this guidance is reproduced below.

“2. It is common knowledge that ‘e’ as a prefix denotes ‘electronic’ in the context of conducting business through an electronic medium and there are now a number of acronyms and terms which use ‘e’ in this sense, for example, e-commerce, e-mail, e-learning, e-software. This is supported by the following definition for ‘e’ in the New Oxford Dictionary of English:

“‘e’ – denoting the use of electronic data transfer in cyberspace for information exchange and financial transactions, especially through the Internet.””

15. In my view these references make it clear that in relation to the goods and services in question it is likely that the letter E and the word DOCS will be immediately identified as abbreviations for the words ELECTRONIC and DOCUMENTS.

16. I must, of course, not just consider the effect of the letter E and the word DOCS separately. The trade mark applied for is EDOCS which is the letter E and the word DOCS conjoined. Given that the words ELECTRONIC DOCUMENTS are so well known and that the goods and services applied for relate to such documents and that the word EDOCS breaks naturally into E DOCS then I consider it likely that the

combination EDOCS will be perceived as an abbreviation of the words ELECTRONIC DOCUMENTS.

17. I find support for this view in the recent judgment of the European Court of Justice in the *Postkantoor* case, C-363/99 where the following view was expressed:

“5. Article 3(1)(c) of Directive 89/104 must be interpreted as meaning that a mark consisting of a word composed of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, is itself descriptive of the characteristics of those goods or services for the purpose of that provision, unless there is a perceptible difference between the word and the mere sum of its parts: that assumes either that because of the unusual nature of the combination in relation to the goods or services the word creates an impression which is sufficiently far removed from that produced by the mere combination of meanings lent by the elements of which it is composed, with the result that it is now independent of its components. In the latter case, it is necessary to ascertain whether a word which has acquired its own meaning is not itself descriptive for the purposes of the same provision.”

18. Another point that I must bear in mind when assessing this application is that the proposed specifications now include exclusions.

19. The specification applied for in class 9 has the following exclusion:

“excluding electronic documents to the extent that they are included in the aforesaid goods”.

20. The specifications applied for in classes 36 and 42 (to be transferred to class 35) both include the following exclusions:

“excluding the provision of electronic documents”.

21. In order to reach any conclusion regarding these proposed exclusions I must first consider what is covered by the term electronic documents. Essentially, electronic documents are documents that are stored on a computer. They may have been created on a computer, as with word processing files and spreadsheets, or they may have been converted into digital documents by means of document imaging. In my view documents relating to billing, payment, accounting and invoicing procedures are, when stored on a computer and transmitted electronically to a third party, covered by the term electronic documents.

22. As far as Class 9 is concerned the specification is limited to computer software which is limited to a particular area of application. I do not see how, given that only a particular type of computer software is now included in the specification, electronic documents can be excluded from the specification. They are not covered by the specification in the first place so they simply cannot be excluded. Furthermore, the objection in respect of the computer software is that it is designed to enable the provision of data in electronic documents and not electronic documents as such. In the circumstances the proposed exclusion is not directed against such software but electronic documents themselves and simply does not address the objection.

23. The specification in Class 36 is now limited to payment services. The proposed exclusion has the effect of excluding all such services which are provided electronically leaving only payment services which are not provided electronically. However, it is clear from the extracts from the applicants' web site, copies of which were placed before me at the hearing and are now on file, that the applicants conduct all business electronically and there must be genuine doubt regarding their intention to use this mark on payment services other than those provided electronically.

24. The specification in Class 42 (to be transferred to Class 35) is now limited to services rendered in connection with accounting, billing and invoicing provided via a computer network. It is clear that such services must be provided electronically with the result that the exclusion effectively removes all of the services for which the applicant is seeking registration.

25. Even though I have considered the effect that the proposed exclusion has on all three specifications I must say that I have some difficulty with the imprecise nature of both the specifications and the proposed exclusions. The wording is such that I find it very difficult to judge what goods will be included within these specifications once the exclusions have taken effect.

26. In the judgment of the European Court of Justice in the *Postkantoor* case there is reduced scope for overcoming objections taken under Section 3(1) of the Act by use of exclusions. The *Postkantoor* judgment makes it clear that the Trade Mark Directive, from which the Trade Marks Act 1994 is derived, "prevents a trade mark registration authority from registering a mark for certain goods or services on condition that they do not possess a particular characteristic". The reason for this conclusion is that the Court decided that such practice would lead to legal uncertainty as to the extent of protection afforded by the mark; legal uncertainty is what the Trade Mark Directive is intended to prevent.

27. In the case of this application, the vagueness of the specifications and their exclusions results in specifications that are not precisely defined and this will lead to the same legal uncertainty that concerned the European Court of Justice in the *Postkantoor* judgment.

28. In my view the relevant consumer of the goods and services in question would see the word EDOCS, on first impression, as an abbreviation of the full expression ELECTRONIC DOCUMENTS and consequently as a normal means of designating the nature or other characteristic of the goods and services for which registration is sought. For the reasons set out earlier in this decision I do not accept that this position is affected in any way by the wording of the specifications and their exclusions which do little more than to bring additional vagueness to the goods and services for which registration is sought. Consequently, I have concluded that the mark applied for consists exclusively of a sign which may serve, in trade, to designate the kind of goods and services and is, therefore, excluded from registration by Section 3(1)(c) of the Act.

29. Having found that this mark is to be excluded from registration by Section 3(1)(c) of the Act, that effectively ends the matter, but in case I am found to be wrong in this decision, I will go on to determine the matter under section 3(1)(b) of the Act.

30. The approach to be adopted when considering the issue of distinctiveness under Section 3(1)(b) of the Act has recently 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 must first of all be observed 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*, paragraph 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 the 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, paragraph 31, and *Philips*, paragraph 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 those of other undertakings.”

31. For the same reasons that I found this trade mark to be excluded by the provisions of Section 3(1)(c) of the Act I have concluded that the relevant consumer of the goods and services in question would not consider this mark to denote trade origin. I am not persuaded that the word EDOCS is sufficient, in terms of bestowing distinctive character on the sign as a whole, to conclude that it would serve, in trade, to distinguish the goods of the applicants from those of other traders.

32. I have concluded that the mark applied for will not be identified as a trade mark without first educating the public that it is a trade mark. I therefore conclude that the

mark applied for is devoid of any distinctive character and is thus excluded from prima facie acceptance under Section 3(1)(b) of the Act.

Conclusion

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

Dated this 18th day of August 2004

**A J PIKE
For the Registrar
The Comptroller-General**