

O-070-15

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NUMBER 2646493
BY LIDL STIFTUNG & CO.KG
TO REGISTER THE FOLLOWING TRADE MARKS
IN CLASSES 3, 5, 8, 16, 29, 30, 31, 32, 33, and 34:

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IN CLASSES 3, 5, 8, 16, 29, 30, 31, 32, 33, 34**

Background

1. On 19 December 2012 Lidl Stiftung & Co.KG (the applicant) applied to register trade mark application number 2646493, consisting of the five marks depicted above for goods in classes 3, 5, 8, 16, 29, 30, 31, 32, 33, and 34 as follows:

Class 3: Soaps; bleaching preparations and other substances for laundry use; chemical preparations for cleaning and care of metal, porcelain, glass, enamel, pottery and plastics; dishwashing agents, also in form of tablets; rinsing agents; cleaning agents for dishwashers.

Class 5: OTC pharmaceutical and veterinary products and preparations for health care; incontinence liners; napkins for adults; dietetic foodstuff and preparations for medical and veterinary purposes; food for babies; food supplements for humans and animals; plasters, materials for dressings; disinfectants; preparations for destroying vermin; deodorizing agents except for humans or animals; medicinal teas, medicinal tea substitutes, herbal teas.

Class 8: Hand tools and implements (hand-operated); cutlery; electric and non-electric razors; hair clippers (hand operated tools); nail scissors, nail files.

Class 16: Goods made from paper, included in class 16, for household and hygienic purposes, including household paper, cosmetic tissues, toilet paper, coffee filter, handkerchiefs, napkins, table napkins.

Class 29: Fresh, refrigerated or frozen meat, sausage, fish, poultry and game; meat products, sausage products, fish products, poultry products and game products; meat extracts; preserved, processed, frozen, dried and cooked fruits and vegetables, also cut and in form of salads; ready-to-serve meals essentially consisting of the aforementioned goods with addition of pasta and/or rice and/or pastries; jellies, jams, marmalades, compotes; eggs, milk; milk products, including cheese, cheese preparations, yoghurt, cream, curd; edible oils and fats.

Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; pasta; flour and preparations made from cereals; bread, pastry and confectionery, including chocolate and chocolate goods, sweets; ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); ready-to-serve meals essentially consisting of pasta and/or rice and/or pastries with the addition of meat and/or sausage and/or poultry and/or fish and/or game and/or fruits and/or vegetables

- Class 31: Fresh fruits and vegetables, fresh salads, fresh herbs; foodstuff for animals; litter for pets; seeds, living plants and natural flowers.
- Class 32: Beers; mineral and aerated waters and other non-alcoholic beverages; fruit drinks and fruit juices; non-alcoholic dietetic beverages; syrups for making non-alcoholic beverages; sweeteners on the basis of syrups.
- Class 33: Alcoholic beverages (except beers), especially wines, sparkling wines, spirits and liqueurs, alcoholic cocktails on the basis of the aforementioned goods.
- Class 34: Tobacco products; smokers' articles, including ashtrays (not of precious metals, their alloys or coated therewith), cigarette paper, cigarette stubs with and without filters, cigarette filters, lighters, apparatus for rolling and filling cigarettes (pocket machines); matches; the aforementioned goods included in class 34.

2. On 25 January 2013 the Intellectual Property Office ('IPO') issued an examination report in response to the application. In that report, the following objection was taken under sections 3(1) (b) and (c) of the Trade Marks Act 1994 ('the Act'):

"The application is not acceptable in Classes 3, 5, 29, 30, 31, 32, 33, and 34 as there is an objection under Section 3(1) (b) and (c) of the Act. This is because the mark consists of the word "Simply (...)", being a sign which may serve in trade to designate a mere characteristic/selling point of the goods e.g. those which are pure or unadulterated. The objection relates to all versions of the marks as the word and three dots 'Simply...' reads directly into the goods themselves, whilst the word 'Simply' is likely to be seen as a laudatory, non trade mark statement, attesting to the purity of those goods. The objection would appear to apply to the following goods:

Class 3: Soaps

Class 5: Dietetic foodstuff and preparations for medical and veterinary purposes.

Classes 29, 30, 31, 32, 33 and 34 in their entirety."

3. A further objection under section 41(2):

"The marks do not form a series because they are likely to be perceived as being visually and conceptually different by the average consumer, on account of the addition of '...' in the first three marks, meaning that the word 'Simply' can read directly into the goods. There is therefore an objection under section 41(2) of the Act"

4. On 25 March 2013, Urquhart, Dykes & Lord ('the agent') responded to the objections raised under section 41(2) by requesting that the word marks 'Simply' and 'SIMPLY' (being marks 4 and 5 in the list) be deleted from the application. This was agreed by the

examiner and the series objection was waived. The arguments contesting the objection under section 3(1)(b) and (c) in respect of the remaining three marks did not persuade the examiner to waive, and so on 3 April 2013 he wrote to the agent confirming this. On 29 May 2013 the agent requested an *ex parte* hearing.

5. At the hearing on 2 December 2013, Ms Nelson argued that the marks are not just the word 'Simply', but also contain an additional element of three dots following the word. These dots would be seen as an unusual and unnatural additional linguistic element by the average consumer. The goods are not specialised, and so the average consumer is likely to be reasonably observant and circumspect when purchasing the goods claimed in this application and would perceive the combination as performing a trade mark role. I was not persuaded by these arguments, and so maintained the section 3(1)(b) and (c) objection in the *prima facie* case. I indicated that it may be possible to demonstrate that the mark has acquired distinctive character through the use made of it, and allowed time in which to establish whether the mark had been used prior to the date of filing.
6. On 28 February 2014, the agent confirmed that the applicant would not be filing evidence of use and requested a review of the decision made at hearing. The decision was reviewed but maintained, and the agent was notified of my decision by letter dated 15 April 2014. Nothing further was received in reply, and so a notice of partial refusal was issued on 16 June 2014.
7. On 11 July 2014, the agent submitted a form TM5 requesting a statement of the reasons for the decision. I am now asked under section 76 of the Trade Marks Act 1994 and rule 69 of the Trade Marks Rules 2008 to state in writing the grounds of my decision and the materials used in arriving at it. No formal evidence has been put before me for the purposes of demonstrating acquired distinctiveness. Therefore I have only the *prima facie* case to consider.

The applicant's case for registration

8. Prior to setting out the law in relation to sections 3(1) (b) and (c) of the Act, I will set out the applicant's case for *prima facie* acceptance of the marks. The agent submitted that:
 - 'Simply' is an adverb and if one was indicating that the goods were pure or unadulterated, one would normally use the adjective 'simple';
 - The mark consists of the word 'simply' followed by three dots, which serves to distance the adverb from the goods in question;
 - 'Simply...' does not infer any laudatory meaning to the average consumer and would be capable of distinguishing the goods of one commercial source;
 - There have been a number of earlier acceptances which are similar to the mark contained within this application, namely 'Simply Veg' for vegetables, and 'Simply Sausages' for meat products (including sausages);

- The Registry's Work Manual provides guidance on the consideration of marks containing the word 'Simply' and, in presenting an example, states that the mark 'Simply Lockers' would be considered inherently distinctive when used in respect of lockers. As the word-plus-the-goods are acceptable, then the use of three dots following the term only serves to further distance it from any meaning when used in relation to the goods.
9. At the *ex parte* hearing, Ms Nelson reiterated her arguments made previously in correspondence. She submitted that the mark was not natural language, and that the addition of three dots would add the necessary spark of distinctive character to the whole. Whilst acknowledging that precedents are not binding, the agent emphasised the number of similar previously-accepted marks including UK Registration Number 2420004 'Simply...Snacks', which would suggest that such marks are capable of acting as indications of trade origin.

Decision

10. Section 3(1) of the Act reads as follows:

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

(a) ...

(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,

(d) ...

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 above provisions mirror Articles 3(1)(b) and (c) of First Council Directive 89/104 of 21 December 1988. The proviso to section 3 is based on the equivalent provision of Article 3(3).

Decision under Section 3(1)(c)

11. In *JanSport Apparel Corp v Office for Harmonisation in the Internal Market* (Case T-80/07), the General Court (formerly the Court of First Instance) gave a helpful summary of the considerations to be taken into account in relation to Article 7(1)(c) of the regulation, the equivalent of section 3(1)(c) of the Act:

"18. Under Article 7(1)(c) of Regulation No 40/94, '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 or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service' are not to be registered.

19. By prohibiting the registration of such signs, that article 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 (Case C-191/01 P OHIM v Wrigley [2003] ECR I-12447, paragraph 31).

20. Furthermore, the signs covered by Article 7(1)(c) of Regulation No 40/94 are signs regarded as incapable of performing the essential function of a trade mark, namely that of identifying the commercial origin of the goods or services, thus enabling the consumer who acquired the product or service to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition (Case T-219/00 Ellos v OHIM (ELLOS) [2002] ECR II-753, paragraph 28, and Case T-348/02 Quick v OHIM (Quick) [2003] ECR II-5071, paragraph 28).

21. The signs and indications referred to in Article 7(1)(c) of Regulation No 40/94 are thus only those which may serve in normal usage from a consumer's point of view to designate, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought (see the judgment of 9 July 2008 in Case T-323/05 Coffee Store v OHIM (THE COFFEE STORE), not published in the ECR, paragraph 31 and the case law cited). Accordingly, a sign's descriptiveness can only be assessed by reference to the goods or services concerned and to the way in which it is understood by the relevant public (Case T- 322/03 Telefon & Buch v OHIM - Herold Business Data (WEISSE SEITEN) [2006] ECR II-835, paragraph 90).

22. It follows that, for a sign to be caught by the prohibition set out in that provision, there must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of the goods and services in question or one of their characteristics (see Case T-19/04 Metso Paper Automation v OHIM(PAPERLAB) [2005] ECR II-2383, paragraph 25 and the case-law cited)."

12. Furthermore, in Case C-363/99 *Koninklijke KPN Nederland NV and Benelux-Merkenbureau, (Postkantoor)*, the Court of Justice of the European Union ('CJEU') stated:

"102. It is also irrelevant whether the characteristics of the goods or services which may be the subject of the description are commercially essential or merely ancillary. The wording of Article 3(1)(c) of the Directive does not draw any distinction by

reference to the characteristics which may be designated by the signs or indications of which the mark consists. In fact, in the light of the public interest underlying the provision, any undertaking must be able freely to use such signs and indications to describe any characteristic whatsoever of its own goods, irrespective of how significant the characteristic may be commercially.”

13. I am also mindful of the decision of the General Court in *Ford Motor Co v OHIM* (Case T-67/07) where it was stated:

“24...there must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of the category of goods and services in question or one of their characteristics.”

14. It is clear from the aforementioned case law that I must determine whether, assuming notional and fair use, the mark in suit will be viewed by the average consumer as a means of directly designating the essential characteristics of the goods, namely those that are presented in their natural form or without any additional ingredients, coatings or supplements. The products at issue here are relatively low cost everyday purchases aimed at a non-specialist general public which is deemed to be reasonably well-informed and circumspect. The level of attention may vary a little depending on the customer, but it is reasonable to assume that a prospective purchaser of the applicant's goods would not apply a great deal of attention and circumspection when considering whether or not to buy these goods.
15. Turning my assessment to the mark applied for, I refer to the dictionary definition for the word 'simply' as defined in Collins English Dictionary:

Simply. *adverb* 1. in a simple manner, 2. merely; only, 3. absolutely; altogether; really ⇒ a simply wonderful holiday, 4. (sentence modifier) frankly; candidly.

16. The dictionary reference defines the term as meaning 'in a simple manner', 'merely' or 'only'. When this meaning is used in relation to prepared goods such as e.g. soap, food for babies and general food products, it would be taken to describe a characteristic of those products - namely the simplicity and naturalness of the goods. In respect of soap products, this could be those that are not perfumed and contain only natural ingredients; in respect of food, drink and tobacco products these could be those that have no artificial additives, colourings, flavourings or coatings and are regarded as being superior because of their natural purity. Consumers have been encouraged through advertising and media campaigns such as e.g. Change4Life ¹ to eat less processed food as they generally contain more sugar, salt, additives and calories than the natural product. An indication that the goods consist only of the natural product is a quality that consumers would potentially seek out when purchasing such goods.

¹ Change 4Life is a campaign run by NHS to promote healthy eating options see: <http://www.nhs.uk/change4life/Pages/change-for-life.aspx>

17. The mark also contains an element of stylisation in the first mark, and an element of punctuation or ellipsis, namely three dots following the word in all three marks. It is my view that the stylised font is fairly standard and adds no distinctive character to the whole. As such, I do not need to consider it further. The series of dots usually indicates an intentional omission of a word(s) from a statement without altering its original meaning. Depending on their context and placement in a sentence, ellipses can also indicate an unfinished thought, or a leading statement. In this case, addition of the ellipsis after the word 'Simply' introduces a way to add a dramatic pause and, given the range of goods that this mark would be used upon, it would naturally lead the average consumer into completing the phrase by adding the name of the goods as in e.g. simply... soap, simply... fish, simply... juice. 'Simply' suggests 'purity' and 'simplicity' and, when used on the products intended for protection, infers that it is *all* it consists of. Use of the ellipsis does nothing to displace the totally descriptive meaning of the combination in the minds of the average consumer.
18. Reference was made at the *ex parte* hearing to a number of earlier acceptances that were considered to be on a par with this application. Whilst the state of the Register is noted, because I am unaware of the circumstances surrounding the acceptance of earlier marks and each case must turn on its own facts, the earlier acceptances cannot serve as precedents in this case. I am supported in this view by the decision made in *British Sugar PLC v James Robinson and Sons LTD 1996 RPC 113*, where Mr Justice Jacob stated that:

"Both sides invited me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word "Treat". I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see e.g. MADAME Trade Mark and the same must be true under the 1994 Act. I disregard the state of the register evidence."

19. Taking into account all of the above, I have concluded that the mark applied for consists exclusively of a sign which may serve, in trade, to designate a characteristic, namely the purity or basic nature of the goods. It is therefore excluded from registration by section 3(1)(c) of the Act.
20. Having found that to be the case, it effectively ends the matter. However, in case I am found to be wrong in this regard, I will go on to determine the matter under section 3(1)(b).

Section 3(1)(b)

21. I approach this ground of objection on the basis of the following principles derived from the CJEU cases referred to below:

- An objection under section 3(1)(b) operates independently of objections under section 3(1)(c) - (*Linde AG (and others) v Deutsches Patent-und Markenamt*, Joined Cases C-53/01 to C-55/01, paragraphs 67 to 68);
- For a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
- A mark may be devoid of distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive (*Postkantoor* paragraph 86);
- A trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought, and by reference to the relevant public's perception of that mark (*Libertel Group BV v Benelux Merkenbureau*, Case C-104/01, paragraphs 72-77);
- The relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).

22. Furthermore, in relation to section 3(1)(b), it was held in paragraph 86 of *Postkantoor* that:

"In particular, a word mark which is descriptive of characteristics of goods or services for the purposes of Article 3(1)(c) of the Directive is, on that account, necessarily devoid of any distinctive character with regard to the same goods or services within the meaning of Article 3(1)(b) of the Directive. A mark may none the less be devoid of any distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive."

23. Ms. Anna Carboni, sitting as the Appointed Person in *COMBI STEAM*, BL O-363-09, conveniently summarised the leading case law in respect of this part of the Act when, at paragraph 7 of that decision, she stated the following:

"It has been said that lack of distinctive character is the essence of any objection under section 3(1)(b), (c) or (d) of the Act and that, despite its position in the list, section 3(1)(b) performs "a residual or sweeping-up function", backing up the other two provisions, which contain specific and characteristic examples of types of marks that lack distinctive character: Procter & Gamble Ltd's Trade Mark Application [1999] RPC 673 (CA) per Robert Walker LJ at 679. If a trade mark is entirely descriptive of characteristics of goods or services (and thereby prohibited from registration under section 3(1)(c)), it will also be devoid of any distinctive character under section 3(1)(b): Koninklijke KPN Nederland BV v Benelux-Merkenbureau Case C-363/99 (POSTKANTOOR) [2004] ETMR 57 (ECJ) at [86]."

24. As regards this 'residual or sweeping up function', my view would be that even if the addition of the three dots had the effect of taking the sign outside of the scope of section 3(1)(c), the sign would nonetheless still be devoid of distinctive character under section 3(1)(b) only. That is to say, the average consumer would not see the elements, when taken together, as performing the essential function of a trade mark by indicating the origin of the goods. The sign as a whole will be perceived as syntactically correct, visually and linguistically meaningful in a way which is more likely than not to relate to the goods without indicating origin in the minds of the relevant class of person. In my view, the average consumer would see the phrase as origin neutral and not to be that of any particular supplier of the goods the subject of the application. For this reason the mark is also refused on the alternative basis under 3(1)(b).
25. I have concluded that the sign applied for will not be identified as a trade mark without first educating the public that it is an indication of trade origin. 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

26. 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. Having done so, and for the reasons given above, the application 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).

Dated this 16th day of February 2015

**Carol Bennett
For the Registrar
The Comptroller-General**