

O/275/18

TRADE MARKS ACT 1994

TRADE MARK REGISTRATION No. 3199693

IN THE NAME OF MICHAEL BRITTAIN

AND

APPLICATION 501708

BY NICHOLAS GEORGE STACEY

FOR THE REGISTRATION TO BE DECLARED INVALID

Background and pleadings

1. On 29 June 2017 Nicholas George Stacey (“the Applicant”) filed a Form TM26(I) to invalidate trade mark registration 3199693 in the name of Michael Brittain (“the Proprietor”).
2. The trade mark consists of the words “Magical Santa”. The application to register the mark was filed on 30 November 2016 (“the relevant date”). The mark was registered on 3 March 2017 in relation to the following goods (only):

Class 16: *Printed matter, books, magazines (publications), maps, posters, greetings cards; paper; paper sheets; graphic prints; postcards; stationery; greeting cards; stickers; cardboard; adhesive printed stickers; colouring books; cardboard and paper for making into models; activity books; sticker activity books; all of the aforesaid relating to the children's publishing industry.*

3. The claimed grounds for invalidation are that the registration is contrary to sections 3(1)(a), (b), (c) and (d) of the Trade Marks Act 1994 (“the Act”). The parties’ pleadings include one or two aspects where the sense is perhaps less than fully clear, but both sides’ statements of case are set out below (near) verbatim, since the Proprietor’s counterstatement responds to particular points in the Applicant’s statement of grounds, and since the Proprietor filed no submissions other than the points in its counterstatement.

4. The Applicant expresses its claims in the Form TM26(I) as follows:

- **Section 3(1)(a)** – *“It is a sign that does not satisfy the requirements of section 1(1) because a large number of significant and non-significant UK companies have used and currently use the mark text 'Magical Santa' in conjunction when selling, describing, creating or marketing, identical or similar goods and services to those of which are registered to the mark in question; it is therefore disproportionate for the trade mark owner to suggest the trade mark 'Magical Santa' is capable of distinguishing goods or services of one undertaking from those of another.”*
- **Section 3(1)(b)** - The registered mark is devoid of any distinctive character because of its *“undeniable descriptive character. The mark text 'Magical Santa' combines descriptive character prominently as 'Magical' is deemed an adjective, adjectives are a word describing/naming an attribute of a noun. When used in conjunction with 'Santa' and*

combined with the current/registered goods and services it proves to be entirely descriptive, so undeniably highlighting the mark to be devoid of distinctive character.”

- **Section 3(1)(c)** – The registered mark is descriptive in character. *“In particular the word 'Magical' would designate the 'kind' of goods or services e.g. 'A Magical Santa Letter'. As a two syllable word 'Magical Santa' it would also clearly indicate 'other characteristics' of the registered goods and services and its intended purpose.”*
- **Section 3(1)(d)** - *“The trade mark text 'Magical Santa' is generically and widely used within its line of trade to describe greetings cards/letters from Santa along with all other registered goods/services, not only in the UK but worldwide and has been used in this way for a considerable length of time (since the existence of Santa Claus/Christmas) prior to its registration and alleged use before registration. This has enabled the 'Average Consumer' to associate the trade mark in question with the relevant services provided by it and others, rather than linking the trade mark with something 'unusual' or 'particular' to the trade mark and its current/registered goods and services. Its 'acquired distinctiveness' is also diminished as its trade market is currently worth £1 bn in the UK and that would mean the registered trademark would need to display a significant share and be a recognised distinguished mark within its line of trade, despite its alleged length of trading prior to registration.”*

5. The Proprietor filed a counterstatement denying the grounds of invalidation in terms that I reproduce below:

- **3(1)(a)** – [The Proprietor denies and requests] *proof of other UK companies currently using the mark text 'Magical Santa' when selling, describing, creating or marketing personalised Christmas letters from Santa.*
- **3(1)(b)** - [The Proprietor denies] *that 'Magical Santa' is devoid of any distinctive character. The use of the two words in combination is uncommon. Furthermore, adjectives within trade marks are not objectionable in their own right - only when used to describe the goods/services they cover. Our use of the adjective isn't descriptive of the goods/service we provide. If our trade mark was 'personalised Christmas letters from Santa', that would be different.*
- **3(1)(c)** - [The Proprietor denies] *that 'Magical Santa' consists entirely of signs/indications of our service. 'Magical Santa' is the brand name and mascot/figurehead of our service and not used in a descriptive manner. Furthermore, the 'magical' is not an essential quality of the*

goods/service but is rather a secondary characteristic (plus configured with 'santa' in a manner that distinguishes the resultant whole mark). It is not an expression familiar to consumers when designating a personalised Christmas letter service.

- **3(1)(d)** - [The Proprietor denies and requests] *proof that 'Magical Santa' consists entirely of signs/indications that are widely used in its line of trade. [The Proprietor denies and requests] proof that the 'Average Consumer' associates the trade mark with other personalised Christmas letter services. [The Proprietor denies and requests] proof that the mark has diminished 'acquired distinctiveness' [and requests proof that] the UK personalised Christmas letter service is worth £1bn.*

6. Neither the Applicant nor the Proprietor is professionally represented in these proceedings. Only the Applicant filed evidence, which I summarise below. Neither side chose to be heard, nor to file submissions in lieu of attendance at a hearing. I make this decision on the basis of the law and a careful reading of the papers filed.

EVIDENCE

7. The Applicant's evidence consists of a witness statement by the Applicant signed and dated 1 October 2017, together with 89 exhibits. The **witness statement** explains that the exhibits are intended to furnish evidence to the following ends:

- "The text 'Magical Santa', is regularly used by other companies in the UK when selling, describing, creating or marketing those goods of which are registered, but more particularly its current and only use, personalised Christmas letters/greetings cards from Santa." To support this claim that others use the mark text descriptively the witness statement directs attention to **Exhibits NS1 - NS26**.*
- The mark text 'Magical Santa' "is currently only used to sell personalised letters/greetings cards from Santa in a "descriptive" manner, via the proprietor's web site www.magicalsanta.co.uk and consists entirely of signs/indications which designate the kind of goods/services or other characteristics of products/ services provided and for its other registered goods of which are currently in use and those not in use." In support of this claim as to the Proprietor's own current use of its mark, the witness statement directs attention to **Exhibits NS27 and NS89**.*

- iii. *“Magical Santa’ consists entirely of signs/indications that that are both generic and widely used in its line of trade, whether used as a whole mark or in singular use of both signs of the mark.”* In support of this claim as to wide and generic use in the trade, the witness statement directs attention to **Exhibits NS28 - NS87**. The witness statement also claims that the average consumer would not associate the Proprietor’s mark *“to its registered or current product/service, but to those of another. What’s more, ‘Magical Santa’ is commonly known when placed with anything Christmas themed.”*
 - iv. The witness statement responds to the request by the Proprietor (in its Form TM8) for evidence of the size of the trade market claimed by the Applicant by referring to **Exhibit NS88**.
8. My summary (below) gives an indication of the nature and range of the exhibits. My assessment of the significance of the evidence is largely given later in this decision, as I deal with the various grounds.
 9. Almost all of the 89 exhibits are single sheet print-outs of pages from various websites (including posts on Facebook.com). The majority of the exhibits identify variously named providers of a service that generates and dispatches personalised letters, ostensibly from Father Christmas. Some exhibits include no dates, but numerous do show dates, which range from 2008 - 2017.
 10. Many of the exhibits highlight within their brief textual content the use of the words “magical” and “Santa” (the component signs of the mark at issue) to promote the goods they provide. More significantly for this decision, some of the exhibits highlight the direct use of the words “magical Santa” in connection with the letters they provide. For ease of reference, I have underlined the inclusions of that word combination (the mark at issue) in my summary below.
 11. **Exhibit NS1** shows filtered results of a search on Facebook of posts by “Anyone”, in “Any group”, at “Anytime”. Two results are visible in the exhibit. One, dated November 19 2015, bears the heading: *“Magical Santa Packages & Letters”* and its text begins *“Welcome to our Facebook page! We create amazing letters and packages from Santa Claus himself that will put a smile on any child’s face!”* The second result is dated November 7, 2016 and reads *“Personalised Magical Santa Letter only £2.50”*, referring to a website called santaletterdirect.co.uk.
 12. Other exhibits show the provision of the same sort of customised correspondence and delivery services, by an apparent array of providers as follows:

- i. santaletterdirect.co.uk - **Exhibits NS5 – NS11** (as well as **NS1**).
- ii. www.laplandletters.co.uk - **Exhibit NS2** – featuring a still from a video bearing the title “MAGICAL SANTA LETTERS” with the text “Start your Child’s Christmas with a Magical Santa Letter”. Also visible is a comment dated December 23 2016 thanking for the letters that are “just so magical”. **Exhibit NS8** – a post simply entitled “Magical Santa Letter – Half Term Offer” (again dating to 2016). **Exhibit NS12** is a print-out of an undated page from its website, which includes the text “Additional to your magical Santa letter you can add extras including reindeer food [etc]”. **Exhibit NS26** is dated December 14 2015 and refers to “the elves are still posting our Magical Santa Letters”. The provider is also referenced in **Exhibits NS21 – NS25, NS48, NS49 and NS58 – NS65**
- iii. www.magical-santa-letters.com - **Exhibit NS4**
- iv. www.thebigredbox.co.uk - **Exhibit NS13** is an undated page from its website including the text “Free Festive Gift with Every Letter. Delivering Magical Santa Letters around the World” and “Personalised Magical Santa Letters & Certificates from only £5.25”.
- v. www.lettersentfromsanta.co.uk = **Exhibit NS14** a page printed from its website refers to “3110 letters sent out 2016”) and includes the promotional text “Magical Letters from Santa Today!”
- vi. www.sendmeasantaletter.com - **Exhibit NS15** - includes the promotional heading “Magical Letters from Santa Claus
- vii. www.santaspostoffice.co.uk - **Exhibit NS19** is an undated page from its website, which includes the promotional text “A Magical Personalised Letter from Santa Claus”
- viii. laplandmailroom.com - **Exhibits NS30 and NS31**, where the text refers) to “a truly magical look and feel, our Santa letters and scrolls are one of a kind.”
- ix. fatherchristmasletters.co.uk - **Exhibit NS32** “a magical letter from Father Christmas or Santa Claus”.
- x. bigsantaletter.co.uk - **Exhibit NS33** - “your magical letter”.
- xi. porkypenguin.co.uk - **Exhibit NS34** “our magical letters”.
- xii. official-santa-letters.co.uk - **Exhibits NS36** (“magic letters”), **NS69** (“order your loved ones a magical Santa letter today FREE WORLD WIDE DELIVERY” and **NS70** - where the Facebook post uses in close proximity the words “magical” and “Santa”
- xiii. easyfreesantaletter.com - **Exhibit NS38** - “Easy Free Letter from Santa Magical Package”.
- xiv. someonesmum.co.uk - **Exhibit NS47** promoting “MAGICAL SANTA LETTERS”
- xv. santaletters.org.uk - **Exhibits NS66, NS67 and NS68**

- xvi. classicsanta.co.uk - **Exhibits NS71, NS72, NS73, NS74 and NS77** are pages from facebook.com, from various dates in November and December 2013 - 2015 deploying the words “magical” and “Santa” in close proximity
 - xvii. santas-naughty-list.com - **Exhibit NS75** - “Magical Santa Letters Reminder Service”
 - xviii. etsy.com – **Exhibit NS75** (again) “Magical santa letter”
 - xix. magicalletterfromsanta.com **Exhibit NS76**
 - xx. parenting-blog.net - **Exhibit NS79** shows a page dated November 27 2008 under the heading “A MAGICAL LETTER FROM SANTA”.
13. Some of the exhibits evidence an NSPCC campaign, running in several years, involving a letter from Santa, which invoke, in a non-trade mark context, the words “magical” and “Santa” in close connection, though not as the direct phrase at issue. For example **Exhibit NS40** shows a website page with URL rainydaymum.co.uk/nspcc-letter-santa/. The exhibit shows images of letter paper bearing Christmas images and the promotional text “making christmas magical”.
14. The NSPCC campaign is promoted in comparable terms in the following exhibits: **Exhibit NS41** West Sussex County Times webpage; **Exhibit NS42** - a promotion (online) by Argos (the retailer) dated 4 December 2016 and referring to “a magical, bespoke letter from Santa”; **Exhibits NS43 and NS44** - website pages from cumbriacrack.com with dates in November 2012 and 2013; **Exhibit NS45** – a page from the website femalefirst.co.uk in 2013; **Exhibit NS46** - a website page dated 14 November 2012 from tyronetimes.co.uk referring to SPAR stores promoting the NSPCC letter service to give children “a magical Christmas”; **Exhibits NS52 – NS57** and **Exhibits NS84 – NS87** also reference the NSPCC magical Letters from Santa campaign eg on a blog by paintpotnursery.co.uk and through sussexliving.com.
15. Some exhibits show content that is framed not as a customised letter service, rather as the simple provision of goods. For example:
- **Exhibit NS3** is a single sheet print out of an undated page from the (co.uk) website of The Range retailer. The exhibit shows images of two different designs of Christmas cards for sale, under the heading “Magical Santa Christmas Cards”. Both cards include an image of Father Christmas (Santa) in flight in his reindeer-drawn sleigh. The information on those goods for sale reads “*Spread a sprinkle of Christmas joy this winter time with these beautiful Magical Santa Christmas Cards. Featuring two seasonal and Santa-stic designs, you can choose to give either a ‘Magical Christmas’ message or a ‘Christmas Wishes’ message.*”

- **Exhibit NS16** is a print-out of an undated page from the website www.tesco.com which shows for sale “Tesco Finest Charity Magical Santa Scene Blue Christmas Cards, 5 pack”. An image of the cards in question is shown, featuring a simple illustration of a night scene of trees, houses and a church, all blanketed in snow.
 - **Exhibit NS17** is a print-out of an undated page from the website www.amazon.co.uk which shows for sale “Tom Smith Chairmans Choice Magical Santa Cards, Pack of 5”. An image of the cards in question is shown, featuring an illustration of a Father Christmas riding in his reindeer-drawn sleigh. The description of the goods for sale include the bullet point “5 Chairman’s Magical Santa Cards”
 - **Exhibit NS18** is a single sheet print-out of an undated page from the website www.cherry-lane.co.uk which shows for sale “12 Christmas Cards (Magical Santa)” priced in pounds. An image of the cards in question is shown, featuring simple illustrations of night scenes featuring Father Christmas.
 - **Exhibit NS20** is a print-out of a page dated 7 March 2017 from the website www.amazon.co.uk which shows for sale “Magical Santa Journal”, which is a paperback book.
 - **Exhibit NS28** is a print-out of a page from ebay.co.uk showing an auction ending on 8 August 2017. The item is listed under the description “Personalised magical letter from Santa” and its listing shows an image of envelopes and a letter paper bearing Christmas images. **Exhibit NS29** is similar to NS28 (though the ebay item is listed by a different seller, elsewhere in the UK) offering for sale a “Personalised Magical Letter from Santa / Father Christmas with envelope”. The listing shows an image of letter paper bearing Christmas images. **Exhibits NS78** and **NS82** show similar (but different) ebay offers including postage worldwide.
 - **Exhibit NS83** promotes the opening of “SANTA’S MAGICAL POST OFFICE” at Lion Walk shopping centre in Colchester.
16. **Exhibit NS27** was singled out in the witness statement and is a print-out from the Proprietor’s website, www.magicalsanta.co.uk. It shows how the Proprietor uses its mark to promote a service providing “a personalised letter from Santa, delivered ... anywhere in the world, in time for Christmas.” It shows images of example letters printed on paper bearing Christmas-themed images, notably featuring representations of Father Christmas and his flying sleigh. It deploys the words of its registered mark as a heading in the following form:



17. Also singled out was **Exhibit NS89**, which is a print out of a page from the website of the Proprietor, where its terms and conditions state that “*the full price of the Magical Santa letter includes all shipping and posting costs*” and that Magical Gifts prices are in UK pounds, US dollars or euros.
18. **Exhibit NS88** is a three-page press release dated 24 November 2015, headed “*Photobox YouGov survey shows we’re a nation of personalisers, with potential spend on personalised gifts in 2015 reaching £1billion*”. The document announces findings of a survey based on 1000 interviews across the UK indicating that “*more than 1 in 2 adults have personalised a gift during the last 12 months*” spending on average £36.50 a year. The survey was commissioned by Photobox Group and carried out by YouGov. Photobox owns companies such as Moonpig and its companies offer personalised apparel, gifts and greetings cards.

Relevant legislation

19. Section 47 of the Act provides for invalidity of a registration and the immediately relevant parts of that section are set out below:

47 Grounds for invalidity of registration

(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) [...]

(3) [...]

(4) [...]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) *Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.*

20. Section 3 of the Act deals with the so-called “absolute grounds” for refusal of registration, based on the inherent characteristics of the trade mark concerned, and provides as follows:

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

- (a) *signs which do not satisfy the requirements of section 1(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 goods or of rendering of services, or other characteristics of goods or services,*
- (d) *trade marks which 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:*

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.

Burden of proof

21. Since section 72 of the Act states that registration shall be *prima facie* evidence of validity of a trade mark, the burden of proof is on the Applicant. However, a decision maker should not resort to the burden of proof unless s/he finds it impossible to make a decision on the weight of the evidence¹. I must therefore strive to decide the matter on the materials before me. Nevertheless, I accept that it is necessary for the Applicant to establish a *prima facie* case that the contested mark was registered contrary to section 3(1) of the Act. If it has done so, I must decide whether the Proprietor has rebutted that *prima facie* case.

¹ See *Stephens v Cannon* [2005] EWCA Civ 222, [2005] CP Rep 31 and *Verlander v Devon Waste Management Ltd* [2007] EWCA Civ 825

A note on case law citation

22. Noting that neither party has legal representation, it may be helpful to explain at the outset why this decision includes as the basis of its findings various judgments of the Court of Justice of the European Union (CJEU), which refer not to sections of the UK's Trade Marks Act 1994, but instead to various "articles". The reason is that the laws relating to trade marks are very largely harmonised across all countries in the EU. References to articles of the Regulation are concerned with the framework legislation (the Regulation) that governs the EU-wide Community Trade Mark (or EUTM as it is now known). References to articles of the Directive are concerned with the framework legislation (the Directive) that sets the requirements that all countries in the EU must reflect in their own legislation – such as the Trade Marks Act 1994 in the case of the UK. Given the very close harmonisation across all those various frameworks, articles find equivalent provisions in the Act, and since the CJEU is the highest court on trade mark matters, its rulings are directly relevant.

Claim under section 3(1)(a) of the Act

23. Section 3(1)(a) of the Act debars from registration signs that do not satisfy the requirements of a trade mark as set out in section 1(1). Section 1(1) of the Act states:

“1.—(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.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.”

24. Strictly speaking, there is no need for me to decide whether this ground succeeds or fails. As pointed out by Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person in *AD2000 Trade Mark*², section 3(1)(a) permits registration provided that the mark is 'capable' to the limited extent of "*not being incapable*" of distinguishing. Consequently, if I am satisfied that the mark complies with section 3(1)(b) of the Act, the 'incapable of distinguishing' objection under section 3(1)(a) is bound to fail. Alternatively, if the ground under section 3(1)(b) succeeds, the outcome under section 3(1)(a) becomes moot. However, for the sake of completeness, I set out here, briefly, why the ground fails, regardless of the ground under section 3(1)(b) of the Act.

² [1997] RPC 168

25. In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch), Arnold J said:

“44. ... As I discussed in *JW Spear & Sons Ltd v Zynga Inc* [2012] EWHC 3345 (Ch) at [10]–[27], the case law of the Court of Justice of the European Union establishes that, in order to comply with Article 4³, the subject matter of an application or registration must satisfy three conditions. First, it must be a sign. Secondly, that sign must be capable of being represented graphically. Thirdly, the sign must be capable of distinguishing the goods or services of one undertaking from those of other undertakings.

45. The CJEU explained the third condition in Case C-363/99 *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* [2004] ECR I-1619 as follows:

"80. As a preliminary point, it is appropriate to observe, first, that the purpose of Article 2 of the Directive⁴ is to define the types of signs of which a trade mark may consist (Case C-273/00 *Sieckmann* [2002] ECR I-11737, paragraph 43), irrespective of the goods or services for which protection might be sought (see to that effect *Sieckmann*, paragraphs 43 to 55, *Libertel*, paragraphs 22 to 42, and Case C-283/01 *Shield Mark* [2003] ECR I-0000, paragraphs 34 to 41). It provides that a trade mark may consist inter alia of 'words' and 'letters', provided that they are capable of distinguishing the goods or services of one undertaking from those of other undertakings.

81. In view of that provision, there is no reason to find that a word like 'Postkantoor' is not, in respect of certain goods or services, capable of fulfilling the essential function of a trade mark, which is to guarantee the identity of the origin of the marked goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin (see, in particular, Case C-39/97 *Canon* [1998] ECR I-5507, paragraph

³ This is a reference to Article 4 of the Regulation which then governed EU-wide trade marks and whose provisions on this point are directly comparable with the UK legal provisions of section 1(1) of the Act.

⁴ This refers to the Directive that provided the framework for national trade mark laws of all EU states, so again provisions on this point are directly comparable with the UK legal provisions of section 1(1) of the Act.

28, *Merz & Krell*, paragraph 22, and *Libertel*, paragraph 62). Accordingly, an interpretation of Article 2 of the Directive appears not to be useful for the purposes of deciding the present case."

46. The Court went on to say that the question whether POSTKANTOOR (Dutch for POST OFFICE) was precluded from registration in respect of particular goods and services (i.e. those provided by a post office) because it was devoid of distinctive character and/or descriptive in relation to those particular goods and services fell to be assessed under Article 3(1)(b) and (c) of the Directive (Article 7(1)(b) and (c) of the Regulation).⁵

47. It follows that "the goods or services" referred to in Article 4 are not the particular goods or services listed in the specification, as counsel for the defendants argued. Rather, the question under Article 4 is whether the sign is capable of distinguishing any goods or services."

26. The mark "Magical Santa" is not incapable of distinguishing any goods. It follows from this authority that the ground of **invalidity under section 3(1)(a) must fail.**

My approach to the remaining grounds

27. Sections 3(1)(b), 3(1)(c) and 3(1)(d) are grounds independent of each other and apt for separate examination. However, since the Applicant's case in respect of section 3(1)(b) is framed on its claim that a lack of distinctive character is as a result of the claimed descriptive nature of the Applicant's marks, it is convenient to deal first with the claim under section 3(1)(c) ground. It is clear from case law⁶ that if a word mark is found to be descriptive, and thus objectionable under section 3(1)(c), it is necessarily devoid of any distinctive character for the same goods and thus objectionable under section 3(1)(b). I shall consider the grounds under sections 3(1)(b) and 3(1)(d) only if appropriate or necessary to do so.

Claim under section 3(1)(c) ground

⁵ Those articles of the Directive and Regulation accord with the provisions of sections 3(1)(b) and (c) of the Act.

⁶ See paragraph 33 of *Agencja Wydawnicza* below. See also the comments of Anna Carboni, sitting as the Appointed Person in O-363-09 *COMBI STEAM Trade Mark*.

28. **Relevant legal principles:** The case law under section 3(1)(c) (corresponding to Article 7(1)(c) of the EUTM Regulation, formerly Article 7(1)(c) of the CTM Regulation) was summarised by Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc*⁷ as follows:

“91. The principles to be applied under Article 7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

“33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94, see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461, paragraph 24).

...

36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more

⁷ [2012] EWHC 3074 (Ch). The principles were restated by Arnold J. in *W3 Ltd v. easyGroup Ltd* [2018] EWHC 7, para. 154.
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characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley*, paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM⁸ to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

...

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

⁸ OHIM, now EUIPO, serves as the trade mark registry for EU-wide trade marks.

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.
48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.
49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms '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', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.
50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one

of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56).”

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97]”.

29. In relation to questions relating to the perception of descriptiveness, I also find it useful to note the recent decision in *Case BL O-238-18*⁹, where Professor Ruth Annand, sitting as the Appointed Person, referred to the ruling in *LG Electronics, Inc. v EUIPO*¹⁰. The latter ruling included another statement by the CJEU, equivalent to the *Agencja Wydawnicza* quoted above, but expressed as to include the following:

“19.The case-law has also stated that, for the purposes of applying Article 7(1)(c) of Regulation No 207/2009, it is necessary to consider whether, from the viewpoint of the relevant public, there is a sufficiently direct and specific relationship between the sign for which registration as a mark is sought and the goods or services concerned that enables that public immediately to perceive, without further thought, a description of those goods or services, or one of their characteristics (judgment of 19 April 2016, *Spirig Pharma v EUIPO (Daylong)*, T- 261/15, not published, EU:T:2016:220, paragraph 19; see also, to that effect, judgment of 28 June 2012, *XXXLutz Marken v OHIM*, C- 306/11 P, not published, EU:C:2012:401, paragraph 79).

.....

21. Lastly, it should also be noted that the descriptiveness of a sign may be assessed only, first, by reference to the way in which it is understood by the relevant public and, secondly, by reference to the goods or services concerned (judgment of 30

⁹ 16 April 2018, hearing an appeal by Business Insider.

¹⁰ Case T-804/16, *LG Electronics, Inc. v EUIPO* EU:T:2018:8

September 2015, *Ecolab USA v OHIM (GREASECUTTER)*, T- 610/13, EU:T:2015:737, paragraph 19).”

30. Professor Annand noted, in reference to the above, that:

“29.As this passage from the GCEU makes clear, to fall foul of Section 3(1)(c) the meaning(s) conveyed by the contested sign must be sufficiently concrete in order immediately and without further reflection to create a specific and direct link with a description of the goods and services in question or one of their characteristics in the minds of the relevant public.

30. ... the test is a question of degree. It seems to me that this was recognised by AG Jacobs in his Opinion in Case C-191/01, *OHIM v. Wm. Wrigley Jr. Company* [2003 I-12447:

“57. There is clearly a line to be drawn between terms which may be used to *designate* products or their characteristics and those which are merely suggestive of such characteristics. The latter may be registered and are obviously of great value to the trade mark owner.

58. Exactly where that line is to be drawn is however less clear. In each case, there will come a point where an individual decision must be made.

[...]

61. It seems obvious that there is no clear-cut distinction between indications which designate a characteristic and those which merely allude suggestively to it. There is no precise point at which a term suddenly switches from one category to the other, but rather a sliding scale between two extremes and an element of subjective judgment will often be required in order to determine to which extreme a term is closer ...”⁶

31. Professor Annand continued:

“31....It is well established that each case must be decided on its facts”

36. It goes without saying that use by other traders of the designation as a trade mark cannot go to proving descriptive use (*Nude Brands Limited v. Stella McCartney Limited* [[2009] EWHC 2154 (Ch), para. 29).

37. Nevertheless, that does not mean that the reverse is untrue. In Case C- 329/02 P, *SAT.1 SatellitenFernsehen GmbH v. EUIPO* [2004] I-8317, the CJEU recognised that consumer perceptions can be shaped by other traders' choices/uses of trade marks in the field (para. 44)."

32. **Decision of the claimed ground:** Having set out the relevant law and legal principles, I now take stock in light of the claims and evidence in this case. My task is to decide, whether, on 30 November 2016, when the Proprietor applied for its mark, the words "Magical Santa" were descriptive of any characteristic of the goods registered. For any such goods where that is the case, the mark's registration would be objectionable under section 3(1)(c), since descriptive words should be kept available to be freely used by all traders in the marketing of such goods.

33. The goods in this case are all specified as "relating to the children's publishing industry" and include (for example): "printed matter, books, greetings cards and graphic prints". The relevant consumers of such goods are members of the public at large.¹¹ It is established case-law that the relevant public is deemed reasonably well-informed and reasonably observant and circumspect.

34. I find that the average member of the public would readily understand the adjective "magical" to mean "relating to, using, or resembling magic" and/or to describe something with a special and exciting quality, something delightful in a way that seems removed from everyday life¹². The same public would understand the word "Santa" to refer to Santa Claus, also known as Father Christmas. Taken together, in isolation, the words of mark would be understood as indicating that Father Christmas has a magical nature. (This conception would surely be borne out by his famed intelligence on children's conduct, his preternatural logistical capacity and his airborne sleigh.)

¹¹ See also paragraph 24 of the judgment in *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04, where the CJEU held that the relevant parties also include the trade.

¹² See for example www.dictionary.cambridge.org

35. When taken together in connection with the goods registered – for example “magical Santa books” or “magical Santa greetings cards”, I find it likely that the consumer would readily gather that those books or greetings cards were Christmas-themed. Moreover those words indicate a likely appeal of the goods to children, confirmed in light of the specification of those goods as “relating to the children's publishing industry.”
36. Case law clarifies that there is no need for the words “magical Santa” to have actually been in use on the relevant date in a way that describes a characteristic of all or some of the goods registered under that mark – it would be enough that those words could be used in that way. However, in the present case the Applicant has filed a considerable amount of evidence as to how, in reality, those words are used by relevant traders.
37. I note, in particular, that the words are used descriptively in relation to the greetings cards shown for sale by the well-known retailers at **Exhibits NS3, NS16 and NS17**. The exhibits are not dated, so it is not possible to confirm that those goods were marketed on or before the relevant date, but I consider it unlikely that perceptions and practices will have changed significantly in this area. I likewise note **Exhibit NS20**, showing for sale on the website www.amazon.co.uk a “Magical Santa Journal”, which is a paperback book and which may well be considered as relating to the children's publishing industry. The exhibit shows the date 7 March 2017, which is after the relevant date, but there is no reason to think that the words in question would have conveyed any different meaning in relation to a product marketed before the relevant date. This is especially the case given that the Proprietor challenged the Applicant to file evidence of wide use of the words in its line of trade, the Applicant filed prima facie evidence to support its case and the Proprietor filed no submissions or evidence in reply.
38. The Proprietor requested the Applicant to provide “*proof of other UK companies currently using the mark text 'Magical Santa' when selling, describing, creating or marketing personalised Christmas letters from Santa.*” Case law states that it is not necessary that there be a real, current or serious need to keep those words free, so it is irrelevant to know how many competitors may have an interest in using those words. Nonetheless, the Applicant has filed evidence of over half a dozen websites seemingly using the mark text in the way for which the Proprietor sought evidence - for example at **Exhibits NS12, NS13, NS47, NS69 and NS75**. It is not always clear that the providing businesses are based in the UK, but I do not consider that crucial since there are anyway several references to the providers offering their goods for

delivery worldwide. In any event, these websites are clearly aimed at English speaking audiences and therefore provide an indication that English speakers were expected to understand the descriptive significance of the words used. Again I note that the Proprietor has challenged none of the Applicant's evidence.

39. The majority of the evidence relates to providers of personalised Christmas letters. It may be possible to cast such provision as a service, whereas the Proprietor's mark is registered only for goods. However, both the Applicant's statement of grounds and, notably, the Proprietor's counterstatement refer both to goods and services. This conflation of goods and services by the parties is understandable as there seems no dispute that the business of the Proprietor currently operates under its mark exclusively in just such the manner indicated by the Applicant's evidence.
40. In any event, the "letters", which the evidence indicates include graphic and greetings elements, are clearly "printed matter" directed at the children's consumer market and therefore are included in the Proprietor's registered goods. There does not seem to me a significantly material difference between, on the one hand, a service that involves (on the basis of the evidence filed) generating and delivering printed matter, bearing graphic images likely to appeal to children in the form of a tailored letter, in an envelope, perhaps accompanied by a certificate or other free gift – and, on the other hand the protection afforded to the goods themselves. The latter are specified as including, for example, printed matter, paper, stationery, greetings cards, postcards, graphic prints, all relating to the children's publishing industry. I do not think it is unreasonable to interpret such specified items as admitting the possibility that those goods could include a degree of customisation. And nor of course would the delivery of such goods to a named individual undermine the protection afforded by their registration. The Santa letter service and the bespoke goods created through it are inextricably connected.
41. The evidence strongly supports the view that the Proprietor is exclusively engaged in providing Christmas personalised letters from Santa. The most likely message to be immediately communicated to the average consumer by the word mark "Magical Santa" is that a characteristic of the goods in question is that they are in the nature of magical Father Christmas-themed items likely to appeal in particular to children who continue to believe in his existence and modus operandi. It is that "magical Santa" property that will be easily recognisable by the relevant class of persons of the goods. It is possible that some consumers will understand the word 'magical'

as describing the quality or other characteristics of Santa-themed goods, whilst others will see the word 'magical' as a characteristic of Santa himself, and therefore indirectly describing the characteristic of Santa-themed products. I find that there will be enough consumers in the first camp to found an objection under s.3(1)(c). However, I also find that, even to those consumers in the second camp, the words 'Magical Santa' will speak only of the quality and kind of a Santa-themed product. The mark is a contraction of 'Magical Santa-themed [product]', but nonetheless descriptive for what has been left out.

42. It is necessary to identify the goods covered by the registration of the Proprietor's mark to which the objection applies. I find that it applies to the following, on the basis of their being identical or similar to goods covered by the evidence:
43. **Class 16:** *Printed matter, books, posters¹³, greetings cards; paper; paper sheets; graphic prints; postcards; stationery; all of the aforesaid relating to the children's publishing industry.*
44. The evidence also shows that the trade may include with a Santa letter, a free gift. The remaining class 16 goods within the registration appear apt for such a purposes: *magazines (publications), maps¹⁴, stickers; cardboard; adhesive printed stickers; colouring books; cardboard and paper for making into models; activity books; sticker activity books; all of the aforesaid relating to the children's publishing industry.* In any case, I find that the words of the mark, if used in relation to any of the goods in, would be objectionably descriptive for the reasons I have given in this decision.
45. **I find that registration of the mark was contrary to section 3(1)(c) of the Act.**

Claim under section 3(1)(b) ground

46. If my decision in relation to section 3(1)(c) is correct, it follows that the mark is also devoid of any distinctive character and therefore excluded from registration by s.3(1)(b) of the Act too. However, it is possible the mark may be objectionable under section 3(1)(b) regardless of whether the mark is also considered descriptive.

¹³ I consider a certificate from Santa similar to a poster relating to the children's publishing industry.

¹⁴ Maps in such circumstances may for example signpost the location of Santa's workshop or perhaps chart his flight path.

47. For a trade mark to possess distinctive character for the purposes of section 3(1)(b), it must serve to identify the specified product as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings. Distinctive character must be assessed, first, by reference to the goods registered and, second, by reference to the perception of them by the relevant public¹⁵.
48. In Case C-329/02 P¹⁶ (concerning the trade mark “SAT.1”), the CJEU stated at paragraph 28 of its judgment that “.. as regards a trade mark comprising words or a word and a digit ... the distinctiveness of each of those terms or elements, taken separately, may be assessed, in part, but must, in any event, depend on an appraisal of the whole which they comprise. Indeed, the mere fact that each of those elements, considered separately, is devoid of distinctive character does not mean that their combination cannot present a distinctive character.”
49. Anna Carboni, sitting as the Appointed Person in Case BL O-363-09 (Combi Steam), stated:
- “29.While SAT.1 is undoubtedly authority for the proposition that the trade marks sought to be registered must each be considered as a whole, I do not accept the submission that the ECJ made it compulsory to analyse separately the distinctive character of each of the different elements making up the trade marks.”
50. Many of the exhibits filed in the present case show evidence of extensive use of both of the separate words “magical” and “Santa” in relation to letters of the sort provided by the Proprietor under its mark; and some exhibits, as I have previously highlighted, show use of the text of the mark as a whole (“magical Santa”) in that way. It must be noted, however, that in Case C-37/03 P *BioID AG v OHIM* [2005] ECR I-7975, the CJEU emphasised the following points¹⁷. Each of the absolute grounds for refusal to register is independent of the others and calls for separate examination. Furthermore, the various grounds for refusal must be interpreted in the light of the general interest underlying each of them. The general interest taken into consideration when examining each ground may, or even must, reflect different considerations, according to the ground for refusal in question. The fact that it has been shown that the trade mark at issue “is

¹⁵ See paragraphs 29 -33 of the judgment of CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09), dealing with equivalent provisions.

¹⁶ *SAT.1 SatellitenFernsehen GmbH v OHIM*

¹⁷ See paragraphs 59 – 62 of Case C-37/03 P. See also Case C-329/02 P at paragraphs 35 and 36.

likely to be commonly used by the public or by competitors, which is a relevant factor under Article 7(1)(c), is not the yardstick by which Article 7(1)(b) must be interpreted.”

51. The overall objective of section 3(1)(b) (and the corresponding articles under EU law) is to ensure that a trade mark can perform the essential function of guaranteeing the identity of the origin of the goods or services offered under it to the consumer or end-user by enabling them, without any possibility of confusion, to distinguish the product or service from others which have another origin with those of other undertakings.
52. On the facts in the present case, I find that neither “magical” nor “Santa” has distinctive character in relation to the goods or services that are, according to the evidence, the exclusive basis of the Proprietor’s business. More importantly, I find those words in combination (forming the mark at issue) are likewise devoid of distinctive character.
53. I note that **Exhibit NS27** shows the Proprietor using as its business brand:



However, the Proprietor’s registration is a plain word mark. Its two component words start with capital letters, but fair and normal use would allow variations in case; the registered word mark includes no distinctive embellishment.

54. On the evidence, I find that the mark as registered is insufficient to ensure that the average consumer, without any possibility of confusion, will perceive it as origin specific rather than origin neutral in relation to the personalised letters from Santa (which I have previously identified as matching various of the Proprietor’s specified goods). A letter from Santa is innately magical, since it appears to come from that folkloric character and who seems to know something of the wishes and circumstances of the addressee. Thus, even if the mark is not strictly descriptive of the goods (or some of them), it would be understood by average consumers as conveying only a promotional or marketing message. Given the apparent and uncontested focus of the Proprietor’s business I do not consider it worthwhile further examining the goods specified, as there is anyway unlikely to be a realistic commercial benefit to the Proprietor in maintaining any of those goods. **The claim under section 3(1)(b) of the Act is successful.**

55. I make this finding as to lack of distinctive character in circumstances where consumers have not been educated through exposure to use of the mark. The parties' pleadings refer to such "acquired distinctiveness", although the Proprietor makes no clear claim to that effect and no evidence has been filed to show the extent of any use of its mark. The Proprietor cannot therefore benefit from the caveat under section 47(1) of the Act which saves from invalidity a trade mark registered in breach of section 3(1)(b), (c) or (d) if it has after registration acquired a distinctive character in relation to the goods for which it is registered.

Claim under section 3(1)(d) of the Act

56. In light of my findings in respect of the claims under sections 3(1)(b) and (c), I do not consider it necessary to make a decision as to the claim based on section 3(1)(d).

57. **Overall outcome:** The registration is invalid and will be cancelled in its entirety with effect from its date of registration (3 March 2017).

Costs

58. The Applicant has succeeded and is entitled to a contribution towards its costs. Based on the guidance in Tribunal Practice Notice 2/2016 I award the Opponent the sum of £1000 (one thousand pounds), calculated as follows:

Reimbursement of the official filing fee for an application for invalidation	£200
Preparing a statement of grounds and considering the Proprietor's counterstatement:	£200
Preparing and filing evidence:	£600
Total:	£1000

59. I order Michael Brittain to pay Nicholas George Stacey the sum of £1000. This sum is to be paid within 14 days of the end of the period allowed for appeal or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings (subject to any order by the appellate tribunal).

Dated this 8th day of May 2018

M Williams

**Matthew Williams
For the Registrar**