

Application No. 6958 of 1999

IN THE MATTER of the Trade Marks
Ordinance (Cap.43)

AND

IN THE MATTER of Application
No.6958 of 1999 by WebMD, Inc. to
register the trade mark "WEBMD" in
Class 42

**DECISION
OF**

Mr James Shun Yau LAM acting for the Registrar of Trade Marks after a request for Statement of Grounds of the Registrar's Decision made by Messrs. Marks & Clerk on behalf of the applicant.

1. On 31 May 1999, WebMD, Inc., a corporation organised and existing under the laws of Georgia, United States of America ("the Applicant") applied to register, in Part A of the Register, the trade mark "WEBMD" (the "Mark") in Class 42 in respect of "on-line computer services; providing a wide range of resources to participants in the healthcare industry in the fields of communication, medical information, education and transaction services; computer information network services; computer software services, providing computer software support services; maintenance of computer software; computer programming; consultancy in the field of computers and computer software; leasing access time to a computer database; advisory and consultancy services related to all the aforesaid services" and claiming convention priority from the corresponding U.S. Application No.75/600,384 which was filed on 7 December 1998.

2. On 25 August 1999 a certified copy of the corresponding U.S. Application No.75/600,384 was filed by the Applicant.

3. By letter dated 6 September 1999, the Registrar of Trade Marks ("the Registrar") objected to the application on the grounds that the Mark was an honest combination of the word "WEB" and the letters "M D". The word "web" implied "web-sites" was objected to under Section 9(1)(d) of the Trade Marks Ordinance (the "Ordinance") as being descriptive of the computer services applied for. "M D", being letters of the alphabet, were indistinctive and commonly used by other traders in the ordinary course of trade. Objection was raised under Section 9(1)(e) of the Ordinance. The Registrar however considered that the Mark was inherently capable of distinguishing the Applicant's services from similar services of others and was prepared to accept the Mark in Part B of the Register subject to certain conditions stated in the official letter.

4. Rule 19(1B) of the Trade Marks Rules (the "Rules") provides that if the applicant objects to such conditions, amendments, disclaimers, modifications or limitations he shall within 6 months from the date of receipt of the notice file an application with the Registrar for a hearing, or file his considered objections in writing.

5. On 6 March 2000 the Applicant through its agents Messrs. Marks & Clerk (the "Agents") wrote to the Registrar objecting to the transfer of the application to Part B of the Register. The Agents submitted that the Mark was artificially dissected by the Registrar for the purposes of the objection, arguing that the Mark consisted of five letters "WEBMD" all shown in the same manner and with the same prominence.

6. By letter dated 19 April 2000, the Registrar replied that "M D" was the short form for medical doctor. As "M D" did not form a pronounceable phoneme, the Mark "WEBMD" could only be read as "WEB M D". The Mark being used to represent the word "WEB" and the letters "M D" therefore could never escape the eyes, ears or mind of the onlookers and the purchasers. The Registrar had not, as alleged by the Applicant, artificially dissected the mark and the objection was maintained.

7. As "M D" represented "medical doctor", the Registrar further raised an objection that "the computer network services for such professionals". As the objection to "M D" based on its signification as medical doctor was newly raised, the Registrar allowed an additional time limit of 6 months for the Applicant to reply.

8. The Applicant was further requested to clarify the exact nature of "providing access to resources for healthcare providers" and "providing on-line computer communications services" as such terms were ambiguous and difficult to understand.

9. The Applicant filed a further submission by a letter dated 8 May 2000 agreeing to transfer the application to Part B of the Register. It also proposed to delete "providing access to resources for healthcare providers" and "providing online computer communication service" from the specification of goods.

10. By a letter dated 8 August 2000, the Applicant agreed to the conditions imposed by the Registrar and filed a Form TM-No.33 to amend the services to "providing, and providing access to, information, administrative support and assistance, and transactional services and assistance for healthcare providers and others in the healthcare industry on-line or via the Internet; providing access to medical reference materials, medical and clinical educational materials and other medical,

pharmacological and clinical information via the Internet; providing access to laboratory and medical/clinical analysis services, via a computer database and/or the Internet; providing on-line computer communication services and access to medical, clinical and pharmacological discussion forums via the Internet; providing access to medical, clinical and pharmacological information on-line and/or via the Internet; advisory and consultancy services related to all the aforesaid services; all included in Class 42". The Applicant also requested the Registrar to issue leave to advertise the application in the Hong Kong Government Gazette.

11. By a letter dated 15 February 2001 the Registrar informed the Applicant that on further deliberations, the Mark was considered as not acceptable in either Part A and Part B as it was a grossly descriptive mark in relation to the propounded medical web-related services. Since the examination report of 6 September 1999 had originally offered a Part B registration to the Applicant, a further time limit of 6 months was allowed for the Applicant to reply.

12. In response to the Registrar's letter dated 15 February 2001, the Applicant filed a considered reply dated 21 August 2001. The arguments contained therein are reproduced as follows :

"We would dispute that this mark is grossly descriptive of the services claimed. The mark comprises five letters of the alphabet, all shown with the same degree of emphasis and prominence. The trade mark has been artificially dissected for the purposes of the objection; the mark when viewed in its entirety is clearly capable of distinguishing the services of the applicant exclusively. We would submit that the examiner has been overly astute in finding objection to this trade mark.

At best, the trade mark is suggestive of the services in that it contains a covert allusion to their nature. The literal meaning of the mark, if it is artificially dissected and minutely analysed, is meaningless. The word "web" implies a connection with the Internet, or other global computer network, and the letters "MD" could be, amongst other things, an abbreviation for the Latin "*medicinae Doctor*" meaning Doctor of Medicine. Even with this minute analysis, the mark has no literal

meaning, because there is no such thing as a "web doctor". The meaning of the mark is open to many different interpretations.

The trade mark is not directly descriptive, but rather only suggestive of the services. It is not a word, name, or mark that other traders in similar services would legitimately desire to use for ordinary descriptive purposes. It is false to suggest that the mark directly describes any characteristic or quality of the claimed services. Rather, some imagination, thought and perception is required to reach a conclusion as to the nature of the services. This is demonstrated by the fact that any meaning the mark may or may not have was clearly not apparent to the initial examiner. Accordingly, any meaning imputed to the mark was certainly not plain to see on a first impression".

The Applicant further mentioned that the Mark had been found to possess a sufficient degree of distinctiveness to be registrable in many overseas jurisdictions. The Applicant submitted copies of corresponding registrations of the Mark registered in other countries, which it alleged, registrations were achieved based on the inherent distinctiveness of the Mark. The Applicant also alleged that the mark had been approved for registration in the U.K., although no documentary evidence was submitted.

13. Notwithstanding the further submissions made by the Applicant, the Registrar by a letter dated 5 October 2001 maintained that the Mark was directly descriptive and was unacceptable prima facie for registration in Part A and Part B of the Register. This letter amounted to a decision within the meaning of Rule 20(1) of the Rules.

14. Pursuant to the provisions of Section 13(4) of the Ordinance and Rule 20(2) of the Rules, the Applicant has requested the Registrar to state in writing the grounds for his decision and the materials used by him in arriving at it. These are given as follows.

15. Section 9 of the Ordinance is a restrictive provision. Registration in Part A can only be achieved if the mark contains or consists of at least one of the essential particulars listed in paragraphs 1(a) to (e) inclusive.

16. The Mark is not the name of a company, individual, or firm, represented in a special or particular manner within Section 9(1)(a) of the Ordinance; nor is it the signature of the Applicant for registration or of some predecessor in his business within the meaning of Section 9(1)(b) of the Ordinance. The Mark "WEBMD" is clearly not an invented word within the meaning of Section 9(1)(c) of the Ordinance. An obvious combination of two English words (and I would include here, or common abbreviations), do not amount to an invented word even though the combination may not have been used before - see the dictum of Lord Herschell in *Eastman Photographic Materials Co. Ltd.* (1898) 15 R.P.C. 477 (the "Solio" case) at page 485 lines 35-37.

17. I now turn to the question of whether the Mark satisfies the requirements of Section 9(1)(d) of the Ordinance as "a word or words having no direct reference to the character or quality of the goods or services, as the case may be".

18. The Applicant argued that the Mark consists of five letters "WEBMD" all shown in the same manner and with the same prominence. The Applicant submitted that it was meaningless to have the Mark artificially dissected and minutely analysed and the Registrar had therefore erred in splitting the Mark into its constituent parts and thereby failed to consider the mark as a whole.

19. In the "*Scotchlite*" case (*Minnesota Mining & manufacturing Co's Application* (1948) 65 R.P.C. 229), there was a similar argument that "it was wrong to divide the word "Scotchlite" into its constituent parts of "Scotch" and "lite" and then treat it for all purposes as consisting of the two words "Scotch" and "light" on the ground that "lite" was a misspelling of the latter. To that argument Jenkins J. said at p.234:

"I cannot say I think the Hearing Officer was wrong in applying Par.(d) on the footing that the mark "Scotchlite" not being an invented word must be treated as if it consisted of the two words "Scotch" and

"light". I think this accords with the decision in the "*Uneeda*" case in which it was held not only that the mark "*Uneeda*" was not an invented word, but that as equivalent to the three words "you need a" it had reference to the character or quality of the goods. It certainly accords with the phonetic of the case. As regards the effect of the mark on a person reading it, I think it is a perfectly legitimate inference that he would construe "lite" as a mere misspelling of "light", and see in the mark no more or less than the two words "Scotch" and "light" written without a space between them and conveying the same meaning as if written separately.

Moreover, whatever may be said as to the meaning the mark would convey to a person seeing it in writing without having first heard it by word of mouth, I think it is at all events a perfectly legitimate inference that a person whose first introduction to the Company's materials had consisted of an oral reference to "Scotchlite reflecting (or reflective) material", that is, light reflecting (or reflective) material of Scottish origin, or made in Scotland (which is exactly what the spoken words according to their ordinary meaning would tell him), would find nothing in the mark, when he saw it in writing, to disabuse him of the impression made by oral communication."

20. Similar dicta may be found in *ROTORAKE Trade Mark* (1968) R.P.C. 36 at 41; *ROTOLOK Trade Mark* (1968) R.P.C. 227 at 228-9 and *MULTILIGHT Trade Mark* (1978) R.P.C. 601 at 605.

21. I do not find any facts in the present application which would distinguish it from these cases nor would they suggest that the Registrar had erred by regarding, whether orally or in written form, the mark "WEBMD" as the equivalent of "WEB" and "M D". Looked at as a whole, the conjoining of "WEB" and "M D" adds nothing, particularly aurally, to the individual parts viewed separately. The mark cannot be pronounced in any way other than "WEB M D" and would be so seen by members of the public on first encountering the mark in written form.

22. Is the Mark, as submitted by the Applicant in its letter dated 21 August 2001, not directly descriptive but rather suggestive of the character of the services covered by the application? It was not disputed by the Applicant that the word "WEB" implied a connection with the Internet, or other global computer network. The Applicant further conceded that the letters "M D" could be, amongst other things, an abbreviation for the Latin "*medicinae Doctor*" meaning Doctor of Medicine but even with this minute analysis, it was argued, the mark had no literal meaning, because there was no such thing as a "web doctor". This argument runs contrary to the Applicant's own printed material submitted in support of the claim for priority. The page, presumably from a more comprehensive pamphlet proclaims:

"Today, it takes more than a medical degree to practice medicine. It takes phone networks, computer systems, fax machines, answering services, pagers, databases, websites, e-mail and voice mail. Now there's WebMD [...] Think of it as a direct connection to a world of medical resources".

23. It is settled law that in determining whether a word or words have a direct reference to the character or quality of the goods or services within the meaning of Section 9(1)(d), they are not limited to their strict grammatical significance, but are to be regarded as they would present themselves to the public at large - see particularly *Keystone Knitting Mills Ltd.* (1928) 45 R.P.C. 421 at 426. A word need not be adjectival to be descriptive. Furthermore it is settled law that in making this determination, the word or words must be considered in relation to the goods or services to which the mark is intended to be applied - see particularly *BUDGET Service Mark* (1991) R.P.C. 7 at 15. Where service marks are concerned the question to be asked is what services would the public at large associate with the nouns "WEB" and "M D"?

24. The Applicant seeks to provide, *inter alia*, information, administrative support and assistance, and transactional services for healthcare providers, access to medical reference materials, medical and clinical educational materials, pharmacological and clinical information via the Internet; access to laboratory and medical, clinical analysis services via a computer database and/or the Internet; on-line computer communication services and access to medical, clinical and pharmacological

discussion forum via the Internet; advisory and consultancy services related to all the aforesaid services. No doubt all such services will be closely related to or have an inseparable link with the medical aspects and/or the job nature of a doctor and/or a physician. It would also involve the provision of these services by connection through "web" or "web sites". The Mark thus, in a particularly apt way, directly conveys the "medical and/or clinical" nature of the services offered by the Applicant through the "web" to the public, and is therefore directly descriptive to the character of the services covered by the application.

25. The Applicant submitted that "WEBMD" was not a word, name, or mark that other traders in similar services would legitimately desire to use for ordinary purposes. This submission summarizes the accepted test for distinctiveness as laid down by Lord Parker in *The Registrar of Trade Marks v W & G du Cros Ltd.* [1913] A.C. 624 at 635.

26. However, where a mark is found to refer directly to the character of the services concerned, and thus falls foul of Section 9(1)(d), the mark cannot be accepted except upon evidence of its distinctiveness. As no evidence has been filed, the question of distinctiveness does not arise.

27. The Applicant had by its letter dated 8 May 2000 agreed to transfer the application to Part B of the Register. Section 10(2)(a) and (b) of the Ordinance must be read together in determining whether the Mark is registrable in Part B. Under Section 10(2)(a), the Mark's inherent capability of distinguishing the Applicant's services depends on the features of the Mark itself not on the result of its use. If a mark is directly descriptive of the character of the service it is unlikely to be inherently capable of distinguishing those services offered by the Applicant from the same or similar services offered by another.

28. The question to ask under Section 10(2)(b) is whether, with subsequent user of the Mark, it can fairly be assumed that such user will be exclusive (per Lord Jacob J. in *Ford-Werke AG's Application* [1955] 72 R.P.C. 191 at 196). The test lies in whether other traders, including existing and future traders, are likely to legitimately wish to use the same mark, or some mark nearly resembling it, in connection with or to describe their own services. If the answer is in the affirmative, the Mark should

remain open to the trade and public.

29. Given that the Mark as a whole is an apt, descriptive term for the specified services, I am of the view that registration of the Mark would be highly likely to impinge upon the legitimate freedom of others to use the same mark or some mark nearly resembling it. In drawing this conclusion, I would refer to H. Laddie Esq. Q.C. for the Secretary of State for Trade in *PROFITMAKER Trade Mark* [1994] R.P.C. 613 at 616:

"It is just the sort of combination of two common words which others traders might well wish to useThe fact that honest traders have a number of alternative ways of describing a product which will make profits is no answer to the criticism of the mark. If it were, then all those other ways could, on the same argument, also be the subject of registered trade marks. The honest trader should not need to consult the register to ensure that common descriptive or laudatory words, or not unusual combinations of them, have been monopolised by others."

30. For those very reasons, the Registrar has also refused registration of the mark "MEDWEB" for similar services.

31. The applicant had drawn the Registrar's attention to registrations of the Mark in foreign countries. With respect to registrations in countries whose trade marks law do not approximate the law in Hong Kong, these have no bearing on the present application. With respect to the registrations obtained in Australia and New Zealand, these have persuasive effect, but where good grounds for refusal, as in the present case, have been found, the Registrar is not bound to follow these particularly in the absence of written decisions showing the reasoning process underlying acceptance. There has been no evidence submitted of the acceptance of the Mark in the UK and I accordingly disregard this.

32. The Mark is refused registration in both Part A and Part B of the Register on a prima facie basis. This does not mean that the Mark could never be registered. In the event that the Applicant acquired factual distinctiveness through use of the Mark in Hong Kong, it is at liberty to re-apply for registration and overcome

the objection of the lack of inherent capacity to distinguish with evidence that the Mark does, in fact, distinguish the services of the Applicant from those of other traders.

33. In this decision I have considered all the written submissions made by the Applicant, the statutory provisions, the Examiner's examination report, and the authorities cited herein, and, for the reasons given, the application is refused.

(James Shun Yau LAM)
p. Registrar of Trade Marks
11 April 2002