

TRADE MARKS ORDINANCE (CAP. 559)

APPLICATION NO.: 300027602

MARK: LEANSIGMA

APPLICANT: THE TBM CONSULTING GROUP, INC.

CLASS: 41

STATEMENT OF REASONS FOR DECISION

Background

1. On 3 June 2003, The TBM Consulting Group, Inc. (“the applicant”) applied to register the mark “LEANSIGMA” in class 41 under the Trade Marks Ordinance (Cap. 559) (“the Ordinance”).

2. The services for which registration is sought are “education services; namely, conducting classes and seminars to venders and dealers regarding efficient material management and manufacturing so as to promote efficient implementation of quality management.”

3. At the examination stage, objections were raised against the subject application under sections 11(1)(b) and 11(1)(c) of the Ordinance on the basis that the subject mark consists exclusively of a sign which may serve, in trade or business, to designate the characteristics of the applied-for services, and is devoid of any distinctive character.

4. On 30 October 2004, the applicant requested a hearing on the registrability of the subject mark. The hearing took place before me on 17 January 2005 at which Ms Sandy H.Y. Wong of Messrs Dipp Lupton Alsop appeared on behalf of the applicant. I reserved my decision at the conclusion of the hearing.

The Ordinance

5. The absolute grounds for refusal of an application for registration are contained in section 11 of the Ordinance. Section 11(1) reads as follows:

- “(1) Subject to subsection (2), the following shall not be registered-
- (a) signs which do not satisfy the requirements of section 3(1) (meaning of “trade mark”);
 - (b) trade marks which are devoid of any distinctive character;
 - (c) trade marks which consist exclusively of signs which may serve, in trade or business, to designate the kind, quality,

- quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services, or other characteristics of goods or services; and
- (d) trade marks which consist exclusively of signs which have become customary in the current language or in the honest and established practices of the trade.”

The applicant did not file evidence of use of the subject mark. I therefore have only a *prima facie* case to consider.

Decision

6. The subject mark consists of the word “LEANSIGMA” in plain block capitals. As submitted by Ms Wong at the hearing, both the words “LEAN” and “SIGMA” have their own ordinary dictionary meanings, but according to these ordinary meanings, the words “LEAN” and “SIGMA” when combined do not form a plausible whole.

7. Notwithstanding the above, according to the Internet searches carried out by examiners during the examination stage, it was found out that the word “LEANSIGMA” is used by other traders in the manufacturing industry, and also by traders organising courses and conferences on manufacturing and business management to refer to a particular management concept which, as shown from the searches, aims generally at enhancing productivity and quality.

8. A full list of the Internet websites relied on by the examiners during the examination stage, excluding those whose web pages can no longer be located at the date of the hearing (“the Websites”), together with the extracts from them are shown at Annex A to this decision. The followings are some of the examples:

- <http://www.entegris.com/products/glossary.html>

Entegris’ Glossary

...

LeanSigma Manufacturing. Using six sigma tools and lean manufacturing tools to change the way of thinking and the processes within an organization. The goal is to nurture a culture where all of the employees feel empowered and continuously look for ways to improve their processes and systematize the best methods. **LeanSigma** is a philosophy of eliminating all non-value added activities or waste from manufacturing and support areas and to drive to a single standard of operations where possible.

- www.tacook.com/media/uk/Flyer-UKL&M2003.pdf

CONFERENCE 29TH – 30TH JANUARY 2003 IN BIRMINGHAM...

CONFERENCE HIGHLIGHTS:

Methods, Tools and Experiences

- The basics of successful Maintenance Management

- New challenges facing industrial managers
 - ...
 - Using **LeanSigma** to drive continuous improvement and proactivity
 - ...
- Organised by T.A. Cook CONFERENCES

- http://www.isspp.com/symposium/?page=product_profile&show=669

Lean Sigma ... The Next Big Thing?

Sponsor: Lean Enterprise
 Category: Workshop
 Facilitated By: Tim Jubach and Neal Mackertich
 Date/Time: June 12, 2003 9:05 – 10:55AM
 Delivered at: 4th Annual Leadership Conference
 Length of Session: 110 min

....
 They will present lessons learned from nonintegrated approaches, a framework for thinking about **LeanSigma**, a deployment methodology and cases from both Raytheon and GlaxoSmithKline which prove the efficacy of **LeanSigma** as a powerful idea for taking companies to the next level.

- <http://www.outreach.utk.edu/ppd/businesscatalog/leansigma.html>

THE UNIVERSITY OF TENNESSEE
 Business and Career Courses
Lean Sigma Certificate

In order for your organization to change, you have to design a process flow— Lean—and then insure its consistency—Six Sigma. Therefore why not integrate the two for greater implementation of efficiency—**Lean Sigma**! The **Lean Sigma Certificate** is a unique program that integrates Lean Manufacturing and Six Sigma processes and techniques for use by all companies. This certificate consists of eight independent, yet connected modules.... Depending on your company’s level of expertise, individual modules or the entire certificate program may be selected. Choose between two tracks: Productivity or Quality...

9. At the hearing, Ms Wong contended that it was not justified to carry out Internet searches in the examination of the subject application. In support of her argument, Ms Wong referred me to the Practice Amendment Circular No. PAC 11/00 of the UK Patent Office (“PAC 11/00”), and submitted that PAC 11/00 provided good guidance to the Hong Kong Trade Marks Registry on how and when Internet searches should be conducted to support objections under section 11 of the Ordinance. It was Ms Wong’s submission that adopting the UK practice as set out in PAC 11/00, conducting Internet searches for the subject application was not justified.

10. I have considered Ms Wong’s submissions in relation to the UK practice. However, while the Registrar of Trade Marks (“the Registrar”) does sometimes take into account the practices of overseas registries when deciding on his own, as conceded by Ms Wong at the hearing, the practices of overseas registries are not binding on the Registrar.

11. In particular, in respect of conducting Internet searches in examining applications, the Registrar has his own practice, and is set out in the Chapter on

“Search” at the Trade Marks Registry Work Manual. It provides, under the heading “Searches relating to absolute grounds for refusal”, that:

“We make dictionary, telephone directory and *Internet searches* [my emphasis] in considering our objections to an application for registration on the absolute grounds for refusal.”

12. As a result, carrying out Internet searches in the examination of the subject application has been consistent with the Registrar’s own practice.

13. Additionally, I consider that Internet searches are particularly necessary for the subject application because the applied-for education services relate to a specialised subject, namely, “efficient material management and manufacturing so as to promote efficient implementation of quality management”. Owing to the specialised nature of the subject, it is, in my view, appropriate for examiners to conduct searches on the Internet to ascertain whether the word “LEANSIGMA” has any special or technical meaning in respect of the subject, so that valid objections to the subject application, if any, will not be overlooked.

14. I would also like to point out that conducting Internet searches for the subject application does not appear to be inconsistent with the UK practice. This is because PAC 11/00 provides, under the heading “When are Internet/Dialog searches justified?”, that Internet searches will be justified if the goods/services appear to be of a new type or are highly specialised, and their examiners have suspicions that an apparently non-descriptive word has come to be used in trade as a description. As explained, I consider the subject matter to which the applied-for education services relate to be a specialised one.

15. With respect to the Websites, Ms Wong further submitted that they were all overseas websites and again, following the UK practice as set out in PAC 11/00, they were irrelevant for the purpose of considering an objection under section 11(1)(c) of the Ordinance. I accordingly turn to consider the significance of the Websites, and whether based on them, the subject mark should be refused under that paragraph.

Section 11(1)(c) of the Ordinance

16. Section 11(1)(c) of the Ordinance excludes registration of trade marks which consist exclusively of signs which may serve, in trade or business, to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services, or other characteristics of goods or services.

17. In the subject application, as evidenced from the Websites, there has been a consistent pattern of use of the word “LEANSIGMA” by overseas traders in the manufacturing industry, and also by those who organised courses and conferences relating to the manufacturing and business management, to refer to a management concept which aims generally at enhancing productivity and quality.

18. The Websites accordingly show that “LEANSIGMA” is an emerging management concept practised and advocated in other countries, and that the word has acquired special meaning in the field of business management, especially in relation to the manufacturing industry. The management concept should have emerged before the date on which the subject application was made, i.e. 3 June 2003, the relevant date for considering the subject application (“the relevant date”), because as shown in the example websites above, some of the courses and conferences organised by other traders took place before or around the relevant date.

19. The “LEANSIGMA” management concept has particular relevance to the classes and seminars specified in the subject application because as shown from the specification of services, the applied-for classes and seminars relate to manufacturing, the area in which the management concept is shown to be principally practised and advocated, and to material management, which is also an integral management process for the manufacturing industry. Further, the specified classes and seminars aim at promoting efficient implementation of quality management, which is also akin to the general objective of the “LEANSIGMA” management concept.

20. Additionally, the relevant customers of the specified education services are venders and dealers engaged in material management and manufacturing. These venders and dealers are people engaged in the trade of manufacturing and material management, and they will generally be interested in knowing the new management concepts practised by other players in the industry in other countries. This is particularly so since Hong Kong is an international business centre which has long been open to new management concept emerging from other countries.

21. In the circumstances, it is apparent that the “LEANSIGMA” management concept is a subject apt to be taught or examined in the specified classes and seminars, and the word “LEANSIGMA” may accordingly serve to designate the subject matter and content of the specified classes and seminars in which the management concept is taught or examined.

22. At the hearing, Ms Wong sought to rely on the European Court of Justice (“ECJ”) decision in *Procter & Gamble v. Office of Harmonisation in the Internal Market (“BABY-DRY”)* [2002] R.P.C. 17 and submitted that the subject mark should not be refused under section 11(1)(c) of the Ordinance because it was not a common word, and in normal usage from the consumers’ point of view, it would at

most designate a management method, but not the *essential characteristics* of the applied-for education services.

23. Ms Wong's reliance on the *BABY-DRY* case has been carefully considered. However, the consideration under the subject application is different from that in the *BABY-DRY* case because in that case, the ECJ is concerned with customers' perception on the combination "BABY-DRY" based on the ordinary meanings of the words "BABY" and "DRY" and the particular way in which they are presented. This contrasts with the subject mark "LEANSIGMA" which, as explained, has no plausible meaning based on the ordinary meanings of the words "LEAN" and "SIGMA" when combined. As explained, the objection to the subject mark is based on the fact that the word "LEANSIGMA" is found to be used by overseas traders in the relevant trade to designate a particular management concept and the term has gained special meaning in the trade.

24. Regarding Ms Wong's submission that subject mark does not designate the *essential characteristics* of the applied-for services, it should be noted that in the subsequent ECJ decision in Case C-363/99 *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (POSTKANTOOR)* at para. 104, it was held that for the purposes of determining whether Article 3(1)(c) of the First Council Directive 89/104/EEC (which is in similar terms to section 11(1)(c) of the Ordinance), it is irrelevant whether the characteristics of the goods or services which may be the subject of the description are commercially essential or mere ancillary.

25. In any case, I consider that the subject matter and content are amongst the most essential characteristics of the specified courses and seminars because without these subject matter and content, customers will not know what the courses and seminars are about. On this, I borrow support from the UK Appointed Person Richard Arnold QC's decision in Case No. O-035-05 "*LINKIN PARK*" *Trade Mark Application* in which he considers (at para. 44 to 45) that the subject matter of printed matter, posters, and poster books, namely "LINKIN PARK", the name of an American rock group in that case, is a critical characteristic of the posters and poster books and qualifies to be a "characteristic" within the meaning of section 3(1)(c) of Trade Marks Act 1994 (which is in similar terms to section 11(1)(c) of the Ordinance). By the same token, I find that the subject matter and content of the applied-for education services, i.e. the "LEANSIGMA" management concept in the subject application, are caught by the words "other characteristics" under section 11(1)(c) of the Ordinance.

26. At the hearing, Ms Wong further submitted that the Websites did not provide a consistent meaning of what "LEANSIGMA" was and that, in assessing the registrability of the subject mark, it should not be dissected but must be considered as a whole. Ms Wong referred me to *Deutscher Teeverband E.V.'s Application for*

Cancellation (Teekampagne) [2000] E.T.M.R. 546 in support of her latter submission. I have noted Ms Wong's submissions above. However, in the subject application, I have not dissected the subject mark "LEANSIGMA", but have considered its registrability in its entirety and as mentioned, I have found that "LEANSIGMA" is an emerging management concept which aims at improving productivity and quality.

27. There was also Ms Wong's submission that since the word "LEANSIGMA" was expressed in the Websites in capital letters, they were used as trade marks as opposed to descriptions by those traders. I cannot agree because it is apparent from the Websites that capital letters are merely used to indicate that "LEANSIGMA" is the name of a particular management concept, rather than to indicate that the word is a trade mark of any undertaking.

28. In the subject application, the subject mark does not contain any element or stylisation other than the word "LEANSIGMA". On the basis of my finding that the word "LEANSIGMA" may serve to designate the subject matter and content of the education services applied for in the subject application, I must conclude that the subject mark consists exclusively of a sign which may serve, in trade or business, to designate the characteristics of the applied-for services. The mark is therefore debarred from registration under section 11(1)(c) of the Ordinance.

29. Having found that the subject mark is debarred from registration by section 11(1)(c) of the Ordinance, it is not necessary for me to consider other grounds of refusal under the Ordinance. However, for the sake of completeness, I proceed to consider whether the subject mark is devoid of any distinctive character under section 11(1)(b) of the Ordinance.

Section 11(1)(b) of the Ordinance

30. Section 11(1)(b) excludes from registration from registration marks which are devoid of any distinctive character.

31. In *British Sugar Plc v James Robertson and Sons Ltd* [1996] R.P.C. 281 at page 306, Jacob J said :

"What does *devoid of any distinctive character* mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark?"

32. The approach of assessing distinctiveness was further discussed in *Nestle SA's Trade Mark Application (Have a Break)* [2004] F.S.R. 2 (at para. 23):

“The distinctiveness to be considered is that which identifies a product as originating from a particular undertaking. Such distinctiveness is to be considered by reference to goods of the class for which registration is sought and consumers of those goods. In relation to the consumers of those goods the court is required to consider the presumed expectations of reasonably well informed, and circumspect consumers.”

33. In view of the above legal principles, distinctive character means, for all trade marks, that the mark must be capable of identifying the goods or services as originating from a single undertaking, and thus distinguishing them from those of other undertakings, and I must assess such distinctiveness in relation to the goods or services for which registration is sought taking into account the presumed perception of the relevant consumers.

34. As I have stated in paragraph 28 above, the subject mark does not have any stylisation nor does it consist of any element to bestow it with distinctiveness.

35. As also explained, the relevant customers of the applied-for services are venders and dealers who would like to attend classes and seminars regarding efficient material management and manufacturing so as to promote efficient implementation of quality management.

36. To my mind, as these venders and dealers are people in the trade of material management and manufacturing, they are generally aware of the latest developments in the trade, including any new management concepts practiced by other players in the industry, whether locally or internationally. Further, in light of the popularity in the use of the Internet for locating the most up-to-date information nowadays, when the above venders and dealers wish to obtain information on the latest developments in their field, or wish to attend classes or seminars relating to these latest developments, it is not uncommon for them, or at least a recognisable number of them, to look for the desired information from the Internet.

37. In light of the consistent pattern of use of the word “LEANSIGMA” to designate the name of a particular management concept by other overseas traders before and after the relevant date as earlier explained, I consider that the relevant customers of the applied-for services will at least be aware of this emerging management concept. In the circumstances, I consider that when they see the subject mark used in relation to the specified classes and seminars relating to efficient material management and manufacturing, they will merely perceive it as a description of the subject matter and content of the classes and seminar, rather than an indication of trade origin identifying the classes and seminars as originating from a single undertaking.

38. For the above reasons, I find the subject mark to be devoid of any distinctive character and is precluded from registration of the specified services under section 11(1)(b) of the Ordinance as well.

Reference to other marks on the register

39. Finally, I have considered Ms Wong's submission that there are other marks which are more descriptive than the subject mark on the register. Ms Wong submitted that those marks demonstrated the Registrar's standard for registrability requirement and following such a standard, the subject mark should be accepted for registration as well.

40. I have reviewed the registered marks referred to by Ms Wong, but on the basis of my finding that the subject mark possesses special meaning in the relevant trade, I consider that the marks referred to by Ms Wong are not on par with the subject mark.

41. In any event, it is well established that each case must be considered on its own merits and not by reference to other marks that have been judged registrable on other occasions. As stated by Jacob J. in *British Sugar Plc v James Robertson & Sons Ltd* [1996] R.P.C. 281 at 305, "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 in my consideration of the subject application accordingly.

Conclusion

42. In this decision, I have carefully considered all documents filed by the applicant, together with all oral and written submissions made in respect of the subject application. For the reasons given, the subject mark is precluded from registration by sections 11(1)(b) and 11(1)(c) of the Ordinance, and the subject application is accordingly refused under section 42(4)(b) of the Ordinance.

Simon Chan
for Registrar of Trade Marks
27 April 2005

1. www.issp.com/media/archives/kn/a-0502-74.pdf

iKNOW ISSP's Knowledge Network...

Title: Operational Excellence, “Be The Benchmark”

Author: GlaxoSmithKline

Date: May 2002...

Operational Excellence is fundamentally changing the way in which GlaxoSmithKline's Global Manufacturing & Supply business (GMS) operates....In GMS, Operational Excellence is engaging and developing the full potential of our people throughout the organization, by delivering a unique blend of five components:

LeanSigma – a methodology to eliminate waste and drive efficiency throughout the GMS organization...

In GMS, **LeanSigma** is viewed as a methodology for sustained, customer-focused business improvement, based on the implementation of a powerful combination of two proven management approaches, Lean thinking and Six Sigma.

2. www.trainingzone.co.uk/ism/awards

ILM – Institute of Leadership and Management

Steve Walton

Steve Walton, LeanSigma expert with GlaxoSmithKline at their Barnard Castle Site, became a LeanSigma expert in March 2000. Steve's prime objection was to help to take the factory forward and achieve world class manufacturing status by using Lean Enterprise and Six Sigma principles.

3. www.tacook.com/media/uk/Flyer-UKL&M2003.pdf

CONFERENCE 29TH – 30TH JANUARY 2003 IN BIRMINGHAM...

CONFERENCE HIGHLIGHTS:

Methods, Tools and Experiences

The basics of successful Maintenance Management

New challenges facing industrial managers

....

Using **LeanSigma** to drive continuous improvement and proactivity

...

Organised by T.A. Cook CONFERENCES

4. www.themanagementmentor.com/asci/Kchest/MANU_leanSigma.htm

TheManagerMentor

The Birth of **Lean Sigma**

What happens when two complementary approaches, Six Sigma and lean, marry?

The manufacturing community has been pursuing the concept of continuous improvement in one form or the other since long. From basic quality principles like Demmings to the more recent Six Sigma, various concepts have been adopted. Simultaneously, principles of lean manufacturing have also been applied to improve business.

5. <http://www.entegris.com/products/glossary.html>

Entegris' Glossary

...

LeanSigma Manufacturing. Using six sigma tools and lean manufacturing tools to change the way of thinking and the processes within an organization. The goal is to nurture a culture where all of the employees feel empowered and continuously look for ways to improve their processes and systematize the best methods. **LeanSigma** is a philosophy of eliminating all non-value added activities or waste from manufacturing and support areas and to drive to a single standard of operations where possible.

6. http://www.sigmapro.com/courses/LEAN496_lean_sigma_black_belt_training.htm

SIGMAPRO LEAN SIGMA CURRICULUM

Course Title: **LEAN SIGMA BLACK BELT**

Registration Code: LEAN496....

Lean Sigma tools and methods have a high success rate in service applications. All participants receive a thorough exposure to the tools and methods that are necessary to successfully lead and contribute to DMAIC improvement projects in manufacturing or operations environments but involving Lean improvement tools and strategies.

7. <http://www.infochain.org/conference/SCL2004AnnualConference.html>

SCL 2004 NATIONAL CONFERENCE

Toronto Congress Centre

May 11-13, 2004...

9:30 – 11:00 am Concurrent Sessions

1.1 **Lean Sigma** in a Logistics Operation

Santiago Iglesias, Six Sigma Black Belt – Celestica Inc.

David Jollimore, Manager of Logistics – Celestica Inc.

Applying Lean Manufacturing and Six Sigma techniques can lead to major operational improvements for a high-volume receiving operation. Learn how small amounts of process noise can have a significant impact on the operation, and how to use a data-driven approach to reduce system complexity, improve cycle time and decrease process variation. Presenters will review a case study, outlining the steps taken to transform logistics processes in response to a changing set of product requirements.

8. <http://www.smartmfg.com/conprogram.htm>

SMART MFG 2004

CONFERENCE PROGRAM

.....

10:40am – 11:40am SMART Cost Cutting

Lean Sigma

Lean Sigma will be presented as an approach to business improvement. Participants will come away with an awareness of process management, analysis, and improvement techniques integral to Lean Process Management and Six Sigma. Case examples of the "red flags" of opportunity will be discussed along with concepts and tools used to make business process enhancements. The typical bottom-line improvements achieved by implementing **Lean Sigma**, to the benefit of stakeholders, will be highlighted. See how cost, inventory, and cycle time reductions, as well as product and service quality improvements can be attained with the **Lean Sigma** approach.

9. http://www.tusc.kent.edu/ServicesforBusiness/six_sigma.cfm

KENT STATE UNIVERSITY TUSCARAWAS...

Lean Sigma will take your business to new levels of sustained competitiveness. By bringing together the Six Sigma pursuit of ACCURACY (make everything right the first time) and the Lean pursuit of SPEED (make everything as fast as you can), **Lean Sigma** forms a powerful marriage of tools for achieving the fastest rate of improvement in customer satisfaction, cost, quality, process speed and invested capital.

10. <http://www.outreach.utk.edu/ppd/businesscatalog/leansigma.html>

THE UNIVERSITY OF TENNESSEE

Business and Career Courses

Lean Sigma Certificate

In order for your organization to change, you have to design a process flow—Lean—and then insure its consistency—Six Sigma. Therefore why not integrate the two for greater implementation of efficiency—**Lean Sigma**! The **Lean Sigma** Certificate is a unique program that integrates Lean Manufacturing and Six Sigma processes and techniques for use by all companies. This certificate consists of eight independent, yet connected modules.... Depending on your company's level of expertise, individual modules or the entire certificate program may be selected. Choose between two tracks: Productivity or Quality...

11. http://www.issp.com/symposium/?page=product_profile&show=669

Lean Sigma ... The Next Big Thing?

Sponsor: Lean Enterprise

Category: Workshop

Facilitated By: Tim Jubach and Neal Mackertich

Date/Time: June 12, 2003 9:05 – 10:55AM

Delivered at: 4th Annual Leadership Conference

Length of Session: 110 min

....

They will present lessons learned from nonintegrated approaches, a framework for thinking about **LeanSigma**, a deployment methodology and cases from both Raytheon and GlaxoSmithKline which prove the efficacy of **LeanSigma** as a powerful idea for taking companies to the next level.