

## **Certification and collective marks – Paper prepared by the United Kingdom for the SCT.**

### **General comments and approach**

1. The following is a summary of specific guidance in relation to certification and collective marks which appears on our website ([www.ipo.gov.uk](http://www.ipo.gov.uk)). There are no special forms for filing certification and collective marks in the UK but there is a tick box on the normal domestic application form to indicate that the applicant seeks either a collective or a certification mark. Collective and certification marks are available either as domestic applications or via the international (Madrid) route. In essence the treatment is exactly the same, although if filed through the Madrid system there will be a necessary initial enquiry of the holder as to which (collective or certification mark) is being sought. In total, there are approximately 80-100 certification and collective marks filed in the UK per year and these are examined by, or with the guidance of, specialist examiners.

2. The legislative framework expressly provides both for certification and collective marks (but not guarantee marks or any other species). The legal definition of a certification mark is as follows:

*“A certification mark is a mark indicating that the goods and services in connection with which it is used are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics.”*

The main feature of a certification mark is that it is used not by the proprietor of the mark but instead by his authorised users for the purpose of guaranteeing to the relevant public that goods or services possess a particular characteristic. The proprietor’s mark certifies the presence of the characteristic and will authorise the use of the mark to anyone who can demonstrate that the goods and services for which it will be used have that characteristic.

3. A collective mark is defined as:

*“A collective mark is a mark distinguishing the goods or services of members of the association which is the proprietor of the mark from those of other undertakings.”*

The main feature of a collective mark is that it is used as an indication to the relevant public that goods or services originate from a member of a particular association. It is therefore a sign of membership.

4. Certification and collective marks therefore differ from “ordinary” trade marks because an ordinary trade mark is one that distinguishes the goods and services of one particular trader (a single trade source) from those of other traders.

5. As with ordinary trade marks, certification and collective marks will be examined against all the absolute grounds for refusal contained in Section 3(1) of our Act. The

fundamental aim of these provisions is to ensure that a mark is capable of carrying out its essential distinguishing function. When considering the distinctiveness of a mark it is therefore important to appreciate that the distinguishing function of certification and collective marks differs from that of ordinary trade marks.

6. Paragraph 2 of Schedule 1 gives the distinguishing function of a collective mark as:

*“..distinguishing goods or services of one undertaking from those of other undertakings shall be construed as a reference to distinguishing goods or services of members of the association which is the proprietor of the mark from those of other undertakings”*

7. Paragraph 2 of Schedule 2 gives the distinguishing function of a certification mark as:

*“...distinguishing goods or services of one undertaking from those of other undertakings shall be construed as a reference to distinguishing goods or services which are certified from those which are not.”*

8. In many cases an objection applicable to an ordinary trade mark will be equally applicable to a certification or collective mark, however, there will also be circumstances where it is not. For example, the mark shown below may not be acceptable as an ordinary trade mark in respect of meat or meat products (it is unlikely that the average consumer will regard it as pointing towards a single trade source for these goods) but would be acceptable as a certification mark as it is capable of performing that particular distinguishing function.



*The applicant claims the colours red and blue as elements of the mark*

9. The following examples aim to provide an explanation of the approach that will be taken in the UK:

## **GUARANTEED 100% COTTON**

(certification mark in respect of cotton shirts in Class 25.)

This mark will face an objection under distinctiveness and descriptiveness grounds of our Act. The term is a descriptive one that all traders should be free to use to send the descriptive message that the goods offered are guaranteed as being made from 100% cotton. Although the mark indicates a guarantee of a particular characteristic (100% cotton) it does not indicate that a *certification scheme* (and not just the individual trader) is guaranteeing the presence of the characteristic.

## **COTTONMARK 100% COTTON**

(certification mark in respect of cotton shirts in Class 25.)

This is not a simple descriptive term that other traders would legitimately require to describe cotton shirts. As well as indicating that the goods are 100% cotton, there is something else in the mark (the words “cottonmark”) that ensures that it has the capacity to distinguish goods that have been certified from those that have not.

## **CHARTERED MORTGAGE ADVISOR**

(collective mark in respect of financial services in Class 36.)

Royal charters are granted by the Crown to certain associations whose members can then use particular terms to indicate their chartered status. The charter only allows members of the association to use the particular terms, therefore there is no need to keep them free for use by other traders. The essential function of this collective mark is to distinguish services provided by members of an association from those of other traders. This mark is capable of doing so as it sends a message to the consumer that the services are provided by a chartered mortgage advisor who necessarily belongs to the particular chartered association. The mark is therefore acceptable as a collective mark.

It should be noted that an application for the same mark as an ordinary trade mark would not succeed as the mark would be unable to distinguish services provided by one particular chartered mortgage advisor from those of others. It should also be noted that proof of the association’s chartered status will need to be supplied otherwise an objection under deceptiveness grounds of our Act will be raised as the mark would mislead the public into believing that the association and its members have chartered status.

## **MORTGAGE ADVISORS ASSOCIATION**

(collective mark in respect of financial services in Class 36.)

The mark in totality does not describe a characteristic or the services, it instead describes an association whose members provide such services, consequently, there can be no objection under descriptiveness grounds of our Act. In relation to non-distinctiveness grounds, the average consumer will likely perceive the mark as an indication that the services are provided by a member of the particular association, the mark is therefore capable of distinguishing services provided by members of an association from those of other traders. Marks of this type will, in general, be acceptable save where the name is already in common usage by more than one organisation.

## **MORTGAGE ADVISOR**

(collective mark in respect of financial services in Class 36.)

The mark describes the services in question as being provided by a mortgage advisor. Furthermore, the mark is incapable of distinguishing services provided by mortgage advisors of a particular association from those of other mortgage advisors (it is also likely to be in common use by the trade). This mark will face objections under Sections 3(1)(b), (c) & (d) of the Act.

### **The special status of geographical names and designations**

10. A geographical name will normally fall foul of a descriptiveness objection under section 3(1)(c) of the Act if it is likely to be required by other traders to designate the geographical origin of the goods or services sought for registration. However, Schedule 1 (collective marks) and Schedule 2 (certification marks) of the Act provides the registrar with discretion to accept geographical indications as certification or collective marks. Being discretionary means that this is not an automatic right of acceptance.

11. The registrar's practice is that a geographical name will only be accepted as a certification or collective marks if it has the capacity to perform its distinguishing function. Certain names will be unable to perform the distinguishing function, e.g. BRITISH (as a certification mark for lamb) will be unable to distinguish lamb that has been certified as being produced in Britain from lamb that has not; this is because the consumer will only ever see this sign as a simple indication of geographical origin and not as an indication that the goods have been certified.

12. In practical terms, the registrar will accept geographical names that would otherwise be debarred under Section 3(1)(c) if the applicant can establish that the geographical name is capable of distinguishing the goods and services of members of the applicant association (collective marks) or that the goods and services are certified by the holder's mark as having the relevant geographical origin, and distinguishing them from other goods/services which are not. This necessarily requires the Registrar to consider whether, due to custom and practice, a particular name is capable of distinguishing certified goods. For example, Bordeaux appears to be capable of distinguishing certified wines from Bordeaux, French wine names having been used for decades to certify geographical origin. On the other hand, "Bordeaux" would probably not be registrable as a collective mark for wines, there being a number of different trade associations to whom producers of Bordeaux wine belong.

13. It should also be noted that if a geographical name is accepted for registration, the proprietor of such a mark is not entitled to prohibit the use of the name in accordance with honest practices, in particular, by a person entitled to use the geographical name.

## **The relationship between collective and certification marks and protected geographical indications (GI's)**

14. EC regulations protect certain geographical names in the fields of agricultural products and foodstuffs, drinks, wines and spirits. The purpose of these regulations is to prevent the misappropriation or misuse of the names which are used by the trade to establish a connection between certain goods and their geographical origin normally in order to evoke a quality standard.

15. An application to register an ordinary trade mark which consists solely of a GI will face insurmountable objections. This is because the registration of a GI to one single trader would amount to misappropriation and misuse of the GI the purpose of which is to guarantee geographical origin and not trade origin.

16. However, an application to register a GI as a certification mark will not be regarded as misappropriation or misuse. The function of certification marks can be seen as complimentary to a GI as opposed to an ordinary trade mark which is antagonistic to it. For example, a certification mark for a geographical name sends a message to the consumer that the goods are certified as being the produce of the particular location, this therefore supports the function of a GI. Collective marks may also be acceptable in the face of a GI so long as the circumstances (such as the association being of producers of the goods protected by the GI) permit.

### **Relative grounds examination**

17 As part of the examination process of certification and collective marks a search will be undertaken to ascertain if there exist any earlier marks (certification, collective or ordinary trade marks) owned by someone other than the applicant that conflict with the subject application. When assessing potential conflict the same principles apply as they do to the examination of ordinary trade marks, namely, after considering the similarity between the respective marks and their goods and services, is there a likelihood of confusion between them. Earlier trade mark owners will, as with ordinary applications be notified of the results of such a search.

### **Identical certification mark and ordinary mark in same ownership.**

18 Schedule 2 Paragraph 4 of our Act states that:

*“A certification mark shall not be registered if the proprietor carries on a business involving the supply of goods of the kind certified.”*

19. If during the examination of a certification mark it comes to light that the applicant is also the proprietor of an earlier ordinary trade mark in respect of goods or services identical to those of the certification mark, this will be taken as a *prima facie* indication that the proprietor of the certification mark also carries on a business in the supply of the goods certified. This is not a relative test, there is, for example, no need for the marks in issue to be similar. In this situation, an objection will be raised under Schedule 2 Paragraph 4 of our Act.

20 To overcome an objection of this sort it is sufficient for the applicant to make a

statement that he does not carry on a business in the goods or services certified. It will not be necessary to withdraw or surrender the ordinary trade mark so long as this statement is made. It should be noted however that grounds for revocation and invalidation exist (upon application from a third party) should this prove to be false or to become false by the applicant beginning to trade in the goods or services.

21. There is no equivalent prohibition in Schedule 1 relating to collective marks. Therefore, no objection of the kind described above will be raised against a collective mark application if the applicant is also the proprietor of an ordinary trade mark even in respect of identical goods or services. It should also be noted that no objection will be raised against either certification or collective marks where the applicant is also the proprietor of ordinary trade marks for similar goods or services to that sought by the certification or collective mark application.

### **Misleading**

22. Paragraph 4 of Schedule 1 and Paragraph 5 of Schedule 2 indicate, respectively, that collective and certification marks shall not be registered if the mark would mislead the public as regards its character or significance, in particular if it is likely to be taken as something other than a collective or certification mark.

23. In practice, this means that an objection will be raised if the mark is likely to be taken as something other than its true designation i.e. that it is more likely to be taken as an ordinary trade mark as opposed to its true designation. The following examples aim to illustrate the practice:

#### **AMCF – ASSOCIATION OF MASTER CARPET FITTERS**

(collective mark for carpet fitting services)

The nature of the mark sends a clear message that the services offered stem from a group of traders belonging to the particular association. General consumer knowledge is likely to appreciate that an association does not normally offer the services themselves and therefore the sign is likely to be perceived as a badge of membership.

No objection will be raised.

#### **AMCF**

(collective mark for carpet fitting services)

The answer here is less clear cut. Combinations of letters are commonly used as ordinary trade marks, but they are also commonly used to denote the name of an association. It is therefore equally plausible that the mark may be seen as an ordinary trade mark as it is to being seen as a collective mark. In the circumstances, it is difficult to say that the mark is likely to be taken as an ordinary trade mark as opposed to its true designation and therefore an objection is unlikely to be raised.

#### **PREMIER CARPET FITTERS**

(collective mark for carpet fitting services)

There is little in this mark to indicate to the public that it is collective mark. It is therefore likely that it will be taken as an ordinary trade mark as opposed to its true designation. An objection will therefore be raised.

24. An objection of the above nature can be overcome by adding to the mark the words “certification mark” or “collective mark”. This form of amendment is permissible irrespective of the provisions of Section 39 of our Act.

25. Alternatively, the regulations governing the use of the mark may include a clause (which should be entered under the category of “conditions of use of the mark”) stipulating that when in use the mark will be used in conjunction with an indication of its nature. The following form of wording has been adopted in many past applications:

*“It is a condition of use that the mark shall not be used in any printed advertisements or printed publicity material directed primarily to the market in the United Kingdom and in the Isle of Man or in retail points of sale display cards distributed by the Registered Proprietor for use within the United Kingdom or in the Isle of Man without indicating that is a collective/certification mark.”*

Applicants are not limited to the above form of wording. As long as the mark in use, as described by the clause, is unlikely to be taken as an ordinary trade mark.

### **Requirement to submit “regulations”**

26. The requirement to file regulations governing the use of collective and certification marks exist for a number of reasons. There is a need that regulations governing the marks use are clear and accessible so that anyone intending to make use of the mark can easily access the relevant information (regulations are open for public inspection once the application is published) and can understand the requirements that must be met before an authorised user can make use of it. Furthermore, the Registrar has what can be described as a public interest role in ensuring that the regulations are not contrary to public policy or to accepted principles of morality. This latter point is particularly important when considering the regulations governing the use of certification marks; the registration of a certification mark may introduce into the market an important industry standard, the Registrar must therefore be certain that the regulations do not unfairly restrict the use of the mark (by, for example, charging excessively high fees) which would have anti-competitive results.

27. Prior to accepting the mark for registration the regulations must be approved by the Registrar. The regulations must comply with required content, must not be contrary to public policy or morality, and, in respect of certification marks, the applicant must be competent to certify. Further details on these requirements are given below.

28. Our Act states that regulations for both collective and certification marks must be filed within nine months of the date on which the application was made. In practice, the examination of regulations does not take place until after the initial examination

matters have been resolved as above, therefore, applicants may request an extension of the nine month period for this reason. If the initial examination matters have been resolved within the nine month period, extensions of time can still be requested if further time is required to compile the regulations.

29. The regulations themselves must be accompanied by a specific official form. Once filed, the regulations are examined. If found to be unacceptable, they may be revised until they are in a form acceptable to the registrar. For ease of reference and clarity, the regulations should preferably consist of a self standing document providing the required information (see below). However, it is acceptable to annex further documents to them which can then be cross referenced.

### **Collective mark regulations**

30 The applicant must be an association. A collective mark distinguishes the goods and services of members of the association which is the proprietor of the mark from those of other undertakings (Section 49(1) of our Act). This means that an association with members should be the proprietor of the mark.

31. The term “association” is not defined in our Act. When considering whether an applicant qualifies as an association, the key factor to consider will be whether the claimed association has a form of membership and can point toward the normal indications present in any form of association with members, examples include payment of membership fees, issuing of membership card/numbers, membership meetings, conditions of membership. The fact that an association may be a Limited Company has no bearing on this matter; it is the manner of organisation and operation of the applicant that is important.

32. It is likely that any concerns the registrar will have on this aspect will only surface when examining the content of the regulations. Any concerns the Registrar does have will be expressed to the applicant who will then be given an opportunity to provide information (and to amend their regulations) demonstrating that they do operate as an association with members.

33. Capacity to hold property rights. It should also be noted that, as with any trade mark, the applicant must have sufficient legal personality to hold it in their name. Unincorporated associations do not normally have the capacity to hold property rights (although partnerships do). The registrar will not routinely question the property holding capacity of the applicant unless it is readily apparent from their name or from the content of the regulations that the association has no legal personality.

### **The content of collective mark regulations**

34. The information that is required in the regulations is detailed in Schedule 1 paragraph 5 of our Act. The distinct pieces of information are:

- (a) The persons authorised to use the mark

Here the category of persons authorised to use the mark must be detailed. Is it simply every member of the applicant association or is it limited to certain sub-

categories of membership? If there are any other requirements (save for the conditions of membership of the association) that a would-be authorised user must possess (e.g. a certain qualification) then these should also be detailed. Previous practice has required that the regulations identify the exact persons who at any given time are authorised users. This will no longer be required. However, if the -applicant wishes to make reference to the existence of a register of authorised users and its location) then this may still be done under this heading.

(b) The conditions of membership of the association

Associations will normally have conditions of membership that must be met before a member can be admitted to it. For example, it may be a condition of membership that a person must have worked in the particular field for set period of time before being permitted to join. All the conditions of membership of the association must be detailed in order that would be users of the collective mark can clearly and objectively see what conditions they must fulfil before being allowed to join the association and to subsequently use the collective mark. Similarly, if the collective mark is to be used to identify only certain members of the association, e.g. to identify a particular class of membership, the conditions that apply to these members should also be detailed.

(c) Conditions of use of the mark (if any exist)

Conditions of use, if any exist, relate to the manner in which the members of the association may use the collective mark. For example, if the collective mark may only be used on printed matter in a size not exceeding certain limits, then this, together with any other such conditions should be detailed.

Any clauses that are formulated to overcome an objection that the mark is misleading as to its significance should also be entered under this heading

(d) Sanctions against misuse of the mark (if any exist)

If the association intends to impose any sanctions (such as expulsion from the association) against a member who misuses the mark then these should be detailed under this heading. Misuse of the mark would include using it in a manner that does not meet the conditions of use or using the mark when not permitted to do so.

### **Certification mark regulations**

35. Unlike collective marks (the proprietor of which must be an association with members) there is no limitation on who can be a proprietor of a certification mark except that the applicant/proprietor must have a legal personality. However, certification marks are normally applied for by trade associations or other similar bodies who have an interest in monitoring and maintaining standards in their particular field.

36. It is important to note that the proprietor of the certification mark cannot be engaged in the supply of the goods being certified. The registrar does not investigate the applicant's position in the market, but potential applicants should be wary that if

this requirement is not met then the mark may be challenged by a third party through invalidity or revocation procedures. A *prima facie* objection will however be raised if the applicant for a certification mark is also the owner of an ordinary trade mark for the same goods and services as those being certified

37. An additional requirement is that the applicant must be competent to certify the goods and services for which the mark is to be registered. If the Registrar is not satisfied on this point then the mark shall not be registered (Para 7 (1)(b) of Schedule 2 of the Act). If the applicant is an established trade body or Government Department then it is unlikely that the Registrar will raise any questions relating to their competency.

38. Save for the aforementioned circumstances, the applicant will, as part of the examination process, be asked to provide information to clarify why they are competent to certify. There is no set manner of providing this information, but an explanation of the applicant's history in the particular field will often suffice.

### **The content of certification mark regulations**

39. The required content of regulations governing the use of a certification mark is listed in Paragraph 6(2) of Schedule 2 of the Act. The information required is detailed below:

#### **(a) Who is authorised to use the mark**

Most certification marks are available for use by any person whose goods or services demonstrate the relevant characteristic being certified. If this is the case then this should be stated. If, however, due to the nature of the goods/services being certified the mark is only available to certain types of person, for example only those with particular qualifications, then this should likewise be detailed. To illustrate this, if a certification mark is intended to certify a characteristic of a particular legal service, then the use of the mark may be limited to practising solicitors.

Previous practice has required that the regulations identify the exact persons who at any given time are authorised users. This will no longer be required. However, if the applicant wishes to make reference to the existence of a register of authorised users (and its location) then this may still be done under this heading.

#### **(b) The characteristics to be certified by the mark**

This is the key element of a certification mark. What is the specific characteristic of the goods or services that the proprietor is certifying as being present? The regulations should not simply list the goods and services being certified, they should explain what characteristic present in the goods and services is being certified. For example, if the proprietor is certifying that the goods (apples) are all the origin of a particular area (Normandy) then the characteristic being certified by the mark is: "The characteristic being certified by the mark is that the goods in question, apples, are all the produce of Normandy, France." The aim of the regulations on this aspect is to provide a clear and objective statement that would allow anyone reading them to know precisely what characteristic is being certified.

( c ) How the certifying body is to test those characteristics and supervise the use of the mark

Here, an explanation of how the proprietor will test the presence of the characteristic will be needed. Testing does not need to be carried out by the proprietor themselves, but if this is the case an explanation of who (and how) will carry out the testing on their behalf will be needed. An explanation should be given as to how the proprietor will subsequently supervise the use of the mark. The aim of the regulations on this point is two-fold. Firstly, anyone wishing to use the certification mark will be able to see what testing regime they will be subject to; secondly, the registrar, from a public interest point, needs to be satisfied that adequate testing takes place to ensure that the public can have confidence that the mark and its proprietor is truly carrying out a certification process.

(d)The fees, if any, to be paid in connection with the operation of the mark

The fees, if any, charged in connection with the scheme should be listed in the regulations or attached as an annex to them. This information not only allows would be users to have clear access to the fees information, but the registrar, from a public interest point, can ensure that fees are not excessively high so as to prevent would be users from accessing the scheme.

There is no requirement that the certification scheme should be operated on a “not for profit” basis. The fees should however be proportionate to the nature of certification necessary, particularly where the holder’s mark is the *de facto* standard for the goods and services concerned.

(e) The procedures for resolving disputes

Disputes in this context normally means a dispute between the proprietor of the mark and an authorised user (or would be authorised user) regarding the proprietor’s decision not to allow use of the mark. It is important that an appeal mechanism against the proprietor’s decision is in place to ensure fairness and equality. Such a mechanism should allow an ultimate view on the matter to be taken by an independent person or body such as a specialist arbitrator or tribunal.

### **Amendment of regulations**

40. Once a mark (and its regulations) have been accepted and published for opposition purposes, the proprietor may request that the regulations governing use of the mark be amended. Any such request must be accompanied by a specific form

41. It is important to note that the amendment will not be recorded automatically. The registrar will firstly need to approve the amended regulations and will consequently examine them in the same way as newly filed regulations . Amended regulations will have no effect unless approved by the registrar – see Schedule 2 Paragraph 11 (certification marks) and Schedule 1 Paragraph 10 (collective marks).

42. Furthermore, if the registrar considers it appropriate, the amended regulations will be published for opposition purposes. In practical terms, all but the most insignificant of amendments will be published as amendments could potentially affect the accessibility of current and prospective users to the mark. Publication is not required for minor amendments such as changing the applicant's address.

**Other matters**

43. Certification and collective marks can be assigned, invalidated or revoked on an action by a third party. As well as normal grounds for invalidation or revocation of an ordinary trade mark, collective and certification marks face certain additional grounds specified in our Act. They also give rise to infringement actions.

Edward Smith  
Assistant Principal Hearing Officer UK IPO  
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