O-471-18

TRADE MARKS ACT 1994

IN THE MATTER OF CONSOLIDATED PROCEEDINGS INVOLVING:

TRADE MARK APPLICATION Nos 3205700 and 3241613

IN THE NAME OF ECO OFFSITE PRODUCTION LIMITED TO REGISTER THE FOLLOWING TRADE MARKS IN CLASSES 6, 19, 37 & 42



2) ECO OFFSITE (word)

AND OPPOSITION THERETO
UNDER OPPOSITION NOS 409561 & 411063
BY JOHN MCGURK

AND

IN THE MATTER OF TRADE MARK REGISTRATION NO 2620653 FOR THE MARK

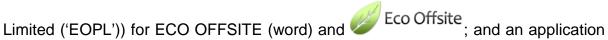


IN THE NAME OF JOHN MCGURK

AND AN APPLICATION FOR NON-USE REVOCATION
THERETO UNDER NO 501765
BY ECO OFFSITE PRODUCTION LIMITED

Background and pleadings

1) These consolidated proceedings concern oppositions filed by Mr John McGurk ('JM') against the trade mark applications (in the name of Eco Offsite Production



for revocation against JM's earlier relied upon registration



Opposition pleadings

by EOPL.

2) On 9 January and 5 July 2017 EOPL applied to register the two following trade marks:

Mark:

Eco Offsite

Number: 3205700

Date of filing: 09/01/2017

Publication date: 17/03/2017

Goods/services:

Class 6: Buildings of metal; steel buildings; transportable buildings made of metal; prefabricated metal buildings; prefabricated building components; modular building units of metal; metallic building materials; frames of metal for building; building panels of metal.

Class 19: Buildings, not of metal; non-metallic transportable buildings; nonmetallic prefabricated buildings; prefabricated building components (nonmetallic); modular building units (non-metallic); non-metallic building materials; non-metallic construction materials; framework, not of metal, for building; building panels, not of metal; concrete building elements.

Class 37: Building and construction services; building constructing supervision; installation of building structures and units; installation of fixtures and fittings for buildings; installation of doors, windows and roofs; electrical and plumbing installation; construction, repair and maintenance of buildings; rental of construction equipment; provision of information, advice and consultancy relating to the aforesaid.

Class 42: Building design services; architectural services; architectural consultancy; construction drafting; building inspection services; technological consultancy; provision of information, advice and consultancy relating to the aforesaid.

Number: 3241613

Mark: ECO OFFSITE

Date of filing: 05/07/2017

Publication date: 15/09/2017

Goods/services:

Class 6: Buildings of metal; steel buildings; transportable buildings made of metal; prefabricated metal buildings; prefabricated building components; modular building units of metal; metallic building materials; frames of metal for building; building panels of metal.

Class 19: Buildings, not of metal; non-metallic transportable buildings; non-metallic prefabricated buildings; prefabricated building components (non-metallic); modular building units (non-metallic); non-metallic building materials; non-metallic construction materials; framework, not of metal, for building; building panels, not of metal; concrete building elements.

Class 37: Building and construction services; building constructing supervision; installation services; construction, repair and maintenance of buildings; rental of construction equipment; provision of information, advice and consultancy relating to the aforesaid.

Class 42: Building design services; architectural services; architectural consultancy; construction drafting; building inspection services; technological

consultancy; provision of information, advice and consultancy relating to the aforesaid.

3) On 25 September¹ and 15 December 2017² JM opposed the above trade mark applications. Each opposition is based on section 5(2)(b) of the Act. This is on the basis of its earlier UK trade mark registration no. 2620653, the subject of the revocation action detailed below. Pertinent details of the earlier registration are detailed below:

EcoOffsite

Number: 2620653

Filing date: 8 May 2012

Date of entry in register: 17 August 2012

List of services:

Class 37: Advisory services relating to building; Advisory services relating to building construction materials; Advisory services relating to the construction of buildings; Building consultancy services; Building refurbishment services; Building services; Building services relating to building for habitation; Consultancy services relating to the construction of buildings; Glazing services for buildings; Services for the construction of buildings; Services for the damp proofing of buildings during construction;

Class 42: Advisory services relating to building design; Architectural services for the design of commercial buildings; Building design services; Computer aided design services relating to building projects; Design services for building interiors; Design services for the interior of buildings; Technical drawing services relating to building products.

Relevant periods

4) The relevant periods for opposition and revocation assessments are. As pointed out by Ms Blythe at the hearing, the two periods largely overlap and can be considered collectively:

¹ Opposition against 3205700

² Opposition against 3241613

a) For the opposition proof of use, the relevant period is: 16 September 2012 to 15 September 2017.

b) For the revocation action, which is based on section 46(1)(a) of the Act only,

the relevant period is: 18 August 2012 to 17 August 2017.

5) EOPL filed counterstatements in the opposition proceedings denying the claims made and requesting that JM provides proof of use of its earlier trade mark relied upon. Given the interplay between the date that JM's earlier mark was registered (17 August 2012) and the date that EOPL's application no. 3241613 was published (15 September 2017), the proof of use requirements are in effect and EOPL has put JM to such proof. Since EOPL's other application (no. 3205700) was published on 17 March 2017 then proof of use is not applicable to the opposition against that

application.

Relevant statutory provision: Section 6A:

6) Section 6A of the Act states:

"Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a),

(b) or (ba) in relation to which the conditions set out in section 5(1), (2)

or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed

before the start of the period of five years ending with the date of

publication.

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(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services."

7) Section 100 of the Act states that:

"100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

8) In view of the above, when I come to consider the opposition against application no. 3241613, JM must demonstrate use of the earlier mark for all of the services that it is registered for. Such use must be evidenced for the five-year period prior to and ending on the date of publication of the application. Therefore, the relevant period for the proof of use is 16 September 2012 to 15 September 2017.

Revocation pleadings

- 9) EOPL seek revocation of JM's trade mark registration on the grounds that it has not been used for the services it covers (as listed at paragraph 3). JM filed a counterstatement denying the claims made. He also stated that 'The proprietor currently carries out business throughout Northern Ireland, and has built up goodwill and reputation. The proprietor has plans to market the business throughout the rest of the UK in 2018 to further extend their "EcoOffsite" brand.'
- 10) Revocation is sought under Section 46(1)(a) in respect of the 5-year time period following the date of completion of the registration procedure, namely 18 August 2012 to 17 August 2017. Revocation is therefore sought from 18 August 2017.

Hearing

11) Both sides filed evidence. A hearing took place before me via video-link on 21 June 2018 at which EOPL was represented by Mrs Charlotte Blythe, of Counsel, instructed by Walker Morris LLP. JM did not attend the hearing and sought to rely upon the materials already filed in these proceedings, including its submissions of 6 March 2018.

12) Since the question of whether JM has used its registration for the services that it is registered for is a key factor in these proceedings and it may have a direct impact on one opposition, I shall firstly assess the revocation action.

JM'S EVIDENCE - USE OF ECOOffsite

- 13) JM's evidence consists of a witness statement from Mr John McGurk, the registered proprietor of the trade mark registration. Mr McGurk is the managing director of Eco Modular Solutions Ltd t/a EcoOffsite.
- 14) Mr McGurk refers to his company's website ecooffsite.co.uk which was obtained by him in 2011. He files screenshots³ from various pages on the website which shows the mark appearing at the top left of each page:

EcoOffsite

- 15) Mr McGurk acknowledges that the website print outs are dated after the relevant period (they are dated 15 December 2017). However, Mr McGurk also submits evidence obtained from the Wayback Machine⁴ which shows the mark (as above) used on various webpages. The print outs are dated 10 August 2013, 23 December 2014 (x2), 11 January 2016, 2 April 2016 and 11 June 2017 (x4). He states that there have been 'brief periods whereby the website was down for updating and maintenance purposes' but it has been operational since it was launched in 2011 to date.
- 16) Much of the evidence is focussed on the construction of a building in use by the Rasharkin Community playgroup based in Rasharkin, Northern Ireland. Exhibit JmcG 3 to the witness statement is a 'tender' for the new playgroup classroom. It is dated 17 October 2012. 'EcoOffsite' as presented above is shown on the front and back of the document. The tender includes a map of where the classroom would be placed, a picture of what it is likely to look like when constructed and a quote of £88,600 'For

³ Exhibit JmcG 1

⁴ Exhibit JmcG 2

our 'A' rated EcoOffsite nursery building inclusive of standard service connections such as NI Water & NIE...'. Detailed design schematics of the playgroup room have also been submitted, dated March 2012⁵. The words 'EcoOffsite' are present in the bottom right corner.

17) The tender document also includes two certificates, one issued to 'Eco Modular Solutions Ltd' by 'Constructionline A UK Government Certification Service' dated August 2013, and the other is from UK Green Building Council which certifies that 'EcoOffsite' is a member of the UK Green Building Council. It is dated 23 August 2012 and includes the 'effective' dates of 01/09/2012 to 31/08/2013.

18) Mr McGurk also submits a document⁶ entitled 'Health and safety plan for new low energy building concept for Rasharkin Community Playgroup', which is dated November 2013. The mark (as above) is present on the front cover and in the top right corner of each page. Mr McGurk points out that the document states that the contract start date is November 2013 and that it is intended to last 3 months, i.e. until February 2014.

19) It is clear from the evidence that Eco Modular Solutions t/a EcoOffsite had some success with its tender, though the extent of success is unclear and I shall address this later in this decision. For example, Exhibit JmcG 7 to the witness statement is the following picture which shows the mark present on the advertising material.

⁵ Exhibit JmcG 6

⁶ Exhibit JmcG 4



20) Exhibit JmcG 13 to the witness statement is an invoice from Eco Modular Solutions Ltd to Rasharkin Community Playgroup dated 28 November 2013. The earlier mark is present in the top left corner. The invoice is for £10,450 and states that it is for:

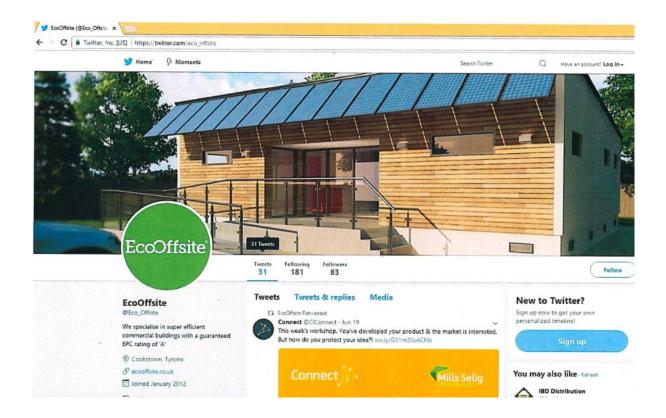
'Work completed on site in relation to the new playgroup classroom, specifically;

Site clearance, foundation excavation, poured concrete foundations, block work, installation of service pipes and radon barrier and the installation of the Spantherm insulated ground floor slab.

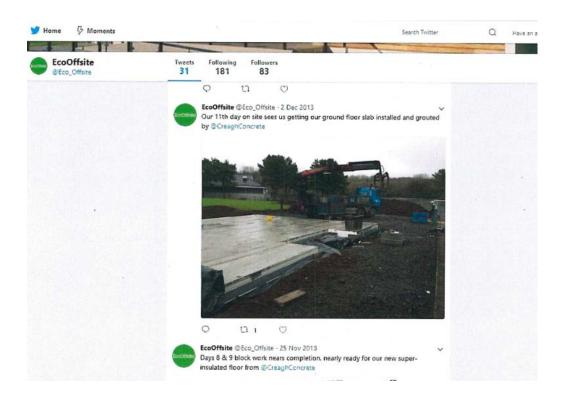
Invoice amount inclusive of Prelims, Overheads and Profits at the time of the site inspection on 28th November 2013'

21) Further material relating to the playgroup consists of screenshots from Mr McGurk's company Twitter page⁷. It includes the EcoOffsite mark and appears as follows:

⁷ Exhibit JmcG 5



22) The latest 'tweet' is dated 2 December 2013 as follows. During the hearing Mrs Blythe highlighted that the Twitter feed only has 83 followers:



23) Mr McGurk points out that his company joined Twitter on January 2012 and that 'Most applicable to the matter at hand is the photographic time lapse between the 12 November 2013 to 13 June 2014. This time lapse clearly and unambiguously illustrates[ing] the construction of the EcoOffsite low energy build for Rasharkin Community Playgroup during the period of 12 November 2013 whereby upon day 1 the land was merely grass area to the 13 June 2014 whereby the scaffolding was removed from the construction revealing the property.' I have reviewed the evidence and checked the original email, and there are no photographs which are dated beyond 2 December 2013 and certainly not up to 13 June 2014. As will become apparent, nothing turns on this point whatsoever.

24) Also in evidence is an invoice from Embroiderus Ireland Limited to Eco Offsite dated 23 January 2013 for £83.34. The invoice is for 1 jacket, 3 beanies, 3 x high viz jackets and 1 tuff stuff trousers. Mr McGurk states that this invoice is associated with the construction of the Rasarkin building and that it 'further demonstrates use of the mark for the services to which the registration pertains'. It is not clear whether the goods were purchased for workers working on the project or whether the invoice related to the mark being placed on the goods. Either way I do not consider the purchase of articles of clothing or an invoice for embroidering a mark on a few articles of clothing to show use of the registration for the services in question.

Advertising

25) Mr McGurk provides the following marketing material which he states is used as part of its tender marketing literature which is sent to businesses. It is not dated:



26) Exhibit JmcG 12 consists of a YouTube screenshot advertising the modular building system as designed by EcoOffsite. The first video was published on 19 January 2012 and the second 10 May 2017. It is noted that the mark EcoOffsite is present. It is also noted that the number of views for the two videos are 538 for the first and 13 for the second.

- 27) Exhibit JmcG 10 consists of an email from Mr McGurk to 'Peter' at ADP Architects, based in Northern Ireland. Mr McGurk explains that ADP were founded in the early 1990s and provide a comprehensive architectural design service throughout Ireland (Northern and Republic). The email contains the same marketing literature which is reproduced above under exhibit JmcG 9. Part of the text in the email states: 'Peter, Having missed the Eco Community Garden Building project, I would appreciate it if you could keep our details on file for similar projects in the future.' Mr McGurk claims that this indisputably demonstrates advertising to third parties.
- 28) Finally, exhibit JmcG 11 to the witness statement consists of a 2013 Journal article as published in the American Journal of Civil Engineering and Architecture. The journal refers to Mr McGurk's businesses website 'for further details in relation to the Eco Modular Solutions Building'. Mr McGurk argues that this demonstrates branding to the civil engineering and architecture sector.
- 29) To summarise, Mr McGurk states: 'EcoOffsite currently carries out business within Northern Ireland and we have further plans to market the business and extend the brand throughout the rest of the UK in 2018.'

EOPL'S EVIDENCE

- 30) EOPL's evidence consists of a witness statement from Mr Andrew King who is the Commercial Director of EOPL. The witness statement is brief but includes the following points:
 - EOPL designs and builds modular buildings for the educational, residential, commercial, health and leisure sectors. It has been trading since January 2016.
 - Its turnover for the two years that it has been trading is £5,000,000 per annum.

- It has provided 265 tenders and undertaken over 30 projects within the UK. Details of these projects have been listed⁸ but it is not necessary for me to list them here.

Legislation and leading case-law relating to non-use revocation

31) Section 46(1) of the Act states that:

"The registration of a trade mark may be revoked on any of the following grounds-

- (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
- (c)....
- (d)...
- (2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period

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⁸ Exhibit AK1

and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

- (4) An application for revocation may be made by any person, and may be made to the registrar or to the court, except that
 - (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and
 - (b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.
- (5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.
- 6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from
 - (a) the date of the application for revocation, or
 - (b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date."
- 32) In *The London Taxi Corporation Limited v Frazer-Nash Research Limited* & *Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:
 - "217. The law with respect to genuine use . In Stichting BDO v BDO Unibank Inc [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in SANT AMBROEUS Trade

Mark [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 Ansul BV v Ajax Brandbeveiliging BV [2003] ECR I-2439 , Case C-259/02 La Mer Technology Inc v Laboratories Goemar SA [2004] ECR I-1159 and Case C-495/07 Silberquelle GmbH v Maselli-Strickmode GmbH [2009] ECR I-2759 (to which I added references to Case C-416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in SdS InvestCorp AG v Memory Opticians Ltd (O/528/15).

- 218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word "genuine", other language versions use words which convey a somewhat different connotation: for example, "ernsthaft" (German), "efectivo" (Spanish), "sérieux" (French), "effettivo" (Italian), "normaal" (Dutch) and "sério/séria" (Portuguese). As the Court of Justice noted in Ansul at [35], there is a similar difference in language in what is now recital (9) of the Directive.
- 219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:
- (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

- (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].
- (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberguelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].
- (4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].
- (5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberguelle* at [18]; *Centrotherm* at [71].
- (6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the

evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

- (7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].
- (8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]."

The relevant periods

- 33) I begin by reminding myself what the relevant periods for opposition and revocation assessments are. As pointed out at the hearing, the two periods largely overlap:
 - 1) For the opposition proof of use, the relevant period is: 16 September 2012 to 15 September 2017.
 - 2) For the revocation action, which is based on section 46(1)(a) of the Act only, the relevant period is: 18 August 2012 to 17 August 2017.

Has the mark been used for any or both of the relevant periods?

34) During the hearing Mrs Blythe referred me to and highlighted the importance of the comments made in *Awareness Limited v Plymouth City Council*, Case BL O/236/13, whereby Mr Daniel Alexander Q.C. as the Appointed Person stated that:

"22. The burden lies on the registered proprietor to prove use........... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public."

and further at paragraph 28:

- "28. I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as "tuition services", is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to "tuition services" even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted."
- 35) Further, reference was made to *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd,* Case BL 0/404/13, whereby Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:
 - "21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker

with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

- 22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not 'show' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."
- 36) It is clear from the authorities above that I should not only consider what the evidence has shown, but also what the evidence has not shown. A clear and telling omission from the evidence is the lack of advertising and turnover figures. Taking the evidence as a whole it appears to me that JM's only revenue stems from the Rasharkin Community Playgroup project.

37) More specifically, JM's company put in a tender⁹ for the construction of a nursery building and quoted £88,600 for the completion of this work. The evidence does show that JM had some success with its tender. I describe it as relatively successful since it is not clear whether JM's company carried out all of the construction work or just cleared the site and built the foundations. The invoice¹⁰ (for £10,450) issued by JM's company is for the clearance and building of foundations only rather than the supply or construction of a building. Further, the pictures posted on Twitter only show the foundations of the work being completed. Therefore, there is serious doubt as to whether JM constructed a building or just did the foundation work.

38) If JM's company had completed the construction work it would be reasonable to expect the final invoice, further Twitter posts or some supplemental evidence, particularly since an invoice for part of the work has been filed. Notwithstanding this, even if I were to accept that JM's company had constructed the building, would this be enough to demonstrate use, particularly since this appears to be the only use?

39) In Naazneen Investments Ltd v OHIM, Case T-250/13, the General Court upheld a decision by the OHIM Board of Appeal that the sale of EUR 800 worth of non-alcoholic beverages under a mark over a 5 year period, which had been accepted was not purely to maintain the trade mark registration, was insufficient, in the economic sector concerned, for the purposes of maintaining or creating market share for the goods covered by that Community trade mark. The use was therefore not genuine use. The relevant part of the judgment of the General Court is as follows:

"46. In the fifth place, the applicant argues that, in accordance with the caselaw cited in paragraph 25 above, use of a trade mark is to be regarded as token if its sole purpose is to preserve the rights conferred by the registration of the mark. It claims that the Board of Appeal contradicted itself by stating, on the one hand, in paragraph 31 of the contested decision, that the total amount of transactions over the relevant period seemed to be token, and by stating, on

⁹ Exhibit JmcG 3

¹⁰ Exhibit JmcG 13

the other hand, in paragraph 42 of the contested decision, that it did not doubt the intention of the proprietor of the mark at issue to make real use of that mark in relation to the goods in question.

47. In this connection, suffice it to point out that the applicant's argument is based on an incorrect reading of the contested decision. The Board of Appeal used the term 'token' to describe the total amount of transactions, approximately EUR 800, and not to categorise the use of the mark at issue.

48. In the sixth place, the applicant claims that the Board of Appeal, by relying solely on the insufficient use made of the mark at issue, did not comply with the case-law according to which there is no quantitative threshold, determined a priori and in the abstract, that must be chosen in order to determine whether use is genuine. The Board of Appeal also failed to comply with the case-law according to which even minimal use may be sufficient in order to be deemed genuine.

49. According to the case-law, the turnover achieved and the volume of sales of the goods under the mark at issue cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking using the trade mark and the characteristics of the goods or services on the relevant market. As a result, use of the mark at issue need not always be quantitatively significant in order to be deemed genuine (see, to that effect, judgments in VITAFRUIT, cited in paragraph 25 above, EU:T:2004:225, paragraph 42, and HIPOVITON, cited in paragraph 27 above, EU:T:2004:223, paragraph 36). Even minimal use can therefore be sufficient in order to be deemed genuine, provided that it is warranted, in the economic sector concerned, to maintain or create market shares for the goods or services protected by the mark. Consequently, it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine. A de minimis rule, which would not allow OHIM or, on appeal, the General Court, to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, to that effect, order of 27 January 2004 in La Mer Technology, C-259/02, ECR, EU:C:2004:50,

paragraphs 25 and 27, and judgment of 11 May 2006 in *Sunrider* v *OHIM*, C-416/04 P, ECR, EU:C:2006:310, paragraph 72).

- 50. In the present case, contrary to what the applicant claims, the Board of Appeal did not determine a minimum threshold 'a priori and in the abstract' so as to determine whether the use was genuine. In accordance with the case-law, it examined the volume of sales of the goods in question in relation to other factors, namely the economic sector concerned and the nature of the goods in question.
- 51. The Board of Appeal accordingly took the view that the market for the goods in question was of a significant size (paragraph 28 of the contested decision). It found also that the goods in question, namely non-alcoholic beverages, were for everyday use, were sold at a very reasonable price and that they were not expensive, luxury goods sold in limited numbers on a narrow market (paragraph 29 of the contested decision). Furthermore, it took the view that the total amount of transactions over the relevant period, an amount of EUR 800, seemed to be so token as to suggest, in the absence of supporting documents or convincing explanations to demonstrate otherwise, that use of the mark at issue could not be regarded as sufficient, in the economic sector concerned, for the purposes of maintaining or creating market shares for the goods covered by that mark (paragraph 31 of the contested decision).
- 52. It is therefore apparent, contrary to what the applicant claims, that it was in accordance with the case-law cited in paragraph 49 above that the Board of Appeal took the view that, in the present case, minimal use was not sufficient to be deemed genuine."
- 40) The judgment of the General Court was upheld on further appeal to the CJEU: see Case C-252/15 P.
- 41) Having considered all of the evidence I reach the conclusion that JM's evidence is not sufficient to show genuine use of the mark on any of the services for which it is protected. Even if I give JM the benefit of the doubt with regard to the construction of the playgroup building, the net use of the mark would be the construction of one

building which means that its turnover is less than £90,000 for the relevant periods. I accept that the construction of buildings differs to the scenario in *Naazneen* which involves non-alcoholic beverages in that the number of buildings constructed could reasonably be somewhat lower. However, at best the construction of one (which in itself appears unlikely) building, at a cost of £90,000 would not be sufficient use.

- 42) I acknowledge that JM's evidence includes marketing literature (i.e. exhibit JmcG 9) but it is not stated who or how many people this was sent to or when or whether the emails led to any sales. There is an email stating that JM was sorry to have missed out on a potential project and they would be grateful for its details to be kept on file, but this does little (if anything) for the creation and maintaining of a market share.
- 43) Taking all of the above factors into account I find that the mark has not been put to genuine use for the services it covers and the revocation action succeeds. I also find that JM has not demonstrated use for the relevant period relating to the opposition proceedings. I therefore conclude:
 - The application for revocation under section 46(1)(a) of the Act is successful and, therefore, trade mark registration number 2620653 shall be revoked with effect from 18 August 2017;
 - ii) JM is unable to rely upon any of the services listed in its earlier 2620653, which is the subject of the proof of use provisions, for opposition no. 411063. Therefore, it follows that the case based upon section 5(2)(b) of the Act must fail and opposition no. 411063 is dismissed.
- 44) Although the revocation against trade mark registration no. 2620653 has succeeded and it only takes effect from 18 August 2017 then this has no impact on opposition number 409561. This is because the earlier registration still has effect at

the date of the application, the subject of the opposition¹¹. Further, proof of use is not in issue and the earlier mark can still be relied upon.

OPPOSITION NO. 409561

45) As previously stated, given the interplay between the publication date of the application and the registration date of the earlier mark, the earlier mark (no 3205700) is not the subject of proof of use. Therefore, it may be relied upon for all of the services that it is registered for.

Section 5(2)(b)

- 46) Section 5(2)(b) of the Act is as follows:
 - "5(2) A trade mark shall not be registered if because-
 - (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark".
- 47) The following principles are gleaned from the decisions of the EU courts in Sabel BV v Puma AG, Case C-251/95, Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc, Case C-39/97, Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. Case C-342/97, Marca Mode CV v Adidas AG & Adidas Benelux BV, Case C-425/98, Matratzen Concord GmbH v OHIM, Case C-3/03, Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, Case C-120/04, Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P and Bimbo SA v OHIM, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

¹¹ See Professor Annand's decision, sitting as the Appointed Person, in *Tax Assist* BL O-220-12

- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

48) The respective goods and services are as follows:

EOPL'S APPLIED FOR	JM'S EARLIER SERVICES
GOODS/SERVICES	
Class 6: Buildings of metal; steel buildings;	
transportable buildings made of metal;	
prefabricated metal buildings; prefabricated	
building components; modular building units of	
metal; metallic building materials; frames of metal	
for building; building panels of metal.	
Class 19: Buildings, not of metal; non-metallic	
transportable buildings; non-metallic	
prefabricated buildings; prefabricated building	
components (non-metallic); modular building	
units (non-metallic); non-metallic building	
materials; non-metallic construction materials;	
framework, not of metal, for building; building	
panels, not of metal; concrete building elements.	
	Class 37: Advisory services relating to building;
Class 37: Building and construction services;	Advisory services relating to building construction
building constructing supervision; installation of	materials; Advisory services relating to the
building structures and units; installation of	construction of buildings; Building consultancy
fixtures and fittings for buildings; installation of	services; Building refurbishment services;
doors, windows and roofs; electrical and	Building services; Building services relating to
plumbing installation; construction, repair and	building for habitation; Consultancy services
maintenance of buildings; rental of construction	relating to the construction of buildings; Glazing
equipment; provision of information, advice and	services for buildings; Services for the

consultancy relating to the aforesaid.

Class 42: Building design services; architectural services; architectural consultancy; construction drafting; building inspection services; technological consultancy; provision of information, advice and consultancy relating to the aforesaid.

construction of buildings; Services for the damp proofing of buildings during construction;

Class 42: Advisory services relating to building design; Architectural services for the design of commercial buildings; Building design services; Computer aided design services relating to building projects; Design services for building interiors; Design services for the interior of buildings; Technical drawing services relating to building products.

49) EOPL's skeleton argument contains the following statement at paragraph 22: 'It is accepted that the goods and services listed in the Contested Applications are all identical or similar to the Earlier Services'. This is a helpful concession and for this reason, and for procedural economy purposes, I do not propose to carry a full comparison of goods and services.

Comparison of marks

50) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

"....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

51) It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

52) The respective trade marks are shown below:

Earlier trade mark	Contested trade mark
EcoOffsite	Eco Offsite

- 53) The earlier mark is on a black, rectangular background. There is nothing fanciful in this. The 'o' at the end of 'eco' overlaps with the capitalised 'O' from 'Offsite'. Whilst the words are conjoined, the presence of the capital E and O, and given the ordinary meanings of the words, this naturally breaks the mark down into its two component parts. I consider the overall impression of the earlier resides with the words 'Eco Offsite'.
- 54) The contested mark has, essentially, two components: a device of a leaf and to the right of it the words 'Eco Offsite'. Whilst the leaf device will not be overlooked, it is the word element which plays a greater role in the overall impression of the mark.
- 55) Aurally, the leaf device in the contested trade mark will not be enunciated. Although the earlier mark is conjoined and there is an overlap in the 'o's' this does not impact how it will be enunciated. Therefore, each mark will be pronounced in an identical manner, i.e. 'e-co-off-site'.
- 56) EOPL argues that since its contested mark is made up of two words and JM's mark is one, this reduces the level of visual similarity. In my view 'Eco' and 'Offsite' would be seen as two words since, 1) they are words in their own right and the

consumer would naturally dissect them as such, and 2) the capitalisation of the first letters of Eco and Offsite further dissects them. In my view, the only notable visual difference between the marks is the figurative leaf device in the contested trade mark. Despite the inclusion of the leaf, I find that the visual similarities between the marks is high.

57) In order for a conceptual message to be relevant, it must be capable of immediate grasp by the average consumer 12. The words 'Eco' and 'Offsite' are meaningful in their own right and, for the goods and services in question, they are allusive to ecological buildings, materials, etc produced offsite. Whilst the earlier mark also includes a leaf device, the average consumer is likely to see this as reinforcing the word 'eco' and the eco-friendly services provided. In other words, it does not project a clear alternative concept to what the words convey. In fact, it enforces the word 'eco'. Accordingly, whilst there is no concrete meaning, the words are suggestive and whatever concept the consumer has, it will be the same for each mark.

Average consumer and the purchasing act

58) The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

59) In Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

"60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied

¹² See Case C-361/04 P *Ruiz-Picasso and Others* v *OHIM* [2006] ECR I-00643; [2006] E.T.M.R. 29

objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

60) The average consumer of the goods and services in question are likely to be in the construction sector. The goods and services (particularly the housing constructions services) are neither cheap nor frequently purchased. The selection process will be a carefully considered one. The marks are likely to be encountered following a visual inspection of websites, brochures, invoices, etc. However, I recognise that the building sector may also rely upon word of mouth recommendations and therefore I also take into account aural use of the mark.

Distinctive character of the earlier trade mark

- 61) In Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV, Case C-342/97 the CJEU stated that:
 - "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 WindsurfingChiemsee v Huber and Attenberger [1999] ECR I-0000, paragraph 49).
 - 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from

chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

- 62) JM has not made an explicit claim to having an enhanced degree of distinctive character by virtue of the used made of the mark. It has filed evidence in defence of the non-use revocation claim and for the purposes of proof of use. The evidence was deemed insufficient. Therefore, it follows that even if it had claimed an enhanced distinctive character, the evidence would not have supported such a claim.
- 63) In view of the above, I must assess the inherent distinctive character in the mark. EOPL claims that 'given the descriptive nature of "ECO" and "OFFSITE", and therefore the allusive nature of the Earlier Mark as a whole, the breadth of protection given to the Earlier Mark must be correspondingly narrow, such that small differences will generally suffice to differentiate that brand from other brands.'
- 64) I agree that the words 'ECO OFFSITE' are not greatly distinctive given their suggestive meaning for the services in question. However, the words are not directly descriptive and they include a figurative leaf device. Taking these factors into consideration I find the inherent distinctive character of the earlier mark to be moderate, i.e. low to medium.

GLOBAL ASSESSMENT – Conclusions on likelihood of confusion

- 65) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.
- 66) There are two types of relevant confusion to consider: direct confusion (where one mark is mistaken for the other) and indirect confusion (where the respective similarities lead the consumer to believe that the respective goods and services come from the same or a related trade source). This distinction was summed up by

Mr Iain Purvis Q.C. sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark."

- 67) In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.
- 68) EOPL has conceded that all of the respective goods and services are similar. EOPL also accepts that the respective marks are similar, but not to a high degree. However, for the reasons I have set out above, the level of similarity between the marks by far outweigh any differences between them, which are limited to the leaf device and the rectangular background. Such a high degree of similarity between the marks is an important factor since this may offset the lesser degree of similarity between the goods. I have also found that although the average consumer in this instance are businesses who are likely to pay a high degree of attention, and are therefore less likely to be confused. Taking all of these factors into account I would not rule out some consumers who may be directly confused (mistake one mark for the other). However, it is more likely that the average consumer will notice the inclusion of the leaf device and minor presentational differences but given the strong

overall similarity between the marks, they will believe that they are brand variants and originating from the same or economically related undertakings. The opposition succeeds.

OVERALL CONCLUSION

- 69) Revocation action 501765 was successful and, therefore, trade mark registration no. 2620653 is revoked under section 46(1)(a) of the Act, with effect from 18 August 2017.
- 70) Opposition no. 411063 is dismissed and, therefore, trade mark application no. 3241613 shall proceed to registration for all the applied for goods and services.
- 71) Opposition no. 409561 is successful in its entirety and, therefore, trade mark application no. 3205700 shall be refused in its entirety.

COSTS

- 72) Both sides request a costs award in its favour. During the hearing Mrs Blythe requested costs at the higher end of the scale. This is based on 'quite a few case management type hearings' and extensions in order for Mr McGurk to put his evidence in order. As acknowledged by Mrs Blythe, Mr McGurk was not represented and the additional time (which was not excessive) he requested was for procedural issues rather than any abuse of process. In the circumstances I do not consider there to be any justification for an increased award of costs.
- 73) EOPL has succeeded in the revocation action and one of the oppositions; it lost the other opposition. JM unsuccessfully defended the revocation claim against its registration, was successful in one of the oppositions and the other had no basis. Therefore, on balance EOPL has been moderately more successful and is entitled to a contribution towards its costs. In the circumstances I find that EOPL's successful revocation action cancels out JM's opposition success. With regard to the remaining opposition, I consider it appropriate to award EOPL £800. This is calculated as follows:

Opposition fee £100

Preparing a statement and considering the other side's statement £200

Preparing for and attending a hearing £500

TOTAL £800

74) I therefore order John McGurk to pay Eco Offsite Production Limited the sum of £800. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 30th day of July 2018

Mark King For the Registrar, The Comptroller-General