

**TRADE MARK ACT 1938 (AS AMENDED) AND
TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO B1571755
BY A-GAS INTERNATIONAL LIMITED
TO REGISTER A MARK IN CLASS 1**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO 42644 BY AGA AKTIEBOLAG**

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under No 42644 by AGA Aktiebolag**

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DECISION

20 On 11 May 1994 A-Gas International Limited, of Bristol, applied under Section 17(1) of the
Trade Marks Act 1938 (the old Act) to register the mark GAS and device, in Class 1, in
respect of:-

25 “Refrigerant gases; propellant gases used in aerosols; propellant gases used in foam
blowing machines; all being liquified (sic) or vapour gases; all included in Class 1.”

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A representation of the mark appears below.

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The application is numbered B1571755.

On 22 June 1995 AGA Aktiebolag, of Lidingo, Sweden, filed notice of opposition to this application. The grounds of opposition as originally stated were:-

- 5 i under Sections 9 and 10, because the mark applied for is neither adapted to distinguish nor capable of distinguishing the applicants' goods from those of other manufacturers;
- ii under Section 11, by reason of the opponents' user of a similar mark;
- 10 iii under Section 12(1), by reason of the opponents' registrations of the mark AGA;
- iv under Section 68, in that the mark applied for is not a trade mark as defined by that section.

15 However, the opponents subsequently confined their attack to Sections 11 and 12(1) only. The opponents ask the Registrar to refuse the application in the exercise of his discretion and to award costs in their favour.

20 The applicants filed a counterstatement denying these grounds and asking the Registrar to register the mark and award costs in their favour.

 Both sides filed evidence in these proceedings and the matter came to be heard on 16 January 1998. At the hearing the applicants were represented by Mr Daniel Alexander of Counsel, instructed by Messrs Osborne Clarke. The opponents were represented by Mr Henry Carr of Counsel instructed by Messrs Urquhart-Dykes & Lord.

25 By the time this matter came to be heard, the old Act had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. These proceedings having begun under the provisions of the Trade Marks Act 1938 however, they must continue to be dealt with under that Act in accordance with the transitional provisions set out at Schedule 3 of the 1994 Act. Accordingly, all references in this decision are references to the provisions of the old law, unless otherwise indicated.

35 Opponents' evidence

 The opponents filed a Statutory Declaration by Michael Engsted, of Meriden, West Midlands. Mr Engsted states that he is the Managing Director of Aga Gas Limited (AGA), a wholly owned subsidiary of Aga AB of Sweden (AGAB).

40 Mr Engsted goes on to state that AGAB first used the trade mark AGA in the United Kingdom in 1904 in relation to gas products consisting of acetylene dissolved in acetone. It has been in continuous use since that date in relation to an ever expanding range of goods and services says Mr Engsted. AGA, the United Kingdom subsidiary was started in 1913 and commenced manufacturing in Brentford in 1917 he says. This site is still used by the Aga organisation with regard to navigational aids says Mr Engsted. He exhibits a series

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of illustrations and advertisements relating to use of the mark during and shortly after the First World War.

5 AGAB's success during the early days was very much due to the inventive genius and leadership of Gustaf Dalen, says Mr Engsted, first as chief engineer and subsequently as managing director. Mr Engsted goes on to state that in 1912 Dr Dalen was awarded the Nobel Prize for Physics as a result of his research and technical development in the field of gases such as acetylene. Dr Dalen went on to invent the Aga cooker unit which is very widely known indeed, says Mr Engsted.

10 By the 1960's, he says, AGAB had become an industrial conglomerate involved in the gas and electronic industries. Mr Engsted goes on to state that in later years AGAB expanded into refrigeration, steel and power operations.

15 AGAB is presently involved in a substantial number of businesses associated with gases says Mr Engsted. AGAB is the fifth largest industrial gas company in the world with approximately 7% of the total world market in industrial gases he says. In Mr Engsted's view AGAB and BOC are probably the most international of all the world's gas companies; he exhibits Annual Reports of AGAB which also provide an illustration of the different locations
20 from which substantial activities of AGAB are run.

Mr Engsted goes on to state that AGAB's present activities under the mark include production, storage and distribution of gases in compressed and liquid form for use in manufacturing industries; for cutting and welding for instance; medical applications such as
25 anaesthesia and wound healing; speciality gases; gases for use in the metallurgical, food, chemical, pulp and paper industries. AGA is responsible for AGAB's United Kingdom operations in respect of all of these activities under the mark, says Mr Engsted, who exhibits a number of brochures indicating some of the products and services made available by AGA in the United Kingdom, in relation to the mark.

30 Mr Engsted exhibits a copy of AGA's corporate brochure which, he says, clearly displays the mark. Mr Engsted refers in particular to a clear reference to "one of the most modern air separation plants in the country", a reference to "one of the most modern cylinder production plants in the world" and to the wide range of services and products offered by AGA,
35 particularly he says, in the freezing cryogenic and environmental areas. Additionally, says Mr Engsted he would draw attention to the illustration at the back of the exhibit, which clearly identifies the substantial number of outlets in the United Kingdom for products and services under the mark.

40 Mr Engsted also exhibits a schedule of AGAB's United Kingdom trade mark registrations in respect of the mark and similar marks. AGAB is the proprietor of a large number of overseas trade mark registrations in respect of the prior mark also, says Mr Engsted.

45 Mr Engsted also exhibits a listing of specifications of goods and services to be covered by new trade mark applications for registration of the mark AGA.

Mr Engsted gives figures of AGAB's and AGA's turnover in relation to goods bearing the mark, since 1987, as follows:-

YEAR	AGA (US\$)	AGAB (US\$)
1987	1,520,000	1,728,000,000
1988	1,836,000	1,600,000,000
1989	2,142,000	1,778,000,000
1990	2,450,000	2,183,000,000
1991	3,089,000	2,297,000,000
1992	3,504,000	1,686,000,000
1993	4,660,000	2,054,000,000
1994	7,170,000	1,621,000,000

Mr Engsted exhibits magazines "of a promotional and informative nature" produced by AGAB and which are distributed to customers in the United Kingdom on a regular basis. The examples provided date from 1989 and 1995 and clearly display the mark, says Mr Engsted.

AGA spends approximately £100,000 to £200,000 on exhibitions, advertising, sales literature and other promotional activities each year says Mr Engsted, and has done so for at least the last 6 years, he says. In addition, AGA has recently spent in excess of £10,000 on its "corporate profile"; this is exhibited by Mr Engsted.

Mr Engsted goes on to state that AGA has sold its full range of goods and services under the mark throughout the United Kingdom including Scotland, England, Wales, Northern Ireland. Mr Engsted tells us that AGAB and AGA make use of the mark in plain block capitals, in a stylised form in which the height of the A is exaggerated with regard to the G, and also in the same format, upon a dark contrasting background. Mr Engsted exhibits an example of the mark in each of the forms described above.

Mr Engsted states that the applicants use the mark applied for in two different forms; one, in a stylised form with the exaggerated A and word Gas on a dark contrasting background; this is the form for which registration is sought; two, in plain block capitals as illustrated in the applicants' company name and normal written use. Mr Engsted exhibits examples of both forms of use, together with an "entry for the mark under opposition produced by the watching service employed by my company", which clearly refers to the mark as A-GAS, says Mr Engsted.

Mr Engsted also exhibits a company profile report on A-Gas International Limited, the applicants in this case. It is clear from this company profile, says Mr Engsted, that this company is not actively trading.

Mr Engsted also exhibits a company profile report on A-Gas Limited, (which carries out the trading activities of A-Gas International Limited). It is clear from the statement submitted in April 1994 says Mr Engsted, that A-Gas Limited is concerned as a “re-packer and distributor of speciality chemicals and gases”; these products finding uses as “refrigerants or blowing agents” and in “products such as medical sprays”. A-Gas Limited provides “storage, blending, re-packaging, distribution and reclamation” in relation to such gases says Mr Engsted. These activities are reflected in the specification of goods for which the mark was advertised, he says.

Mr Engsted then goes on to demonstrate that the activities, the goods and the services of the applicant company are the same as those of his own company and for which they have registration of the mark AGA.

Mr Engsted also makes submission regarding the confusability of the mark in suit with his own company’s mark.

Applicants’ Evidence

In response to this the applicants filed a Statutory Declaration by John Anthony Cooper, of Bristol, the Chairman of A Gas International Limited (AGIL).

Mr Cooper begins by describing the mark applied for as “a distinctive rectilinear device appearing above the word GAS. After dealing with matters concerning the acquisition and use of the mark Mr Cooper goes on to state that the mark was first used in the United Kingdom in June 1993 and has been used as applied for in relation to the distribution of specialised chemicals and gases, in particular, refrigerants, gases used in aerosols and gases used in blowing machines. Mr Cooper exhibits copies of promotional and other material illustrating the use of the mark upon and in relation to the products in respect of which the application has been made. It will be seen, he says, that the mark appears prominently on the promotional material which is issued to or seen by customers and potential customers as well as on delivery vehicles and on the products themselves.

Mr Cooper gives turnover figures in the goods, by reference to the mark, as follows:

Year	£
1993/94	1,000,000
1994/95	4,061,000
1995/96	5,232,000

The above figures represent total sales; approximately one third relates to export sales, says Mr Cooper.

The following sums have been spent in promoting the mark, says Mr Cooper:

	Year	£
	1993/94	1,000
5	1994/95	32,000
	1995/96	69,000

10 These sums have been spent on general marketing activities including public relations, advertising, brochures and exhibitions relating to the United Kingdom, states Mr Cooper.

15 Mr Cooper exhibits a list of towns in the United Kingdom in which goods or advertising or promotional materials have been distributed by reference to the mark. The list has been taken from the applicants' UK customer database, says Mr Cooper, who goes on to state that the market for the speciality chemicals and gases in which the applicants trade is highly specialised. There can be very few people in that market whether actual or potential customers who have not heard of the applicants or the mark, says Mr Cooper.

20 The mark has been used in parallel with the opponents' marks referred to by Mr Engsted, continuously in the United Kingdom for over three years and during that time the applicant has not been aware of any confusion between its activities under the mark and those of the opponents says Mr Cooper. The opponents have not complained of any such confusion, he points out.

25 Finally, Mr Cooper in his turn makes submissions regarding the confusability of the marks concerned in these proceedings.

With all the foregoing in mind I now turn to consider the grounds of opposition.

30 These are found in Sections 11 and 12(1) of the Act, which read as follows:-

35 11 It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.

40 12 (1) Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of:-

- a. the same goods
- b. the same description of goods, or

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- c. services or a description of services which are associated with those goods or goods of that description.

5 The reference in Section 12(1) to a near resemblance is clarified by Section 68(2B) of the Act which says that references in the Act to a near resemblance of marks are references to a resemblance so near as to be likely to deceive or cause confusion.

10 The established tests for objections under these sections are set down in Smith Hayden & Co Ltd's application (Volume 1946 63 RPC 101) as adapted by Lord Upjohn in the BALI trade mark case 1969 RPC 496. The mark cited by the opponents under both Section 11 and Section 12(1) consists of the word AGA, incorporated in a device, as shown below:-

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The mark sought to be registered is a device which incorporates the word GAS, as shown below:-

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With these marks in mind, the Smith Hayden tests, adapted to these proceedings, may be expressed as follows:-

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- (a) (under Section 11). Having regard to the user of the mark AGA and device is the tribunal satisfied that the mark applied for, GAS and device if used in a normal and fair manner in connection with any goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

(b) (under Section 12). Assuming user by the opponents of their mark AGA and device in a normal and fair manner for any of the goods covered by the registration of that mark, is the tribunal satisfied that there will be no reasonable likelihood of deception among a number of persons if the applicants use their mark GAS and device normally and fairly in respect of any goods covered by their proposed registration?

I do not think there can be any doubt that the opponents' user has been in respect of products the same as or very similar to those specified in the application, nor that the opponents' registrations likewise cover such goods. Certainly, no one put forward any arguments to the contrary. I therefore go on to consider the marks involved in these proceedings.

Mr Carr reminded me that the application of the provisions of Sections 11 and 12 requires different considerations in respect of each section. Consequently these sections should not be bundled together, but considered separately.

Mr Carr is, of course, quite right in this. There can be many matters to be considered under Section 11 whereas Section 12(1) is more or less confined to a consideration of the mark as applied for, and the goods to which it is proposed it should be fixed, and a comparison of these with the corresponding features in the registrations cited.

Nevertheless, I consider that a useful starting point in both cases is a comparison of the marks, and I therefore turn to address that issue. For this purpose I must apply the test propounded by Parker J in *Pianotist Co's application* (1906) 23 RPC 774, page 777 at line 26 et seq:-

"You must take the two words. You must judge of them both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of these trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say - not necessarily that one will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public, which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case."

Mr Alexander, for the applicants, pointed out that the mark applied for is a device mark albeit one with a linguistic element. This should be borne in mind, he said, when making a comparison with the opponents' mark AGA. Secondly the pronunciation of the opponents' mark would differ very markedly from that of the applicants' mark; if, indeed, the latter could be pronounced at all. Thirdly, it was important to bear in mind the level of sophistication in the relevant market. Customers in such a market would know the products and their manufacturers/suppliers unusually well, submitted Mr Alexander. Moreover, he said, they would not be unaware of the opponent company, since it was the fifth largest industrial gas supply company in the world.

With these points in mind it would be impossible for the tribunal to find that there is any similarity in the marks, or any danger of confusion, said Mr Alexander, and he pointed out that the applicants' mark had been used on a substantial scale, since June 1993. There was no evidence that any confusion had arisen as a result of this use, he said.

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Mr Carr, however, saw both visual and phonetic similarities in the marks; he pointed to the dangers of imperfect recollection, and of mispronunciation in export markets. He also pointed out that the scale of the applicants' use of the mark, at the material date, was not impressive given the size of the market and in the light of the phased establishment of the applicants' facilities (as shown by their own evidence).

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Having reviewed these various submissions I cannot find that the marks are confusingly similar or that registration of the mark applied for would give rise to any tangible risk of deception or confusion given normal and fair use of that mark.

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In finding thus I have not overlooked Mr Carr's points concerning the actual manner of the use the applicants have made of their mark, viz, in conjunction with the words A-GAS and in colours very close to the opponents' own house colours red and white. In this regard Mr Carr referred me to the following passage from Chapter 10-04 of Kerly (Kerly's Law of Trade Marks and Trade Names 12th Edition), which appears at page 147:-

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"If in fact it is known what use an applicant intends to make of a mark, that use cannot be excluded. Thus evidence that an intended use is particularly likely to be confusing is helpful to an opponent, to prevent such use being dismissed as unfair or fanciful."

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I can certainly see that the use referred to by Mr Carr imports a significantly higher danger for the opponents than use of the mark as applied for, solus. Nonetheless, I do not think such use is "particularly likely to be confusing" and I therefore do not feel able to find against the applicants under Section 11 or Section 12(1). The opposition under those two sections fails accordingly.

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There remains the matter of the Registrar's discretion. However, I can find nothing in this case which would seem to call for any adverse exercise of that discretion, in the light of my findings under Sections 11 and 12(1). I therefore decline to exercise the Registrar's discretion in this case.

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The applicants having succeeded in these proceedings, I order the opponents to pay them the sum of £1,050 as a contribution towards their costs.

40 **Dated this 26 day of February 1998**

M J TUCK
45 **For the Registrar**
the Comptroller General