

O-122-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2391351
BY APS PROJECT MANAGEMENT LIMITED TO REGISTER THE
FOLLOWING SERIES OF TWO TRADE MARKS**



IN CLASSES 36, 37 AND 42

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 95021
BY ASHFORD PROPERTY SERVICES LIMITED**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No. 2391351
by APS Project Management Limited to register the following series of two
trade marks in Classes 36, 37 and 42**



and

**IN THE MATTER OF Opposition thereto under No. 95021
by Ashford Property Services Limited**

BACKGROUND

1) On 10 May 2005, APS Project Management Limited (“APS”) applied under the Trade Marks Act 1994 (“the Act”) to register the above trade marks in respect to the following list of Class 36, 37 and 42 services:

Class 36: Financial services; financing of property development; financial services relating to real estate development.

Class 37: Building project management; on-site building project management; supervision of construction projects; supervision of construction contracts; building construction supervision; construction supervision; supervision of building work; advisory services for the development of property; construction management services; supervision of property development.

Class 42: Building inspection; quality control of building materials; quality control of completed buildings; buildings and quantity surveying; expert witness services and litigation services, all relating to construction disputes; planning of buildings; construction planning; design of buildings; real estate planning; development of land; architectural project management.

2) The application was subsequently published in the Trade Marks Journal on 1 December 2006.

3) On 28 February 2007, Ashford Property Services Limited (“Ashford”) filed notice of opposition against Class 37 and Class 42 to the application. Ashford makes no challenge to APS’ Class 36 services. It based its opposition on Sections 5(2) (b), 5(3) and 5(4) (a). In respect to the Section 5(2) (b), Ashford claim that all the Class 37 and Class 42 services covered by APS’s application are identical or similar to the services covered by Ashford’s UK registration 2376884 for the trade mark “APS” and filed on 29 October 2004. This is registered for the following list of services:

Class 42: Surveying; land and building surveying; quantity surveying; architectural and design services.

4) Ashford also claims that it enjoys a reputation in respect of its registered trade mark for “building and quantity surveying” and claims that all the Class 37 and Class 42 services listed in APS’s application would take unfair advantage of, and be detrimental to its reputation as “it is essentially free-riding on the Opponent’s mark’s reputation”. This claim is the basis of the grounds under Section 5(3). In relation to its grounds under Section 5(4) (a), Ashford relies on its use in the UK, since 1994 and 2001 respectively of the following two signs:



It claims that the opponent was founded in 1994 with the intention of providing building surveying services but that, from the start, it has offered additional services, namely; project management, quantity surveying, health and safety/planning supervision, access consultancy and design/CAD.

5) APS subsequently filed a counterstatement admitting that there is a high level of visual similarity between the respective trade marks because of the shared “APS” element and that they are phonetically identical. It also admits that there is similarity between the respective services but denies that registration of its trade mark would be contrary to Section 5(2) (b) of the Act. It puts Ashford to proof of use in respect to its claimed reputation in the trade mark “APS” amongst a significant proportion of the relevant public and in relation to “various services, primarily building and quantity surveying services over the last 12 years”. It denies that it is taking unfair advantage and that it is free-riding on Ashford’s reputation. It further denies that use of its trade mark is liable to be restrained subject to the law of passing off or that registration would be contrary to the provisions of Section 5(4) (a) of the Act.

6) APS also points out that the trade mark relied upon by Ashford was subject to cross proceedings and was not yet registered and as such was not an “earlier

mark". I note that those proceedings have been concluded and Ashford's trade mark has now proceeded to registration. These earlier proceedings involved a partially successful attack by APS upon Ashford's trade mark "APS" on the grounds that registration of the trade mark was liable to be prevented by the law of passing off and consequently prohibited from registration by Section 5(4) (a) of the Act. APS relied upon its claimed extensive goodwill and reputation in the sign that is now the trade mark subject to these current proceedings. The parties were given the opportunity to consolidate the respective proceedings but chose to proceed sequentially. I discuss the relevance of these earlier proceedings later (paragraph 61).

7) Both parties filed evidence and this is summarised below. Neither party requested a hearing, but both parties filed written submissions in lieu of a hearing.

Opponent's Evidence

8) This takes the form of seven witness statements. The first of these is by Christopher Jason Millican, Managing Director of Ashford, dated 16 April 2008. Mr Millican explains that Ashford have been providing a variety of services since 1994. These services are building surveying, project management, quantity surveying, construction design and management co-ordinator, health and safety co-ordinator in design and planning phases of projects, access consultancy, relocation management and design, architectural and computer aided design services.

9) Ashford has used the trade mark in the two forms shown in paragraph 4 above. The first form was used between June 1994 and January 2001 and the second from January 2001 to the present.

10) Mr Millican produces, at Exhibit CJM8, a large bundle of invoices with a date range from July 1994 to June 2006. These support Mr Millican's statements regarding the date ranges when the respective forms of the trade mark were used and also show a business in all of the services listed in its registration. This exhibit is complimented by Exhibits CJM9 and CJM10 which provides copies of numerous examples of company stationery illustrating use of both forms of the APS trade mark. Mr Millican is at pains to point out that both Exhibit CJM8 and Exhibit CJM9 provide evidence of Ashford's project management activities.

11) Mr Millican explains that he is only able to exhibit a limited amount of evidence relating to the promotion of APS as the company employed a minimalist marketing approach to avoid unwanted nuisance enquiries and promotion was therefore limited and very targeted. Nevertheless, Mr Millican has provided details of many marketing activities. Exhibit CJM11 is a copy of a fax dated 12 July 1994, sent to the Estates Gazette enclosing the text of a news item announcing that Ken Ashford has set up a new firm called APS Chartered Surveyors. Mr

Millican explains that Estates Gazette is a magazine aimed at the commercial property market and has the largest paid for circulation for commercial property magazines in the UK with nearly 30,000 subscribers in 2005 and taking account of “pass-on readership” has a total audience of about 150,000. This estimate is made by the Estate Group website, an extract of which is provided at Exhibit CJM13.

12) Exhibit CJM14 contains information relating to adverts in the Estates Gazette and other publications. This includes an invoice dated 1 September 1995 for an advert in the Estates Gazette under the heading abbreviated in the invoice as “Building Surs & Vals Struct Inspecti”. A further invoice dated 25 January 2000 relates to an entry in the Crime Prevention Yearbook. A copy of a directory listing from www.efreeman.co.uk, under “Surveyors and Property Consultants” includes an entry for “APS Chartered Surveyors”. Also included are copies of two extracts from “Property Week” magazine both featuring a short news item about “APS Chartered Surveyors”. These are dated May and July 2006.

13) Exhibits CJM16 and CJM17 include numerous copies of pages from Ashford’s website illustrating use of the second form of the trade mark since 2004. In these pages, Ashford describes itself as “property and construction consultants” and the services it provides are categorised under the headings “project management”, “building surveying”, “quantity surveying”, “H & S/ planning supervision”, “access consultancy” and “design/CAD”. On the “About US” page, the following text appears:

“Established in 1994. APS Chartered Surveyors are an innovative, multi-disciplined firm of surveyors. The practice advises on:

- Refurbishment
- Fit-Out
- Alterations
- New Build
- Acquisitions
- Relocations”

and:

“The APS team is made up of:

- Chartered Building Surveyors
- Project Mangers
- Quantity Surveyors
- Health and Safety Professionals
- Designers
- Access Consultants”

14) A number of client testimonials appear on this website. Copies of undated pages include such from the Disability Rights Commission as well as private companies such as Berkeley Homes, Verve Properties, XL Capital and Commercial Estates Group. The Berkeley Homes testimonial makes reference to being involved with APS on a number of projects “over the last 5 years” and Commercial Estates Group states “[o]ver the last 10 years we have worked closely with APS on many projects...”. Exhibit CJM17 also includes a client list on a web page dated 9 August 2006. This list contains over 150 organisations, many of which are large household names, a number of well-known hotels and a number of public bodies. This information is complimented at Exhibit CJM27, which consists of copies of further website pages dated 31 March 2005 detailing, what Mr Millican categorises as “some of the more important jobs” that have been undertaken by Ashford. It is not necessary to list the details of these, but I note that there are thirty six jobs listed, including refurbishment of premises, access audits, external repair and redecoration of premises, building surveys and maintenance programmes.

15) Details of sponsorship of charitable events are also included on the website. Again, dated 9 August 2006, sponsorship of a charity trip to the Artic and the choice of the Muscular Dystrophy Campaign as Ashford’s chosen sponsored charity for 2005 are detailed. Other marketing activities are detailed including the hosting of an APS “Autumn party” in 2004, a number of invoices relating to the rental of a mailing list, rental of equipment relating to a number of events such as a seminar held at the Institute of Directors in September 2004.

16) Mr Millican also discloses the following turnover:

YEAR	TURNOVER (£s)
1994/1995 (17 months to 30 September)	128,445
1995/1996 (12 months to 30 September)	241,448
1996/1997 (12 months to 30 September)	341,293
1997/1998 (12 months to 30 September)	584,206
1998/1999 (12 months to 30 September)	561,872
1999/2000 (12 months to 30 September)	767,687
2000/2001 (12 months to 30 September)	1,836,835
2002/2003 (18 months to 31 March)	2,492,798
2003/2004 (12 months to 31 March)	1,502,951
2004/2005 (12 months to 31 March)	1,690,289
2005/2006 (12 months to 31 March)	1,499,373

In addition, he also discloses turnover figures in the region of £1.7 million for the two years following this. Mr Millican also estimates that between 32% and 70% of this turnover, in any one year, can be attributed to “project management/project co-ordination services”.

17) Finally, at Exhibit CJM29, Mr Millican lists “most of the projects” that Ashford has carried out. This list comprises 1350 jobs with various descriptions appearing under “(project) type” including “building survey”, “building surveyors appraisal”, “cost estimate”, “building contract” and “drawings” and records jobs in many locations across the UK including London, Liverpool, Wakefield, Surrey, Oxfordshire, Aldershot, Milton Keynes, Nottingham, Cardiff, Ipswich, Bedford, Worcestershire, Cambridge, Solihull, Sheffield, Manchester and Bristol.

18) The second witness statement, dated 31 March 2008, is by Kenneth John Ashford, founder of Ashford. He explains that Ashford started trading on 1 June 1994 and that he was managing director from that date until he sold and left the company in April 2005. Mr Ashford provides further testimony to the use of the two forms of Ashford’s trade mark as detailed in paragraph 4 above. Much of the content of this witness statement goes to attempt to illustrate that “project management” formed a large part of the business undertaken by Ashford.

19) The third witness statement, dated 21 April 2008, is by Darren Ainsley Thacker, Registered Trade Mark Attorney and a Partner of Serjeants, Ashford’s representative in these proceedings. He explains that the purpose of his witness statement is to provide evidence in support of the fact that the respective services are identical or “confusingly similar”.

20) He states “building inspection” and “building ... surveying” covered by APS’ application are identical to “surveying” and “land and building surveying” covered by Ashford’s registration. He claims “planning of buildings; construction planning; design of buildings; real estate planning; development of land; architectural project management” are identical to “architectural and design services”. Further, both specifications cover “quantity surveying”. He claims that, to any extent that these services are not identical, they are confusingly similar because they are complementary and represent a natural business extension of one another. He further contends that the remaining objectionable services covered by APS’ application are confusingly similar to Ashford’s services because they are also complementary and represent a natural business extension of one another. By way of illustration, he states that it is commonplace for Chartered building surveyors or Chartered quantity surveyors to provide on- and off-site project management, project co-ordination and contract administration. He also contends that a firm of Chartered Building Surveyors will often act as expert witnesses in legal proceedings.

21) In support of his views, Mr Thacker turned to a series of Internet searches carried out in February 2008. The first of these is a search using the Google search engine. This was a search for UK websites containing the words “chartered building surveyor project management” and resulted in 488,000 hits, the first hundred of which are provided at Exhibit DAT2. Mr Thacker explains that these hits fall into two categories. Firstly, those that relate to Chartered building surveyors and property consultants that routinely offer project management and,

secondly, job adverts for positions that involve providing both building surveying and project management services. Mr Thacker supports his contention that there is a clear commercial link between building surveying and project management by providing historical website extracts obtained using “Wayback Machine”. These are provided at Exhibit DAT3 and are intended to illustrate that the link between chartered building surveying and project management existed for many years prior to the relevant date. The exhibit includes a number of historic websites dating back to 2000 showing companies, many of which are Chartered building surveyors, providing both building surveys and project management, often in addition to other services.

22) Mr Thacker repeated his searches detailed above, also in February 2008, but this time in respect of “Chartered quantity surveyors”. On this occasion, his Google search retrieved 234,000 hits and the first hundred are provided at Exhibit DAT4. These results mirror the results of his earlier search, but this time illustrating a link between “quantity surveyors” and “project management”. At Exhibit DAT5, Mr Thacker also produces historic websites located using “Wayback Machine”. These illustrate that firms of quantity surveyors also offer a range of additional services including project management.

23) There are also four witness statements from third parties. The first, dated 2 April 2008, by James Andrew Scott, Managing Director of Commercial Estates Group Ltd, a property investment and management group. The second, dated 7 April 2008, by Stephen Edmund Harding Wright, an Associate of ttsp Ltd, a firm of architects and designers. The third, dated 28 April 2008, by David Anslow, founding partner of The Anslow Partnership LLP, a firm of building services consultants. The fourth, also dated 28 April 2008, by Kevin James Steele, partner of Mishcon De Reya, a law firm. These third parties all attest to it being relatively common practice for firms such as Ashford to provide building surveying and project management services. Further, they also refer to instances of actual confusion and/or to the likelihood that the trading circumstances may lead to confusion. Mr Wright, upon becoming aware of APS, had to seek clarification from Ashford as to the business relationship between the two parties. Mr Anslow, when first coming into contact with APS incorrectly assumed that he was dealing with Ashford. Mr Steele also personally experienced confusion between the two parties and this was only resolved through clarification from Mr Millican at Ashford. These three individuals, together with a fourth, Mr Scott all consider that because of the similarity of the services provided by the respective parties and because both use trade marks incorporating the letters “APS”, there is a likelihood that they will be viewed as the same or linked undertakings.

Applicant’s Evidence

24) This consists of two witness statements. The first of these, dated 24 July 2008 is by Brian Taylor, Director of APS and the second, dated 28 July 2008, by Eric Wallace, Managing Director of APS.

25) Mr Taylor explains that the predecessor in business to APS, Arnold Project Services Limited (“Arnold”) was founded in 1986. APS and Arnold have traded since March 1987 using the trade mark “APS” in different forms. The company used various names up to 1998 at which time it began trading as APS Project Management.

26) Services under the name APS began in 1987 in relation to project management, project consultancy and construction management services. In 1990 loss adjusting services were provided for the first time and in 1991, expert witness services were also provided for the first time. The range of services continued to expand and by 1998 these services included construction management, building surveying and quantity surveying. But Mr Taylor is at pains to point out that throughout its history, the core service has always been on- and off-site project management.

27) Arnold used a number of signs all incorporating “APS” from 1987 until 5 June 2000 when it adopted the sign that is now the subject of its trade mark application. Since commencement of trading, Arnold provided its services throughout the UK and that it was always referred to as “APS”. Exhibit BT1 is a copy of minutes of a management meeting held on 5 April 1990 and contains details on twelve projects, one in Glasgow, many of the others in London.

28) Exhibit BT2 provides a list of twenty two projects in progress in December 1990. It also includes copies of extracts from Arnold’s “Project Directory” which provides names and addresses of the service providers on each of these projects. Arnold are listed, in many cases, as the “project manager”, with two others where it is listed as the “Investor/Fund’s Surveyor” and additionally, on three projects as both “Project Manager” and “Planning Supervisor” and one project as “Project Manager/.../Quantity Surveyor/Cost Planner/Planning Supervisor”.

29) Annual turnover for Arnold’s business is disclosed as follows:

Year	Turnover (£s)
1986/1988 (16 months to 31 March)	450,820
1988/1989 (12 months to 31 March)	1,055,188
1989/1990 (12 months to 31 March)	1,939,163
1990/1991 (12 months to 31 March)	2,321,741
1991/1992 (12 months to 31 March)	2,247,313
1992/1993 (12 months to 31 March)	2,665,072
1993/1994 (9 months to 31 December)	3,341,673
1994/1995(12 months to 31 December)	3,476,301
1995/1996(12 months to 31 December)	2,481,952
1996/1997(12 months to 31 December)	2,124,687
1997/1999 (16 months to 30 April)	1,736,543

1999/2000 (12 months to 30 April)	1,246,585
2000/2001 (12 months to 30 April)	1,535,273
2001/2002 (12 months to 30 April)	1,839,217
2002/2003 (12 months to 30 April)	1,903,615
2003/2004 (12 months to 30 April)	2,279,079

30) At Exhibit BT3, Mr Taylor also provides correspondence and literature to illustrate use of the name “APS” and to show that Arnold was known as “APS”. Exhibit BT4 consists of a copy of a “Project Control Brochure” published by Arnold in October 1994 and further illustrates that Arnold was referred to as APS. This brochure reflected the “project management services” that were the principal services provided by Arnold. It also listed other services, namely:

“Design Management

Imposing commercial and legal disciplines in managing the design process while preserving creativity.

Project Tracking

Monitoring the progress of a project for funders or owners.

Conciliation and Mediation

Providing an informed, independent alternative to time-consuming arbitration or costly litigation.

Dispute Resolution

Acting as expert witness or giving expert advice on contracts and to support or contest claims.

Insurance Loss Limitation

Managing the consequences of an insured event and the remedial works to minimise an insurer’s loss.

Loss Adjustment Assistance

Giving loss adjusters the project and construction management strengths to assess and negotiate claims.”

31) Mr Taylor states that boards were placed outside sites where APS were providing its project management services and that these boards carried the “APS” trade mark of the time. Exhibit BT5 includes a copy of a project programme relating to a project undertaken for Sony Music Entertainment (UK) Limited in 1993. Mr Taylor states that this programme featuring the earlier “APS” trade mark was circulated to “the professional team, the client, the quantity surveyor, Mercer Miller, the architect, Harper Mackay, the building services consultant, Hilson Moran and the structural engineers, Atelia1.”

32) Turning to Mr Wallace's witness statement, he reiterates that APS' core service is "project management" and goes on to say that 70% of its turnover can be attributed to this activity. He states that APS has offices in London, Bristol and Edinburgh. He also points out that "construction projects involve a number of parties which can include the developer, construction company, contractors, sub-contractors, contract administrator, project manager, architect, designer, structural engineer, service engineer, quantity surveyor, building surveyor, planning supervisor, mechanical and electrical engineer, security consultant, landlord, property management company, estate agent, investors, banks, insurers, lawyers...as well as other specialist advisors...".

33) By June 2000, Arnold and APS were trading together as "APS Project Management" and had 182 projects where it was engaged to provide project management services. These projects had a wide geographic spread and involved working with between four and twenty seven project partners. The combined construction value of these projects was £2.8 billion. By December 2004, it provided project management services for 173 projects with a combined construction value of £3.9 billion.

34) Mr Wallace also provides information regarding the promotion of the name "APS" including advertising in the Association for Project Management Yearbook since 2000, Yellow Pages (London and Bristol) since 2000, Yell.com (London and Bristol) since 2000, Freeman's Guide to Property Industry since 2001 and the Estates Gazette since February 2005. Exhibit EW7 provides copies of nineteen advertisements, listings, promotional material and press cuttings. All of these make reference to "project management services". Two of these also list additional services. The first of these is a copy of an advertisement that appeared in the Daily Telegraph in February 2003 and in addition to the trade mark at issue also includes a list of services provided by APS that includes cost planning and building surveying. The second is a copy of pages from a promotional brochure where cost planning and building surveying are included in a list of services provided.

35) Promotion and advertising spend is disclosed for periods between 1997 and 2005, with these figures varying between £46,103 and £93,713.

DECISION

Section 5(2) (b)

36) The opposition is founded upon Section 5(2) (b) of the Act. This reads:

"(2) A trade mark shall not be registered if because –

(a) ...

(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.”

37) An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

38) Of potential relevance to a ground of opposition under Section 5(2) are the provisions that relate to proof of use. Section 6A(1) details the circumstances where these provisions apply:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(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.”

39) Ashford’s registration has an application date of 29 October 2004, some six months prior to the filing date of APS’s application. Ashford’s trade mark is therefore an earlier mark as defined by Section 6 of the Act. It completed its registration procedures on 1 February 2008 and as this is after the publication of APS’s trade mark, the proof of use provision does not apply.

40) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-*

Goldwyn-Mayer Inc [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG*,
- (g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,
- (h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

Comparison of services

41) In assessing the similarity of services, it is necessary to apply the approach advocated by case law and to take account of all the relevant factors relating to the services in the respective specifications. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

42) Other factors may also be taken into account such as, for example, the distribution channels of the goods and services concerned (see, for example, paragraph 53 of the judgment of the Court of First Instance (CFI) in Case T-164/03 *Ampafrance S.A. v OHIM – Johnson & Johnson GmbH (monBeBé)*).

43) With the issue of genuine use not arising in these proceedings, the analysis of services required by Section 5(2) of the Act should be a notional one based on the services listed in the respective specifications rather than an analysis based on what the parties are actually doing in the market place. In taking this view, I am mindful of the comments of the ECJ in *O2 Holdings Limited, O2 (UK) Limited*

v Hutchison 3G UK Limited, Case C-533/06 when commenting on the same issue within the context of the Directive 89/104 to approximate the laws of the Member States relating to trade marks:

“65 It is true that the notion of likelihood of confusion is the same in Articles 4(1)(b) and 5(1)(b) of Directive 89/104 (see, to that effect, Case C-425/98 *Marca Mode* [2000] ECR I-4861, paragraphs 25 to 28).

66 Article 4(1)(b) of Directive 89/104, however, concerns the application for registration of a mark. Once a mark has been registered its proprietor has the right to use it as he sees fit so that, for the purposes of assessing whether the application for registration falls within the ground for refusal laid down in that provision, it is necessary to ascertain whether there is a likelihood of confusion with the opponent’s earlier mark in all the circumstances in which the mark applied for might be used if it were to be registered.

67 By contrast, in the case provided for in Article 5(1)(b) of Directive 89/104, the third-party user of a sign identical with, or similar to, a registered mark does not assert any trade mark rights over that sign but is using it on an ad hoc basis. In those circumstances, in order to assess whether the proprietor of the registered mark is entitled to oppose that specific use, the assessment must be limited to the circumstances characterising that use, without there being any need to investigate whether another use of the same sign in different circumstances would also be likely to give rise to a likelihood of confusion.”

44) As such, I shall approach this analysis based on normal and fair use of the services listed in the respective specifications.

45) I will consider the level of similarity between the respective services giving due consideration to the factors identified above. The respective services are set out below:

Ashford's services	Relevant APS's services
<p>Class 42: Surveying; land and building surveying; quantity surveying; architectural and design services.</p>	<p>Class 37: Building project management; on-site building project management; supervision of construction projects; supervision of construction contracts; building construction supervision; construction supervision; supervision of building work; advisory services for the development of property; construction management services; supervision of property development.</p> <p>Class 42: Building inspection; quality control of building materials; quality control of completed buildings; buildings and quantity surveying; expert witness services and litigation services, all relating to construction disputes; planning of buildings; construction planning; design of buildings; real estate planning; development of land; architectural project management.</p>

46) Firstly, there are clearly a certain number of APS's services that are identical to those of Ashford. "[B]uilding and quantity surveying" are covered by identical terms in Ashford's Class 42 specification. Similarly, APS's "design of buildings" is covered by the term "design services" in Ashford's registration. Further, "building inspection" is part of the process of surveying a building and as such, I find that this term is identical to Ashford's "building surveying". This point is made at paragraph 17 of Ashford's statement of grounds and conceded by APS in paragraph 10 of its counterstatement.

47) Ashford's services include "architectural services". In order to fully consider how similar APS's services are, it is necessary to understand the scope of "architectural services". An architect is defined as "a person whose job is to design new buildings and make certain that they are built correctly"¹. Therefore, it is clear that APS's "architectural project management" is a service covered by Ashford's "architectural services". Further, design services will involve planning and therefore I also find that "architectural and design services" includes "planning of buildings; construction planning; real estate planning" and therefore these are also identical services to Ashford's services.

48) Next, I will consider the Class 42 terms "quality control of building materials; quality control of completed buildings; ...development of land" and the construction-type services covered by APS's Class 37 specification. The role of an architect includes making certain that buildings are built correctly. This process will include inspecting buildings and also the quality of building materials may be monitored. Further, this process may also involve the managing or supervising of construction. As such, APS's construction-type services listed above can share the same end users and trade channels (that is, they can be

¹ Cambridge Dictionaries Online (<http://dictionary.cambridge.org>)

provided by the same trader as one that provides architectural services) and are highly complementary to the provision of architectural and design services. As such, I find that these services share a high level of similarity with Ashford's "architectural and design services".

49) APS has been somewhat contradictory regarding its position on the similarity of services. In its counterstatement, it conceded that there is similarity between the respective services (but does not elaborate further). However, in its written submissions, APS argues that "project management" is a separate discipline and is distinct from Ashford's "quantity surveying" and "design services". The proposition is that the project management provides a single point of contact and control for all elements of management of the design and construction process. It is a complex and specialist discipline whereas quantity surveying and design services are just two small discreet parts of the process. I do not accept this rationale. It is clear from APS' own argument that such "project management" may involve the provision of "quantity surveying" and "design services" or at the very least involve the control of the quantity surveyors and designers involved in the project. As such, even if "project management" does not include "quantity surveying" and "design services" then they are at least highly complementary and as such share a high level of similarity.

50) The remaining relevant services of APS's application are "expert witness services and litigation services, all relating to construction disputes" in Class 42. The services of an expert witness are very specialised in nature but, in this case, require the expert knowledge of someone in the construction industry and therefore an architect or surveyor may be well placed to provide such a service in respect of construction disputes. As such services are limited to the field of construction disputes, it follows that they will also involve the same end users as those for architects and surveyors. Whilst such services may be peripheral to the core activity, they are nevertheless complementary in nature. As such, I conclude that these services have a reasonable level of similarity to architectural and surveying services.

51) To summarise, I find the following:


<p>Services identical to APS's "Surveying; land and building surveying; quantity surveying; architectural and design services"</p>	<p>Class 42: buildings and quantity surveying; planning of buildings; construction planning; design of buildings; real estate planning; architectural project management.</p>
<p>Services highly similar to APS's</p>	<p>Class 37: Building project management; on-site building project management; supervision of construction projects; supervision of construction contracts; building construction supervision; construction supervision; supervision of building work; advisory services for the development of property; construction management services; supervision of property development.</p> <p>Class 42: Building inspection; quality control of building materials; quality control of completed buildings; development of land.</p>
<p>Services with a reasonable level of similarity to APS's services</p>	<p>Class 42: expert witness services and litigation services, all relating to construction disputes.</p>

The average consumer

52) As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who the average consumer is for the goods at issue. I have already found that all of the respective services are either identical or similar. It follows that, in respect of identical services, the relevant consumers are the same. In the current case, as the similar services are all provided as part of, or in support of construction projects, then it also follows that the average consumer for these services will also be the same. This relevant consumer will be construction industry professionals or individuals or companies undertaking construction projects. The purchasing act for such services will involve more than an average amount of care as the services are relatively costly to access and because, in some cases, the providers may specialise in specific areas within the construction industry.

Comparison of marks

53) I will now go on to consider the similarities and differences between the trade marks themselves and the impact of any differences upon the global assessment of similarity. When assessing this factor, I must do so with reference to the visual, aural and conceptual similarities between the respective trade marks bearing in mind their distinctive and dominant components (*Sabel BV v Puma AG*, para 23). The trade marks to be compared are:

Trade Marks of Ashford	Trade Marks of APS
APS	

54) I note that APS, in its counterstatement, admit that there is a high level of visual similarity by virtue of the shared “APS” element. I concur with this view, but also note that the additional device of a person doing a hand stand that is present in APS’s two trade marks is a point of visual difference when comparing the respective trade marks. However, when comparing the trade marks as a whole, I conclude that these differences and similarities combine to give a high level of visual similarity.

55) From an aural perspective, APS also admit that the respective trade marks are phonetically identical. Once again, I concur with this view. Both trade marks will be pronounced as the three letters A-P-S.

56) From a conceptual perspective, I am not aware of “APS” having any specific conceptual meaning. Both parties have provided evidence disclosing the respective origins of the letters “APS” in their trade marks, confirming that there is no intended conceptual identity in either parties’ trade mark beyond being a reference to a company name. In conclusion I find that, as neither of the respective trade marks has a conceptual meaning, there is neither conceptual similarity nor dissimilarity.

Use and distinctive character of the earlier trade mark

57) I have to consider whether the opponent’s trade mark has a particularly distinctive character either arising from the inherent characteristics of the trade marks or because of the use made of it. Ashford’s trade mark consists of the letters “APS” and, as I have already concluded, are three letters that when combined have no conceptual meaning. Letter trade marks are not uncommon as letters are often used as abbreviations or initials of individual or company

names and as such, do not have the highest level of distinctive character enjoyed by, for example, a made up word. Nevertheless, the particular trade mark “APS” enjoys an average level of inherent distinctive character.

58) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchen Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

59) For the purposes of considering if Ashford’s trade mark benefits from an enhanced distinctive character by virtue of the use made of it, it is necessary for me to consider the scale of use in the UK. To this end, Ashford claims use in the UK since June 1994 and in many locations across the UK. The scale of this use is reflected in the turnover figures reproduced in paragraph 16 above. These show a turnover between £1.5 and £2.5 million in the three full years directly prior to the relevant date. Whilst dated August 2006, some fifteen months after the relevant date, the extensive client list provided at Exhibit CJM17 lends support to a conclusion that Ashford is a longstanding, established business. Taking all these points into account, I accept that there is indeed a longstanding trade in all the services listed in its specification of services. Taking account, also, of the scale of this trade, I conclude that it has resulted in a small impact upon the level of the trade mark’s inherent distinctive character, but such an impact will not have any material difference to the level of distinctive character established by its

inherent qualities. In reaching this conclusion, I also take note that APS's evidence demonstrates concurrent use of their APS trade mark for identical or similar services. This is a further reason why Ashford's use of APS has not resulted in it having an appreciative effect upon its level of distinctive character.

Likelihood of confusion

60) It is clear from the case law that there is interdependency between the various factors that need to be taken into account when deciding whether there exists a likelihood of confusion. I must also take into account that marks are rarely recalled perfectly with the consumer relying, instead, on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27).

61) I have found that the respective trade marks share a high level of visual similarity, are aurally identical and that neither of the respective trade marks has any conceptual meaning. Taking all the factors into account, I find that, *prima facie*, the relevant public would be confused as to the origin of any services provided under either of the respective "APS" trade marks. Section 5(2) (b) itself does not require that the applicant's trade mark be mistaken for the opponent's and confusion in either direction will assist the holder of the earlier trade mark. Therefore, the finding in the earlier proceedings that APS had the stronger claim at common law to the sign "APS" for project management at the date of Ashford's application does not disturb my finding here. There is nothing in the Act that affects the operation of the law of passing off (Section 2(2)) and Section 11(3) of the Act provides certain rights for antecedent users of unregistered marks.

Concurrent Use

62) Having found that a *prima facie* likelihood of confusion exists, the only factor that can save the application is the existence and effect of concurrent use. I believe it is a point I must address considering the extent of use made of the relevant trade mark by APS. In doing so, I am mindful that I must be satisfied that the parties have traded in circumstances that suggest consumers have been exposed to both trade marks and have been able to differentiate between them without confusion as to trade origin (see to that effect the Court of Appeal in *The European Ltd v The Economist Newspaper Ltd* [1998] FSR 283 at page 291, Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at 809 and the Court of Appeal in *Phones 4U Ltd v Phone 4u. co. uk Internet Ltd* [2007] RPC 5 at paragraphs 42 to 45 and Alan Steinfield QC, sitting as a deputy judge of the High Court, in *Fiorelli Trade Mark* [2007] RPC 18)

63) Therefore, for concurrent use to be of assistance to an applicant I must be satisfied that the effect of concurrent trading has been that the relevant public has shown itself able in fact to distinguish between services bearing the marks in question i.e. without confusing them as to trade origin. That implies that both parties are targeting an approximately similar, or at least overlapping, audience

and that the use by the parties in nature, extent and duration of trade has been sufficient to satisfy me that any apparent capacity for confusion has been adequately tested and found not to exist. In the current case, I concluded earlier that there is an overlapping audience by virtue of the identity or similarity between the respective services. The respective evidence submitted by the parties, for example, illustrates that they both advertise in the Estates Gazette. However, no evidence has been put forward by APS to demonstrate such use has occurred without confusion. On the contrary, Ashford has made a number of references to where confusion has occurred. In particular, I refer to the witness statements of Mr Wright, Mr Anslow and Mr Steele. Mr Wright, upon becoming aware of APS, had to seek clarification from Ashford as to the business relationship between the two parties. Mr Anslow, when first coming into contact with APS incorrectly assumed that he was dealing with Ashford. Mr Steele also personally experienced confusion between the two parties and this was only resolved through clarification from Mr Millican at Ashford. These three individuals, together with a fourth, Mr Scott all consider that because of the similarity of the services provided by the respective parties and because both use trade marks incorporating the letters "APS", there is a likelihood that they will be viewed as the same or linked undertakings.

64) Therefore, in light of this evidence and in the absence of any evidence to the contrary, I am not satisfied that the parties have traded in circumstances that suggest consumers have been exposed to both trade marks and have been able to differentiate between them without confusion as to trade origin. My *prima facie* finding regarding likelihood of confusion remains undisturbed and I find there is a likelihood of confusion in respect of all of the services subject to these proceedings and the opposition under Section 5(2) (b) succeeds.

Section 5(3) and Section 5(4) (a)

65) As Ashford has been totally successful in respect of all of APS's services subject to these proceedings, their case cannot be improved through an analysis of the Section 5(3) or Section 5(4) (a) grounds. Therefore, I do not intend to consider these grounds.

COSTS

66) The opposition having been successful, Ashford Property Services Ltd is entitled to a contribution towards its costs. I award costs on the following basis:

Notice of Opposition & accompanying statement	£500
Considering case in reply	£200
Preparing and filing evidence	£1000
Considering evidence	£500
Submissions in lieu of hearing	£300
TOTAL	£2500

67) I order APS Project Management Ltd to pay Ashford Property Services Ltd the sum of £2500. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 8th day of May 2009

**Mark Bryant
For the Registrar,
the Comptroller-General**