

O-323-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION Nos. 2445949 & 2466128
BY RIGCOOL LIMITED
TO REGISTER THE TRADE MARKS**

**Rigcool Ltd Heat Suppression Safety Systems
&**

RigCool Ltd – RigCooling Solutions

IN CLASS 9

AND

**IN THE MATTER OF CONSOLIDATED OPPOSITIONS THERETO
UNDER Nos. 95388 and 96914 BY
OPTIMA SOLUTIONS UK LIMITED**

AND

**IN THE MATTER OF APPLICATION No. 2424749
BY OPTIMA SOLUTIONS UK LIMITED
TO REGISTER THE TRADE MARK
RIG COOLING
IN CLASSES 35 & 37**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 99708
BY RIGCOOL LIMITED**

BACKGROUND

1) Rigcool Limited (hereinafter RIG), applied to register the following trade marks:

Number	Mark	Filing Date	Class	Specification
2445949	Rigcool Ltd Heat Suppression Safety Systems	07.02.07	9	Safety apparatus [for the prevention of accident or injury]; apparatus for suppressing fires; apparatus for extinguishing fires; fire control equipment; fire fighting apparatus.
2466128	RigCool Ltd – RigCooling Solutions	04.09.07	9	Safety apparatus [for the prevention of accident or injury]; apparatus for suppressing fires; apparatus for extinguishing fires; fire control equipment; fire fighting apparatus

2) The applications were examined and accepted, and subsequently published for opposition purposes on 27 April 2007 in Trade Marks Journal No.6681 (2445949) and 8 February 2008 in Trade Marks Journal No.6722 (2466128).

3) On 27 July 2007 (2445949) and 21 April 2008 (2466128) Optima Solutions UK Limited (hereinafter OS) filed notices of opposition (subsequently amended). The grounds of opposition, in summary, are that the marks in suit and the goods for which they are sought to be registered are similar to those of the opponent under its mark 2424749 RIG COOLING. This mark has been used since 2000 in the UK and worldwide in connection with deluge systems for oil rigs/platforms. The marks in suit therefore offend against Sections 5(2)(b), 5(3) & 5(4)(a). Also as a founder member of RIG was a former employee of OS and had first hand access to OS's brand RIG COOLING the mark in suit offends against Section 3(6).

4) On 29 November 2007 (2445949) and 25 July 2008 (2466128), RIG filed counterstatements which denied OS's claims. They state that the former employee referred to was Mr Ian Garden. However, they state that mark 2445949 was being used as of 3 November 2006 when RIG was incorporated but Mr Garden was not involved with RIG until January 2007, being employed initially as a consultant and from July 2007 as an employee. They state that OS's mark RIG COOLING is an industry standard term in the well test industry, Rig Cooling Operator is used as a job title. Other companies in the well test industry use the term on their websites. As such OS's mark is largely descriptive and or generic and does not have the capacity of distinguishing OS's goods and services from those of other undertakings in the same field. They state that OS cannot have reputation or goodwill in its mark for these reasons, and that the marks are different as its mark has the name of RIG as its distinctive aspect.

5) OS applied to register the following trade mark:

Number	Mark	Filing Date	Class	Specification
2424749	RIG COOLING	16.06.06	35	Personnel recruitment services; personnel recruitment agency services; personnel recruitment consultancy; advertising services relating to the recruitment of personnel; recruitment consultancy services; assistance relating to recruitment and placement of staff; advisory services relating to personnel recruitment; business recruitment consultancy; interviewing services [for personnel

				recruitment]; management advice relating to the recruitment of staff; professional recruitment services; recruitment consultants in the oil and gas industries; recruitment of temporary technical personnel; assistance relating to recruitment and placement of staff; employment placement services; placement of staff; placement of personnel skilled in the oil and gas industries; provision of offshore and onshore personnel; information, consultancy and advisory services in respect of the aforesaid services.
			37	Application of fireproof materials; underwater construction and repair services; installation of fire detection systems.

6) The application was examined and accepted, and subsequently published for opposition purposes on 31 July 2009 in Trade Marks Journal No.6796.

7) On 2 November 2009 RIG filed a notice of opposition. The grounds of opposition are in summary that the mark in suit is descriptive of the service of cooling oil and gas rigs from a heat source. It is a description of the kind, quality, intended purpose or other characteristics of the service. The mark has become customary in trade and would not enable the relevant public to identify the origin of the services. It therefore offends against Sections 3(1)(b), 3(1)(c) and 3(1)(d) of the Trade Marks Act 1994. Alternatively it would deceive the public as to the nature or quality of the services given the meaning of the term, as such it offends against Section 3(3)(b) of the Act.

8) On 8 March 2010, OS filed a counterstatement which denied RIG's claims.

9) Both parties filed evidence, and both seek an award of costs in their favour. The matter came to be heard on 18 July 2011. At the hearing, OS was represented by Mr Malynicz of Counsel instructed by Messrs Marks & Clerk; RIG was represented by Ms McFarland of Counsel instructed by Messrs Hindle Lowther.

OS'S EVIDENCE

10) OS filed two witness statements. The first, dated 14 January 2009, is by James Oag the Managing Director of OS, a position he has held since the company began trading in 2000. He states that his company has used the mark RIG COOLING since it began trading in July 2000 in connection with deluge systems for the oil and gas industry. He states that a deluge system creates a wall of water which acts as a barrier between an oil or gas platform and the waste gas which the platform burns off in operation. Without this or some such safety system the integrity of the platform could be damaged and the personnel upon it. Safety is one of the paramount concerns of these industries, OS's goods are highly specialised and the purchasers of such goods will be particularly attentive to ensure that the correct product is purchased for each installation. He states that although his company owns some patents for its systems the concept is not novel. He states that prior to creating the name, the words RIG COOLING were not in use in the oil or gas industry. He provides the following approximate figures for turnover and promotion of the mark RIG COOLING worldwide:

Year	Turnover £	Advertising and promotion £
2000/ March 2001	400,000	10,000

2002	1,400,000	15,000
2003	1,000,000	20,000
2004	1,700,000	20,000
2005	2,100,000	25,000
2006	2,800,000	25,000
2007	6,800,000	40,000
2008	7,454,000	60,000

11) An immediate issue is whether any of the above turnover/expenditure actually relates to the services for which the mark is registered, or whether it relates to the goods which the company installs to reduce radiant heat from flaring. Mr Oag states that the oil and gas industry is a global industry but that approximately half of the turnover and promotion figures equate to the UK. He states that his company is one of only a few companies which sell water deluge systems and his company has worked with most of the leading oil and gas companies in the world such as Shell, BP, Exxon Mobil, etc. He states his belief that most oil and gas companies associate the mark RIG COOLING with OS. He states that OS owns a number of domain names which include the term “rig-cool”. The advertising budget has been spent on business cards, brochures and gift items such as pens and pencils etc. He states that OS has also attended various trade missions and exhibitions around the world. He provides a list of places and dates which corroborates this claim. Mr Oag points out that his company had been trading for six years prior to the application for registration by RIG and given the size of the market RIG must have been aware of his company and its use of the mark RIG COOLING. He also supplies a number of exhibits, those which I find of relevance to my decision have been summarised below.

- Exhibit JO6: Copies of sample press articles. Which read as follows:

Press release, 2005: “It [OS] provides project management and engineering consultancy work for the design and commissioning of specialist offshore well test rig cooling systems.”

Business News, July 2002: “Judges said Optima Solutions UK Ltd deserved to win the High Growth category for its impressive sector knowledge, which has enabled the company to establish itself as a key provider of rig cooling systems.”

Offshore Engineer, July 2002: “...acknowledged in particular its success in securing contracts for rig cooling systems from several major service companies.”

Offshore Engineer, December 2002: “The company’s core business is heavily focused on providing project management and engineering consultancy for advanced oil rig cooling systems.”

Business Scotsman, February 2001: “We devised a rig cooling system that uses everyday technology in an unusual way.”

Offshore Journal, 21 May 2001: This carries an advertisement placed by OS which states they are “Rig Cooling Specialists” and “Optima design and builds state of the art cooling systems”.

- Exhibit JO10 & 11: Copies of a two reports by a private investigator. The first report states that on 19 January 2007 Mr Garden left a business card on a car which identified Mr Garden as a Rig Cool Overseas Operations Consultant. The investigator then describes going to an industrial unit and speaking to the owner, Mr Munro, who was carrying out work for Mr Garden his contact with Rigcool. Mr Munro provided a witness statement which states that he was approached on or around 7 November 2006 by Mr Garden (who Mr Munro already knew) to manufacture some nozzles. The first item was handed to Mr Garden for testing and various modifications were made, others were then made to the new design. Mr Munro also met Mr Milne who Mr Garden described as his business partner.
- Exhibit JO7: Copies of two witness statements filed in another action. One is by Mr Wilie of Shell, the other by Mr Evett a business adviser. Both statements state that they identify the term rigcooling with OS, they also describe OS as providing hydrocarbon flare deluge systems.

12) The second witness statement, dated 20 January 2006, is by Peter Bartholomew the Commercial Director of OS. Attached as exhibit PB1 is an earlier statement that he provided which is dated 10 March 2006. At exhibit PB2 he provides a copy of Mr Garden’s employment contract. He refers specifically to paragraphs 17.1 and 23 as being the clauses broken. Mr Bartholomew states that in October 2006 Mr Garden indicated to him that he was going to leave OS and join another company. He offered Mr Bartholomew the opportunity to join him. Mr Bartholomew states that he informed Mr Garden of restrictive covenants in his contract and was subsequently contacted by Mr Garden’s solicitor who requested a copy of the employment contract which was supplied. Mr Garden then tendered his resignation on 6 November 2006 and was placed on gardening leave until 6 December 2006. Mr Bartholomew states that the nozzles being made for Mr Garden, referred to in exhibit JO10 & 11 above, are taken from designs for an Optima nozzle for which the company is in the process of applying for a patent.

13) Paragraphs 17.1 and 23 of the employment contract read:

“17.1 You shall not directly or indirectly divulge or communicate to any person (other than those within the employment of the company whose province it is to know the same or with the prior written authority of the Managing Director of the Company or as otherwise required by law) nor shall you make use of (otherwise than for the purposes of performing your duties hereunder) any of the trade secrets, designs, techniques, design improvements, know-how, business information, methods, lists or other confidential information of the company or of any associated company (“confidential information”). This restriction shall continue to apply after the termination of your employment for whatever reason.”

And:

“23. Except in the case of summary dismissal, you will be entitled to four weeks’ notice of the termination of this contract (or such longer period as is prescribed by statute); likewise you will be obliged to give the company four weeks’ notice to terminate this contract.”

RIG’S EVIDENCE

14) RIG filed four witness statements. The first, dated 6 September 2010, is by Ian Garden a director of RIG, a position he has held since 11 July 2007. At exhibit IG1 he provides details from Companies House showing the incorporation of RIG and his appointment as a director upon the stated date. He states that RIG’s business “comprises the design, supply and operation of rig cooling systems for the safe cooling and attenuation of radiated heat created by flaring operations on offshore and onshore oil and gas installations”. He states that when he left OS he worked as an overseas consultant building the business in Australia. He did not receive any payment during this six month period. He provides his opinion that the term RIG COOLING is non-distinctive, descriptive and/or generic in relation to the goods and services in the applications of both RIG (2445949 & 2466128) and OS (2424749). He states that in his experience (over twenty years) in the industry the service of cooling radiated heat created by flaring is known as rig cooling. He provides details of RIG’s international business which does not assist my decision. At exhibit IG3 he provides three open letters provided by individuals with a great deal of experience of the oil and gas industry. They all state that they consider the term “rig cooling” as a standard term in the industry. They also state that the industry has used water deluge systems, frequently the fire fighting systems, to cool rigs during flaring operations.

15) The second and third witness statements, both dated 7 September 2010, are by Joanne Lowther, RIG’s Trade Mark Attorney. She describes conducting a search upon the internet archive relating to the use of the term “rig cooling” prior to the filing dates of applications 2424749, 2445949 and 2466128. The results are provided at exhibit JL1. These and other exhibits are summarised below.

- Exhibit JL1: This consists of a page from the website of Burner Fire Control Inc. dated 2003 which states: “When you contact Burner Fire Control to provide these services, you are getting over 100 years of combined experience in rig cooling technology.” There is also a page from The Expro Group, dated 14 June 2004, which is headed “Rig Cooling Systems”. The first line of the page states: “Expro provides rig cooling systems in conjunction with its flare booms to protect the rig from radiant heat during well tests or early production.”
- Exhibit JL2: consists of copies of various pages from a book titled “Operational Aspects of Oil and Gas Well Testing” by Stuart McAleese published in 2000, and was the first volume of the “Handbook of Petroleum Exploration and Production”. On page 40 under the heading “Pre-Test considerations” it states “All rig cooling systems to be function tested”. On page 50 as part of the functions of the ToolPusher/OIM it states: “Have flare boom/flare pit cooling water and rig cooling water shields operational”.
- Exhibit JL3: Consists of an e-mail from Mr Milne a director of RIG with an e-mail and attachment consisting of a CV from Mr Chilton dated July 2010. Mr Chilton states that he

has worked in the industry since 1996. He worked for Expro and in 2003 they employed OS. However, shortly after Expro decided to set up their own rig cooling department and used spray nozzles from a company called Eagle Fire which were virtually identical to those used by OS. He states: “My understanding of this term [rig cooling] is that it is used as a descriptive term by many operators and companies when water is sprayed onto and around the rig structure to prevent overheating of essential equipment”.

16) In her second witness statement she provides as exhibits a copy of most of the examination file for opposition number 2424749. She notes that the examiner raised section 3(1)(b) and (c) objections and that the evidence provided by Mr Oag is almost identical to his evidence in the instant case. Quite why the evidence being re-filed is worthy of comment is puzzling to anyone familiar with trade mark cases.

17) The fourth witness statement, dated 7 September 2010, is by Alistair Andrew Hindle RIG’s Patent Attorney. He states that he assisted RIG in its defence at the Court of Sessions, Edinburgh in December 2008, regarding a dispute over Patent infringements which is still ongoing. He states that these proceedings do not affect any trade mark rights. He states that he is unaware of any legal proceedings against Mr Garden for breach of employment contract. He also provides at exhibit AAH1 papers filed in relation to OS’s patent, which state that the true inventor of the nozzle sought to be patented by OS is not Mr Oag but an Australian Mr O’Meara, and that RIG have purchased the rights to Mr O’Meara’s drawings and so are the rightful patent owners.

OS’S EVIDENCE IN REPLY

18) OS filed two witness statements, both dated 16 November 2010. These contain very similar information and also repeat much of what was provided in Mr Oag’s earlier statement. I shall therefore only summarise new points here. Mr Oag states that the industry wide term for heat suppression systems is “deluge systems”. At exhibit JO3 he provides a copy of minutes from a meeting with Expro, and Noble drilling which refer to deluge systems. He states that the mark RIG COOLING is used in relation to goods in classes 7 and 11, and also services in Classes 35, 37 and 42. He refers to reports written by Mr Garden, whilst an employee of OS, that refer to “the cooling package”, “the cooling system” and “heat suppression system” in a descriptive manner. He confirms that there are no proceedings against Mr Garden regarding breaching his employment contract but he then states that the absence of such action has no part to play in the trade mark proceedings. He also refers to paragraph 20 of Mr Garden’s employment contract which states:

“20.2 Since you have obtained and are likely to obtain in the course of your employment with the Company and any Group Company knowledge of trade secrets, designs, design improvements, know-how, techniques, methods, lists and other confidential information relating to the company and any Group Company and also their respective customers you hereby agree that in addition to the restrictions contained in clause 17 of this Agreement you shall not during the period of six months after the termination date whether alone or jointly with or as a principal, partner, director, agent, employee or consultant of any other person, firm, company or organisation:

20.2.1 engage or be concerned in any business directly or indirectly in competition with any business or activities of the Company (or any Group Company in relation to which you held a position of responsibility at any time during the twelve months immediately prior to the Termination Date) within the United Kingdom;”

19) Mr Oag alleges that when Mr Garden represented himself as the joint owner of Rigcool to Mr Munro (see exhibits JO10 & 11; paragraph 11 above) he breached his employment contract and acted in bad faith. At exhibit JO6 (tab 59) Mr Oag includes an undated brochure. I have taken the following quotes from this document:

- Page 39: “Our portfolio includes the highly successful rig-cooling system and Optima is now the leading supplier of these systems to operators....”
- Page 42: “During well completion operations the hydrocarbon fluid stream is flowed to a surface well test package, to evaluate well reservoir parameters and hydrocarbon properties. At present the preferred method for disposal of these hydrocarbon fluids is by flaring from the drilling rig burner booms. Flaring operations can cause temperatures on the rig to reach levels where the intense heat can compromise the integrity of the rig structure and create a hazardous working environment for personnel. A practical and effective solution to attenuate such enormous temperatures is to construct a barrier formed by a water wall known as a rig cooling system.”
- Page 43: “Optima’s rig cooling systems have been developed and optimised to combat increased flaring rates.”
- Page 43: “An effective rig cooling system must be capable of attenuating radiated heat from differing burner profiles from all the major well test service companies.”
- Page 44: “Both the portable and fixed systems make use of the highly effective Optima Boom Water Shield System. Fitted on the burner boom, the unit applies an effective heat shield close to the main flare to allow the radiated heat to be absorbed by the water droplets produced. This limits the transfer of radiated heat through the atmosphere and thereby on to the rig. Optima’s Boom Water Shield System is designed with system flexibility to mimic the profile of the new green burners in operation today.”
- Page 46: “A portable system provides an effective rig cooling package that operates independently from the rig fire system.”
- Page 47: “Optima’s engineers are responsible for: Rig cooling designer service update.”

20) At paragraph 14 of his witness statement Mr Oag states:

“14. Optima’s choice of RIG COOLING to identify its safety systems intentionally removed it from the WATER + identifiers shown above and used by Burner Fire Control Inc. [WATER CURTAIN] and Expro North Sea Limited [WATER SCREEN] and from the recognised descriptive terminology.”

21) This statement does not appear to concur with page 44 of exhibit JO6 (see paragraph 19 above).

RIG'S EVIDENCE IN REPLY

22) RIG filed two witness statements in reply. The first, dated 4 March 2011, is by Ian Garden who has provided evidence earlier in this case. He states that the term "rig cooling" is a generic term and was not once used by OS as a trade mark. He says that the term is equally descriptive along with "deluge systems", "rig spray system" and "heat suppression system". He states that in the action between the parties regarding the ownership of domain names OS filed a number of examples of its print advertising. He provides these as exhibit IG4. I note that in various advertisements and business cards OS describes itself as "Rig Cooling Specialists" without any mention as to what this was, such as describing it as a deluge system.

23) The second witness statement, dated 15 February 2011, is by Martin Seddon an Operations Engineer for Expro Group Australia Pty Ltd. He states that he is aware of the dispute between the two parties. He has also read the statement dated 16 November 2010 of Mr Oag. Mr Seddon states that from his experience of the oil and gas industry internationally, the term rig cooling, since at least 2000, was in common use as a description for cooling spray systems for protection against burner flare radiation. He states that the term "deluge system" was interchangeable with "rig cooling". He takes issue with the statement by Mr Oag that the term "rig cooling" is distinctive of OS. He provides the following exhibits:

- MS2: An extract from the Woodside Energy Limited manual from 2000 which states: "It should be noted an additional 6000-8000 bwpd will be required to provide water spray and rig cooling."
- MS3: A form from 2007 used by Expro as part of its documented procedure in respect of its rig cooling packages supplied to customers. The form has in the first box at the head of the page the word "Expro", the next box has "Rig Cooling Package". On the next page it states: "The purpose of this procedure is to ensure that all maintenance, repair or rework carried out on produced Rig Cooling packages is to the highest possible standard and in line with statutory regulations."

24) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

25) During the evidence rounds OS withdrew its Section 5(2)(b) ground of opposition in relation to application 2445949 & 2466128. At the hearing it also withdrew the Section 5(3) grounds against both applications.

Opposition 99708

26) I shall first deal with OS's application 2424749 filed on 16 June 2006. The details are shown below for ease of reference:

Mark	Specification
RIG COOLING	35. Personnel recruitment services; personnel recruitment agency services; personnel recruitment consultancy; advertising services relating to the recruitment of personnel; recruitment consultancy services; assistance relating to recruitment and placement of staff; advisory services relating to personnel recruitment; business recruitment consultancy; interviewing services [for personnel recruitment]; management advice relating to the recruitment of staff; professional recruitment services; recruitment consultants in the oil and gas industries; recruitment of temporary technical personnel; assistance relating to recruitment and placement of staff; employment placement services; placement of staff; placement of personnel skilled in the oil and gas industries; provision of offshore and onshore personnel; information, consultancy and advisory services in respect of the aforesaid services.
	37. Application of fireproof materials; underwater construction and repair services; installation of fire detection systems.

27) The grounds of opposition are as follows:

“3.-(1) The following shall not be registered-

- (a) ...
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indication which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade.

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

And:

“3 (3) A trade mark shall not be registered if it is-

- (a)
- (b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or services).”

28) I was referred to *Postkantoor* [2004] E.T.M.R 57 where at paragraphs 97 and 98 the CJEU stated:

“97... A word must therefore be refused registration under that provision if at least one of its possible meanings designates a characteristic of the goods or services concerned...

98 As a general rule, a mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics for the purpose of Article 3(1)(c) of the Directive. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned.”

29) It is known from the guidance of the General Court (GC) that it is necessary to consider whether the relevant consumer will perceive a sufficiently direct and specific association between the mark and the relevant goods and services (see, for example, Case T-356/00 *Daimler Chrysler v OHIM (CARCARD)*, paragraph 25 and Case T-355/00 *DaimlerChrysler v OHIM (TELE AID)*, paragraph 28). Further, the GC has provided guidance on the type of marks prohibited by Article 7(1)(c) of Regulation No 40/94 (from which Section 3(1)(c) is derived). Marks that may serve in normal usage from the point of view of the intended public to designate, either directly or by reference to one of their essential characteristics, the goods or services in respect of which registration is sought are excluded from registration (Case C-383/99 *P Procter and Gamble v OHIM*, paragraph 39). Accordingly, a mark’s descriptiveness can only be assessed by reference to the goods or services concerned and to the way in which it is understood by a specific intended public.

30) I also take note of the comments of Ms Carboni, sitting as the Appointed Person in O-363-09 *COMBI STEAM*, where she conveniently summarised the leading case law in respect of Section 3(1)(b) of the Act:

“7. It has been said that lack of distinctive character is the essence of any objection under section 3(1)(b), (c) or (d) of the Act and that, despite its position in the list, section 3(1)(b) performs “a residual or sweeping-up function”, backing up the other two provisions, which contain specific and characteristic examples of types of marks that lack distinctive character: *Procter & Gamble Ltd’s Trade Mark Application* [1999] RPC 673 (CA) per Robert Walker LJ at 679. If a trade mark is entirely descriptive of characteristics of goods or services (and thereby prohibited from registration under section 3(1)(c)), it will also be devoid of any distinctive character under section 3(1)(b): Case C-363/99 *Koninklijke KPN Nederland BV v Benelux-Merkenbureau (POSTKANTOOR)* [2004] ETMR 57 (ECJ) at [86]. However, the converse is not true: a mark which is not descriptive may nevertheless be devoid of distinctive character for other reasons (*ibid.*).

8. When a trade marks examiner assesses the distinctiveness of a trade mark within the meaning of section 3(1)(b), s/he must do so firstly by reference to the goods or services listed in the specification, and secondly by reference to the perception of the mark in relation to such goods or services by the relevant public, which consists of average consumers of the goods or services in question, who are deemed to be reasonably well informed, observant and circumspect: Joined Cases C-53/01 to C- 55/01 *Linde AG, Winward Industries Inc and Radio Uhren AG* [2003] ETMR 78 at [41].

9. It is not necessary to show that a mark has a particular level of creativity or originality in order to establish distinctive character: Case C-329/02P *SAT.1 Satelliten Fernsehen GmbH v OHIM* [2005] ETMR 20 (ECJ) at [41]. While the Court of First Instance (“CFI”) has repeatedly referred to “a minimum degree of distinctive character” as being sufficient to avoid article 7(1)(b) of the CTMR/article 3(1)(b) of the Directive (for example, Case T-34/00 *Eurocool Logistik GmbH & Co. KG v OHIM* (“EUROCOOL”) [2003] ETMR 4 at [39]; Case T-128/01 *Daimler Chrysler Corp v OHIM* [2003] ETMR 87 at [33]; Case T-320/03 *Citicorp v OHIM* (“LIVE RICHLI”) at [68]), the ECJ has not adopted this wording and has deemed it unnecessary to give any more precise definition to the possible dividing line between lack of distinctiveness and the minimum distinctiveness to which the CFI refers: *Deutsche Krankenversicherung AG v OHIM* (“COMPANYLINE”) [2002] ECR I-7561 at [20].

10. The ECJ approaches the issue of distinctiveness by reference to the underlying purpose of article 3(1)(b) of the Directive / 7(1)(b) CTMR, which in the Court’s view is to preclude registration of trade marks that are incapable of performing the essential function of guaranteeing the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin: *SAT.1 v OHIM* at [23]; Case C-37/03 P *BioID AG v OHIM* [2005] ECR I-7975 (ECJ) at [27].”

31) At the hearing the case against the mark in suit under all the grounds was that the words “rig cooling” were generic for a system which reduces radiant heat during a deliberate burn off of gases during drilling. The provision of a curtain of water to maintain reasonable temperatures for both the drilling equipment and the operators is standard practice in the industry. It is referred to in a number of ways such as “heat suppression system”, “water deluge system”, “water shield”, “water curtain” and “water screen”. RIG therefore maintain that the mark is descriptive of the services being provided or if used on others services such as the provision of personnel for nurseries then it is deceptive. At the hearing Counsel for RIG did not get into specifics regarding the Class 35 services other than this overall view of the mark. There were more details given regarding the services in Class 37 which I will deal with later. The case against the class 35 services was summed up by Ms McFarland thus:

“I recognise -- and I have always made it plain -- that on the first half of 35 I have a different job and perhaps a more difficult job because I have to approach it by saying it is non-specific, it is generic and it might equally apply to bus drivers, nursery school teachers and vets, as it does to offshore/onshore personnel, rig, oil and gas and so on.

That is why I say there is definitely a distinction but, equally, because of *POSTKANTOOR* I say that, if we get home on part, then that is nevertheless sufficient. This is not a case where my learned friend can say, “If I only get home on half or part of the classification, then, never mind, the remaining part uplifts him to validity on the entire classification.” I say that if there is an element that is bad, then that will effectively poison the application. Those were the three passages that I took you to in *POSTKANTOOR*.

On 37, I would suggest to you, and you have my submissions on it, that this rather generalised wording would definitely apply to the services and goods that are being

peddled and vended by both parties. Therefore, if one flips it and says, if this class 37 is granted, would it be suggested by the applicant that the third party, I said, notionally using their brochure in the manner that I have picked up in my skeleton argument, would be an infringement, and I say, yes, it would, that would be their argument.

That is where we come into the public policy argument which, we say, clearly has to be looked at as the underpinning foundation of all of this: Is it fair for this applicant to seek a monopoly for those words? That is where you came in, sir, and said to me, "Well, it is difficult for you to argue that because your clients are applying for the same mark", and that is the point we have just addressed. I was seeking to say that it is not the same, it is actually different.

I have to say, sir, that looking at validity of the applicant's mark, the Optima Solutions mark, it is attractive to say, well, let us look at what your clients are doing, but, actually, if I might say, it is not relevant because even if my clients were applying for something which was equally invalid, then that should not have any impact on whether or not the Optima mark is valid or not. When one is considering validity of the Optima mark and whether the opposition to the Optima mark is good or bad, then we are only looking at that."

32) I accept the opponent's contention that the target market is a specialist market and that decisions impinging upon the safety of the drilling platforms and its crew will be taken with the utmost care. This would include the recruitment of staff and sub-contracting of services. I accept that OS use the term "rig cooling" in a descriptive sense in their booklets and that the term is also used in the industry, amongst others, to describe the system of spraying water onto and around the flare boom to dissipate the radiation of heat to the boom itself and to other plant and machinery in the vicinity and also any workers in and around the area. However, there is no evidence that there is such a job as a "rig cooling operator". I note that there are a number of descriptions given to the type of system, and so it is possible that any could be used as a term to describe such an operator, if indeed such a job exists. From the evidence it would appear that the systems used to reduce radiant heat are unmanned, simply being switched on prior to flaring commencing. The systems would appear to be connected to the pumps used in the rigs fire fighting systems. Therefore, it would seem that the skills required in setting such a system up would be plumbing and electrical. The main problem I have with this case is the complete lack of evidence of the titles used for such jobs and also the way that the jobs would be advertised. The radiant heat reducing plant would seem to be a very minor part of the plant on a rig and it seems unfeasible that a dedicated recruitment service would exist for such a small piece of kit, which once installed, appears to be unmanned. RIG's counsel is both very experienced and highly competent. However, in the absence of such evidence she had no alternative other than to resort to a generalised, unspecific attack.

33) When the mark in suit "RIG COOLING" is used in relation to personnel services for the oil and gas industry I am not convinced that the mark is devoid of any distinctive character. Nor has it been shown that it consists exclusively of a sign or indication which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of rendering of services, or other characteristics the services. Nor has it been shown that the mark consist exclusively of a sign or indication which has become customary in the current language

or in the *bona fide* and established practices of the trade of recruitment of personnel for the oil and gas industry. The opposition to the Class 35 services under Sections 3(1)(b), 3(1)(c) and 3(1)(d) therefore fail.

34) I now turn to the opposition under these same grounds in regard to the Class 37 services. The opponent's case against services in Class 37 was summed up at the hearing thus:

“that is the beauty of this case, it can be understood by everyone, in the sense that – and you are quite right, if I might respectfully say so -- the RIG COOLING that is particularly focused on and is addressed by both the parties in this action, is not necessarily putting out a fire but it is more suppressing heat. It is reducing heat to prevent damage to personnel, hardware, installations and so on.

Of course, again having to look at this fine-tuning of what a fire detection system might be, I say it is absolutely right that that could be a detection of an increase in heat. That is the first way in which one could detect a fire. Detecting heat fluctuation would in any event be part of re-cooling. If one is trying to suppress the damaging effect of excess heat, then a monitor that tells us if heat is climbing above a certain level is well within the ambit and, equally, applying fireproof materials. I say it is not without the realms of obvious application that fireproof materials could be anything that would be interspersed between the heat source and the personnel or the items. My learned friend would have it that it is always a water curtain, a shower or drops of water coming down, it could be anything. It could be asbestos or it could be some sort of heat shield. That would be again right within the ambit of application of fireproof materials.

THE HEARING OFFICER: Do we have any evidence that anyone uses such a shield or materials?

MISS MCFARLAND: We do not, sir, but what we do have is an explanation that the interspersal or the interposing of something that keeps the operatives cool is what is to be achieved by RIG COOLING. It is, in my submission, absolutely obvious that any of the fireproof materials that one can think of -- there is probably much more sophisticated ones than asbestos sheet or mesh -- would achieve the same effect of a fireproof screen or whatever it may be.

I say, sir, that the specific wording that is being sought here in class 37 -- if one flips it the other way and says, if this mark is granted, would it potentially allow this party, Optima, to claim that a third party coming along and supplying an interspersal screen or a fire shower blanket or whatever you want to call it, the shower curtain, the water curtain, under the brand RIG COOLING would infringe? In my submission, self-evidently that is how Optima would categorise class 37 and would seek to bring infringement proceedings. That is really the nub of the problem here because we say that, in those circumstances, that third party would be simply using the brand in a descriptive manner.

To put that into context and if you were to ask me where is the evidence of that, then that is where I look at Optima's own evidence and the evidence that has been exhibited by Mr. Oag and referred to in detail in my skeleton. I will not labour it but I am sure you have it in mind, sir, the evidence where Optima's own brochures are using RIG

COOLING in a completely descriptive way, in the context of sentences and headings and so on where we say it is absolutely clear that they are not even using it in a trade mark sense.”

35) The opponent contends, and I accept, that the term “Rig Cooling” has a defined meaning within the oil and gas industry. It clearly refers to a water deluge system designed to prevent radiant heat from the flare boom affecting the actual drilling platform or its operators. All of the terms used for this process, see paragraph 31, refer to the use of water as the cooling agent. The various systems all appear to use the existing fire fighting lines and pumps to supply the water for the systems which are attached to the flare boom or are adjacent to it. The technical manual provided and the various booklets of both parties do not mention fireproof materials, as the equipment is near to a heat source but is not, in the normal course of events, expected to be exposed to a direct flame. The equipment is itself protected from the heat by the water deluge it supplies. The opponent has not shown any evidence that the term rig cooling is used on the Class 37 services. When used in relation to the class 37 services it would not appear to be devoid of any distinctive character. Nor has it been shown that it consists exclusively of a sign or indication which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of rendering of services, or other characteristics the services. Nor has it been shown that the mark consist exclusively of a sign or indication which has become customary in the current language or in the *bona fide* and established practices of the trade for such services in the oil and gas industry. The opposition to the Class 37 services under Sections 3(1)(b), 3(1)(c) and 3(1)(d) therefore fail.

36) I now move onto the opposition under Section 3(3)(b). This seemed to be predicated upon the basis that the mark in suit was a generic term used in the industry in relation to a deluge system. If that was correct then it was also descriptive in relation to the services in Classes 35 & 37 and use of the mark on services not related to a deluge system would be deceptive. It was described at the hearing as a secondary argument and RIG failed to make the primary contention stick. The opposition under this ground fails in relation to all the services in Classes 35 and 37.

37) Opposition 99708 has failed in its entirety.

Oppositions 95388 and 96914

38) There are two grounds of opposition against the two applications Nos. 2445949 & 2466128. These are under sections 3(6) and 5(4)(a). I shall first deal with the section 5(4)(a) ground which reads:

“5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

39) In deciding whether the mark in question offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision Mr Hobbs stated that:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731 is (with footnotes omitted) as follows:

‘The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.’

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

‘To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

40) I also note the comments of Pumfrey J in *South Cone Incorporated v JackBessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* case, in which he said:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The requirements of the objection itself are considerably more stringent than the

enquiry under Section 11 of the 1938 Act (See *Smith Hayden (OVAX) (1946) 63 RPC 97* as qualified by *BALI [1969] RPC 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised the applicant must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.”

41) I must also keep in mind the comments of Mr Justice Floyd in *Minimax GMBH & Co KG and Chubb Fire Limited* [2008] EWHC 1960 (Pat) in which he says of the above:

“Those observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

42) First I must determine the date at which OS' claim is to be assessed; this is known as the material date. In this regard, I note the judgment of the General Court (GC) in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07. In that judgment the GC said:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000.”

43) In their evidence OS claims to have first used its mark in July 2000, prior to the application being submitted on 16 June 2006. RIG challenged whether the mark RIG COOLING had ever been used as a trade mark by OS. For their part RIG claims to have been using its marks since 3 November 2006, submitting their applications on 7 February and 4 September 2007. I have to determine who is the senior user, or if there had been common law acquiescence taking into account the comments in *Croom's Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42. The relevant date therefore, is 3 November 2006.

44) I now turn to consider the evidence provided by OS. None of the evidence shows use of the mark in the services for which registration is sought by OS. Throughout the witness statements of Mr Oag he contends only that OS has used term “Rig Cooling” as a trade mark in relation to deluge systems. However, it would appear from the various press articles and also their own brochure at exhibit JO6 (paragraphs 11 and 19 above) that the term is used in a descriptive sense. The turnover and promotion figures provided are worldwide. I also note that the company provides a wide range of goods and services and it is not clear how much of the turnover relates to which aspect of the goods and services offered, and how much of that is within the UK. The evidence of RIG regarding the use of the term RIG COOLING in the industry is also important. It shows that other companies use the term when describing their own water deluge systems. RIG also provided a text book regarding operational aspects in the oil and gas industries which shows that the term is used generically (see paragraph 15 above). I also take into account the use by OS of the trade mark “Optima Boom Water Shield System” which appears in their brochure twice on page 44 (paragraph 19 above refers). This trade mark appears to describe a water deluge system in the same brochure that uses the term “rig cooling” in a descriptive sense. Despite this Mr Oag claims that his company chose the term “Rig Cooling” in order to distance itself from competitors who use “Water +” identifiers.

45) In its skeleton argument OS contended that:

“32.In particular, it is clear that just because a sign contains some descriptive aspects does not mean that Optima has not acquired an actionable goodwill in the business. Passing off law is full of examples of such cases where the mark acquired a secondary meaning. Neuberger J (as he then was) summarised the case law in this area in *Robert Smith & Ors v. Beds Direct*, 14 December 2001 at [11] to [19] (unreported, but copy supplied with this skeleton). It has been the law since the “Camel Hair Belting” case that marks can acquire a secondary meaning and then form the basis of a passing off action. As Nueberger J observed at paragraph 14 of the judgment, where the sign comprises two words (as in RIG COOL or RIG COOLING) it is easier for a claimant to establish goodwill.

33. On the facts of this case, Optima contends as follows. First, it is quite clear that Optima has used the signs extensively and for some years before the mark was applied for: see generally the first statement of Mr Oag, and as examples of the use itself, see Exhibit JO9 (the website use).

34. Even if the signs were originally descriptive (which is not accepted) they have in any event acquired a secondary meaning as a result of Optima’s use.”

46) Contrary to this view I do not believe that the evidence shows that OS has used the term “rig cooling” as a trade mark but merely as a description of their main activity. It would appear from their brochure that their water deluge system designed to keep rigs cool is referred to as the Optima Boom Water Shield System. I therefore have to conclude that OS has not demonstrated that at the relevant date, 3 November 2006, it had goodwill or reputation in the mark RIG COOLING for any goods or services. As a result its opposition under Section 5(4)(a) fails.

47) I now turn to consider the ground of opposition under Section 3(6) which reads:

“3.(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

48) Section 3(6) has its origins in Article 3(2)(d) of the Directive, the Act which implements Council Directive No. 89/104/EEC of 21 December 1988 which states:

“Any Member State may provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where and to the extent that....

(c) the application for registration of the trade mark was made in bad faith by the applicant.”

49) In case O/094/11 [Ian Adam] Mr Hobbs Q.C. acting as the Appointed Person summed up the bad faith test in the following manner:

“31. The basic proposition is that the right to apply for registration of a trade mark cannot validly be exercised in bad faith. The invalidity of the application is not conditional upon the trade mark itself being either registrable or unregistrable in relation to any goods or services of the kind specified. The objection is absolute in the sense that it is intended to prevent abusive use of the system for acquiring title to a trade mark by registration. Any natural or legal person with the capacity to sue and be sued may pursue an objection on this ground: see the Judgment of the Court of Justice in Case C-408/08P Lancôme parfums et beauté & Cie SNC v. OHIM [2010] ECR I-00000 at paragraph [39] and the Opinion of Advocate General Ruiz-Jarabo Colomer at paragraphs [63] and [64]. Since there is no requirement for the objector to be personally aggrieved by the filing of the application in question, it is possible for an objection to be upheld upon the basis of improper behaviour by the applicant towards persons who are not parties to the proceedings provided that their position is established with enough clarity to show that the objection is well-founded.

32. Any attempt to establish bad faith must allow for the fact that there is nothing intrinsically wrong in a person exercising *‘the right to apply the rules of substantive and procedural law in the way that is most to his advantage without laying himself open to an accusation of abuse of rights’* as noted in paragraph [121] of the Opinion delivered by Advocate General Trstenjak in Case C-482/09 Budejovicky Budvar NP v. Anheuser-Busch Inc on 3 February 2011. In paragraph [189] of his judgment at first instance in Hotel Cipriani SRL v. Cipriani (Grosvenor Street) Ltd [2009] EWHC 3032 (Ch); [2009] RPC 9 Arnold J. likewise emphasised:

... that it does not constitute bad faith for a party to apply to register a Community trade mark merely because he knows that third parties are using the same mark in relation to identical goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to

strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties would have a defence to a claim for infringement on one of the bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. An applicant who proceeds on the basis explicitly provided for in Art. 107 can hardly be said to be abusing the Community trade mark system.

These observations were not called into question in the judgment of the Court of Appeal in that case: [2010] EWCA Civ 110; [2010] RPC 16. They were re-affirmed by Arnold J. in Och-Ziff Management Europe Ltd v. Och Capital LLP [2011] ETMR 1 at paragraph [37].

33. The line which separates legitimate self-interest from bad faith can only be crossed if the applicant has sought to acquire rights of control over the use of the sign graphically represented in his application for registration in an improper manner or for an improper purpose. The appropriate remedy will in that case be rejection of the offending application for registration to the extent necessary to render it ineffective for the purpose which made it objectionable in the first place.

34. In a case where the relevant application fulfils the requirements for obtaining a filing date, the key questions are: (1) what, in concrete terms, is the objective that the applicant has been accused of pursuing? (2) is that an objective for the purposes of which the application could not properly be filed? (3) is it established that the application was filed in pursuit of that objective? The first question serves to ensure procedural fairness and clarity of analysis. The second question requires the decision taker to apply a moral standard which, in the absence of any direct ruling on the point from the Court of Justice, is taken to condemn not only dishonesty but also *'some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined'*: Gromax Plasticulture Ltd v. Don & Low Nonwovens Ltd [1999] RPC 367 at 379 (Lindsay J). The third question requires the decision taker to give effect to the principle that innocence must be presumed in the absence of evidence sufficient to show that the applicant has acted improperly as alleged.

35. In assessing the evidence, the decision taker is entitled to draw inferences from proven facts provided that he or she does so rationally and without allowing the assessment to degenerate into an exercise in speculation. The Court of Justice has confirmed that there must be an overall assessment which takes into account all factors relevant to the particular case: Case C-529/07 Chocoladefabriken Lindt & Sprüngli AG v. Franz Hauswirth GmbH [2009] ECR I-4893 at paragraph [37]; Case C-569/08 Internetportal und Marketing GmbH v. Richard Schlicht [2010] ECR I-00000 at paragraph [42]. As part of that assessment it is necessary as part of that approach to consider the intention of the applicant at the time when the application was filed, with intention being regarded as a subjective factor to be determined by reference to the objective circumstances of the particular case: Chocoladefabriken Lindt & Sprüngli GmbH (above) at paragraphs [41], [42];

Internetportal and Marketing GmbH (above) at paragraph [45]. This accords with the well-established principle that ‘national courts may, case by case, take account -on the basis of objective evidence -of abuse or fraudulent conduct on the part of the persons concerned in order, where appropriate, to deny them the benefit of the provisions of Community law on which they seek to rely’: Case C16/05 The Queen (on the applications of Veli Tum and Mehmet Dari) v. Secretary of State for the Home Department [2007] ECR I-7415 at paragraph [64].

36. The concept of assessing subjective intention objectively has recently been examined by the Court of Appeal in the context of civil proceedings where the defendant was alleged to have acted dishonestly: Starglade Properties Ltd v. Roland Nash [2010] EWCA Civ 1314 (19 November 2010). The Court considered the law as stated in Royal Brunei Airlines v. Tan [1995] 2 AC 378 (PC), Twinsectra Ltd v Yardley [2002] 2 AC 164 (HL), Barlow Clowes International Ltd v. Eurotrust International Ltd [2006] 1 WLR 1476 (PC) and Abu Rahman v. Abacha [2007] 1 LL Rep 115 (CA). These cases were taken to have decided that there is a single standard of honesty, objectively determined by the court and applied to the specific conduct of a specific individual possessing the knowledge and qualities that he or she actually possessed: see paragraphs [25], [28], [29] and [32]. This appears to me to accord with treating intention as a subjective factor to be determined by reference to the objective circumstances of the particular case, as envisaged by the judgments of the Court of Justice relating to the assessment of objections to registration on the ground of bad faith.”

50) In terms of the date at which the matter falls to be considered, it is well established that the relevant date for consideration of a bad faith claim is the application filing date or at least a date no later than that (Chocoladefabriken Lindt & Sprüngli AG v. Franz Hauswirth GmbH [2009] ECR I-4893; Hotpicks Trade Mark, [2004] RPC 42 and Nonogram Trade Mark, [2001] RPC 21).

51) OS contend that that Mr Garden was aware that OS used the mark “RIG COOLING” in relation to its own water deluge system and that he had breached his employment contract by working for RIG and advising them, in particular, on designs for nozzles. RIG has stated that Mr Garden did not work for the company until the six months period had elapsed. They would appear to have been very aware of the time required and Mr Garden was not paid during this time but instead went to Australia as a consultant for RIG. I also take into account the fact that although the private investigator and Mr Munro (the independent manufacturer of the disputed nozzles) provided witness statements, these were not filed as such but were instead included as exhibits to the witness statements of Mr Oag. This meant that these individuals could not be cross examined by RIG. In relation to such a serious charge as bad faith it is important that the evidence can be adequately challenged.

52) Earlier in this decision I determined that OS had not demonstrated that it had goodwill or reputation in RIG COOLING at 3 November 2006. I note that the parties are engaged in a separate court action over the patent rights in nozzle design, and that no action has been commenced regarding Mr Garden breaching his employment contract. In all the circumstances I

do not believe that OS has shown that Mr Garden was in breach of his contract or that OS had a reputation in the disputed mark. The ground of opposition under Section 3(6) fails.

COSTS

53) Both parties have been successful in defending their applications. As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

Dated this 20 day of September 2011

**G W Salthouse
For the Registrar
the Comptroller-General**