

O-145-16

TRADE MARKS ACT 1994

TRADE MARK APPLICATIONS 3075596 AND 3075597

BY ECOTRICITY GROUP LTD

AND

OPPOSITIONS 403741 & 403742

BY GB BRITISH GAS HOLDINGS LTD

Background and pleadings

1. On 14th October 2014, Ecotricity Group Ltd (“the applicant”) filed applications 3075596/7 to register the trade marks shown below.

3075596



3075597



2. The applications include a disclaimer in these terms:

“Registration of this mark shall give no rights to the exclusive use, separately of the words "Green" "British" and "Gas"

3. The goods and services for which registration of the mark is sought are set out in paragraph 35 below. Basically, the applicant wants to register the marks for gas in class 4, supply and distribution of gas in class 39, production of gas in class 40, and various related goods and services, such as gas meters in class 9, gas cleaning apparatus in class 11 and installation, repair and maintenance of gas apparatus in class 37.

4. The applications are opposed by GB British Gas Holdings Ltd (“the opponent”) primarily on the basis of four earlier trade marks each consisting of the words BRITISH GAS. The oppositions are consolidated. At the time of filing the oppositions the opponent relied on the registration of these marks for a wide range of goods and services. However, by the date of the hearing described below the opponent was content to rely on the registration of the earlier marks for, essentially:

Gas being fuel in class 4

Metering apparatus, surveillance apparatus, intruder detector systems, smoke detectors and burglar alarms in class 9

Installation, repair and maintenance of gas equipment and installation of insulating material in class 37

Services for the production, storage, distribution, transmission, transportation, metering and delivery of gas in classes 39 and 42.

5. The opponent originally claimed that the earlier marks have a reputation for all the goods and services for which they are registered (except for furniture in class 20, which is no longer relevant). It relies on sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 as the principal grounds for the opposition.

6. The opponent also claims to have common law rights in the words BRITISH GAS which means that registration of the applicant's marks would also be contrary to s.5(4)(a) of the Act.

7. The applicant denies the ground of opposition and puts the opponent to proof of use of the earlier marks, and of the claimed reputation of, and goodwill under, the BRITISH GAS marks.

8. Both sides seek an award of costs.

The Hearing

9. A hearing took place on 12th February 2016 at which Ms Amanda Michaels appeared as counsel for the applicant (instructed by Kilburn & Strode) and Mr Tom Moody-Stuart appeared as counsel for the opponent (instructed by Mathys & Squire).

The evidence

10. The opponent's evidence consists of a witness statement by Ms Lucy Cawker, who is the opponent's in-house counsel. Ms Cawker's evidence goes to the history of the British Gas business, the goods and services offered under the BRITISH GAS mark, the ways the mark is promoted, and the mark's reputation amongst the public in the UK. Ms Cawker also gives some evidence about the nature of the applicant's business and the way that it has been promoted.

11. The applicant's evidence consists of two identical short witness statements by Mr Ryan Pixton, who is a trade mark attorney with Kilburn & Strode. Mr Pixton simply provides evidence that the applicant has already registered four other marks for similar goods and services to those covered by the opposed marks. The existing

marks also consist of the union flag in a green and black colour scheme, but they contain different words, i.e. BRITISH, GREEN and ELECTRICITY or ENERGY. He does not explain what significance these registrations have to the matter at hand, and I cannot see that they have any. Therefore, the applicant has filed no relevant evidence.

Proof of use

12. The opponent's earlier marks are subject to proof of use in accordance with s.6A of the Act, which is as follows.

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

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

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

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

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) -

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

13. The relevant five year period is 8th November 2009 to 7th November 2014.

14. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*¹, Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

¹ [2016] EWHC 52

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

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

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

15. At the hearing the applicant accepted that the opponent has shown use of its marks in relation to:

Class 37: Installation, repair and maintenance of gas appliances, gas installations, gas instruments and of gas meters.

Class 39: Metering, distribution and delivery of gas².

This means that genuine use of the earlier marks is contested for:

Gas being fuel in class 4

Metering apparatus, surveillance apparatus, intruder detector systems, smoke detectors and burglar alarms in class 9

Installation of insulating material in class 37

Services for the production, storage, transmission and transportation of gas in classes 39 and 42.

² The applicant also accepted use of the marks in relation to electrical apparatus and electricity supply, but as this takes the opponent’s case no further I have limited the list of goods/services to those which are relevant to this opposition.

16. Ms Cawker's evidence is that BRITISH GAS was first used in 1973 as the trade mark and trade name of the British Gas Corporation. The industry was privatised in 1986. In 1997 the British Gas business was spilt up. BG Group now controls use of the BRITISH GAS mark outside the UK for use in relation to the development of new gas supplies and maintenance of existing ones. Centrica is the company that supplies energy and associated goods/services to domestic and businesses in the UK. Centrica trades in the UK via a number of subsidiaries, most of whom have British Gas in their names. BRITISH GAS is used by these companies as a trade name and as a trade mark for their goods/services. Collectively they form what Ms Cawker calls the British Gas Organisation.

17. Ms Cawker says that the BRITISH GAS marks are used by British Gas Services Ltd, British Gas New Heating Ltd and other companies within the British Gas Organisation with the consent of the trade mark owner. Mr Moody-Stuart pointed out that the applicant had not challenged this evidence during the written stages of the procedure. He therefore invited me to accept it at face value. I do so.

18. Between 2009 and 2014, the British Gas Organisation sold between £12 and £14 billion pounds worth of goods/services to customers in the UK. 90% of these sales were under the BRITISH GAS mark³.

19. Ms Cawker provides marketing materials produced on 6 November 2012 for a BRITISH GAS Safe and Secure system⁴. The 'starter kit' includes motion detector apparatus, contact sensors for windows and doors, sirens and associated communications equipment. Additional products were also offered, including smoke detectors, carbon monoxide detectors, and gas and water leak detectors. A price list is also provided showing the individual cost of each of the items. Screen shots from British Gas's website show that the goods were still being offered for sale in 2015⁵. Therefore, despite the absence of a breakdown of the opponent's turnover in relation to these specific goods, I am prepared to accept that the opponent has traded in intruder detector systems, surveillance apparatus, smoke detectors and burglar alarms under the BRITISH GAS mark, and on a commercial scale, during the relevant 5 year period.

20. Ms Cawker states that the British Gas Organisation supplies and installs gas and electricity meters. She says that by the time of the company's Annual Report for 2014 it had installed around 1.3m smart meters in residential homes in the UK. Ms Cawker provides a copy of marketing documents produced in October 2013 (i.e. within the relevant 5 year period) concerning the supply of replacement gas and electricity meters. The material is aimed at business customers. One of the

³ The company also trades as Dyno, PH Jones, HAUK, Scottish Gas and Sainsbury's Energy.

⁴ See LC13

⁵ See LC5, pages 12 & 13

documents shows that BRITISH GAS provides new meters when required. The process for obtaining a new electricity meter is shown on a flowchart⁶. This shows that British Gas provides a quotation for changing meters, and the charge must be paid before the meter is installed. However, there are no invoices or other documents showing that specific customers were charged for new meters.

21. Ms Michaels submitted that the evidence failed to show that the opponent was trading in meters under the BRITISH GAS mark. The meters “supplied” could have borne third party marks. In any event, she submitted, the opponent was not creating or maintaining a market in meters: it supplied energy. The meters were part and parcel of an energy supply service.

22. It is clear that the opponent supplied a large number of meters during the relevant 5 year period. Although the evidence is wafer thin on this point, I find that it is (just) sufficient to establish that the opponent’s customers buy meters from BRITISH GAS when a new meter is required. That accords with what one would expect to be the case as a typical energy consumer, even without evidence. I accept that the evidence is silent on the matter of whether the meters the opponent supplied were branded with BRITISH GAS, or third party marks, or were unbranded. For present purposes, I will therefore assume that the meters were unbranded or carried third party marks.

23. In *Aegon UK Property Fund Limited v The Light Aparthotel LLP*⁷, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“17. unless it is obvious, the proprietor must prove that the use was in relation to the particular goods or services for which the registration is sought to be maintained.

18. In *Céline SARL v. Céline SA*, Case C-17/06 (*Céline*), the Court of Justice gave guidance as to the meaning of “use in relation to” goods for the purpose of the infringement provisions in Article 5(1) of the Directive. Considering a situation where the mark is not physically affixed to the goods, the court said at [23]:

“...even where the sign is not affixed, there is use “in relation to goods or services” within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party.”

19. The General Court has, on more than one occasion, proceeded on the basis that a similar approach applies to the non-use provisions in Article 43 of

⁶ See LC12, page 9

⁷ BL O/472/11

the Community Trade Mark Regulation. For example, in *Strategi Group*, Case T-92/091, the General Court said:

“23. In that regard, the Court of Justice has stated, with regard to Article 5(1) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989, L 40, p. 1), that the purpose of a company, trade or shop name is not, of itself, to distinguish goods or services. The purpose of a company name is to identify a company, whereas the purpose of a trade name or a shop name is to designate a business which is being carried on. Accordingly, where the use of a company name, trade name or shop name is limited to identifying a company or designating a business which is being carried on, such use cannot be considered as being ‘in relation to goods or services’ (*Céline*, paragraph 21).

24. Conversely, there is use ‘in relation to goods’ where a third party affixes the sign constituting his company name, trade name or shop name to the goods which he markets. In addition, even where the sign is not affixed, there is use ‘in relation to goods or services’ within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party (see *Céline*, paragraphs 22 and 23).

20. Those passages must be read together with the general requirements of proof of use in *Ansul* at [43] that there is genuine use of a trade mark where the mark is used in accordance with its essential function namely to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services.”

24. In general, it will be difficult to show the necessary link between the supplier’s trade mark and the goods where the goods carrying third party brands. However, every case turns on its own facts. If an energy provider supplies fridges or cookers bearing third party brands (as British Gas does) it will be perceived only as a retailer of those goods. The goods will be selected on the basis of the brands under which they are marketed. The undertaking held responsible for the quality of such goods will be the party whose brand appears on them. Consequently, in this situation the necessary link between BRITISH GAS and the products is absent. However, in the case of a gas or electric meter, the consumer is unlikely to select the product on the basis of the manufacturer’s mark (even if the product bears such a mark). So far as the customer is concerned they will have selected a meter from BRITISH GAS. In these circumstances, the opponent is likely to be held solely responsible for the quality of the meter. Therefore, I am prepared to accept that the opponent has used BRITISH GAS in relation to meters and metering apparatus.

25. Ms Cawker says that the British Gas Organisation has installed insulation in homes and schools as part of various Government schemes under which large energy suppliers are required to assist the public with energy efficiency measures. According to the company's annual report for 2014, the company had by then delivered such measures to over 350k households. The British Gas Organisation is required to pay for and install insulation into eligible homes without charge.

26. I have no doubt that the opponent's mark has been used in relation to the installation of insulation materials during the relevant 5 year period. I acknowledge that there is a question as to whether BRITISH GAS was used so as to create or maintain a market for the services. After all, the services appear to have been provided without charge. However, they do not appear to have been provided so as to induce customers to buy other services, e.g. energy supplies, as in *Silberquelle*. Indeed those taking up BRITISH GAS's services for the installation of insulation are likely to need less energy in future. I therefore consider that the nature of the use is closer to the facts in *Verein*. Consequently, I find that the opponent's evidence is sufficient to establish genuine use of the BRITISH GAS mark in the relevant period in relation to services for the installation of insulation materials.

27. I confess that I do not fully understand the applicant's reasons for disputing use of the mark in relation to gas. As best as I can understand it, the argument is that the gas is produced (or perhaps refined) by someone else and simply supplied by BRITISH GAS. Therefore, the opponent is not responsible for the quality of the gas it supplies. However, it is obvious that the British Gas Organisation sets the price of the energy it provides to its customers and sells it to them in units. This is a classic example of trade in goods. And I find it hard to see who else its customers would hold responsible for the quality of the gas bought from BRITISH GAS. I therefore find that the opponent has established genuine use of BRITISH GAS in relation to gas.

28. This leaves the opponent's claim to have used its mark in relation to services for the production, storage, transmission and transportation of gas. The applicant contests this claim on the basis that following the splitting of the original British Gas business in 1997 the opponent is no longer a producer of gas, and there is no evidence of the opponent offering gas storage or transportation services. Use of the mark in relation to gas 'transmission' services is contested on the basis that it falls with (gas) 'transportation' rather than (gas) delivery, for which use of the mark is conceded.

29. I agree that there is no evidence of use of BRITISH GAS in relation to gas production, storage or transportation services. The distinction between 'transmission' of gas on the one hand, and distribution/delivery of gas on the other, is too subtle for me to follow. I find that the BRITISH GAS mark was put to genuine use within the relevant period in relation to the distribution, transmission and delivery of gas.

30. These findings mean that the opponent can rely on its earlier marks in relation to:

Gas being fuel in class 4.

Metering apparatus, surveillance apparatus, intruder detector systems, smoke detectors and burglar alarms in class 9.

Installation, repair and maintenance of gas equipment and installation of insulating material in class 37.

Services for the distribution, transmission, metering and delivery of gas in classes 39.

Services for the distribution, transmission of gas in class 42⁸.

The reputation of BRITISH GAS

31. The British Gas Organisation spends tens of £millions promoting its goods and services⁹. It advertises on television and radio and in the national press. It has a website which receives millions of visitors. The mark is also used on around 14k vans in which engineers travel around the UK conducting work under the name BRITISH GAS. Since 2012, the British Gas Organisation has worked in partnership with Westfield Shopping Centre and promoted the BRITISH GAS mark through a permanent stand in the centre.

32. BRITISH GAS is obviously best known as an energy supplier. However, promotion of the BRITISH GAS marks will have served to raise awareness that complementary and associated goods and services are also provided under them. For example, in 2014 the company heavily promoted the launch of its own heating and hot water control system. The product was marketed under the trade mark HIVE, but it was sold as a BRITISH GAS product, i.e. BRITISH GAS was used as the 'house' name¹⁰.

33. I have no doubt that BRITISH GAS was a household name in the UK at the date the opposed applications were filed. The earlier marks had a reputation for gas and

⁸ Some (but not all) of the specifications of the earlier marks are restricted to goods and services provided in England, Scotland, Wales and the Morecombe fields. Neither party suggested that anything turned on these restrictions, so I have omitted them for the sake of simplicity.

⁹ The exact figures are the subject of a Confidentiality Order made on the basis that they are commercially sensitive.

¹⁰ The opponent does not rely on the registration of its mark for heating control systems, but this shows that the public will know that British Gas does more than sell gas and electricity.

electric energy, as well as for closely related goods/services, particularly the installation of meters and the installation, maintenance, and repair of gas appliances.

Decision - section 5(2)(b) ground of opposition

34. Sections 5(2)(b) of the Act is as follows:

“5(2) A trade mark shall not be registered if because-

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

Similarity of goods/services

35. The respective specifications are shown below.

Applicant’s mark	Earlier marks
Class 4 Gas fuels; all of the aforesaid goods for use in relation to renewable energy.	Gas being fuel in class 4
Class 9 Meters and metering apparatus and instruments; apparatus and instruments for the exchanging, storing, transmission and collection of data; computers; modems; monitoring and supervision apparatus and instruments; all of the aforesaid goods for use in relation to renewable energy.	Metering apparatus, surveillance apparatus, intruder detector systems, smoke detectors and burglar alarms in class 9.
Class 11 Gas purifying installations; gas purification apparatus; gas cleaning apparatus; all of the aforesaid goods for use in relation to renewable energy.	
Class 37 Construction, repair and maintenance of gas installations; installation, repair and maintenance of instruments and apparatus all utilising gas; installation of insulation materials; all of the aforesaid services for use in relation to renewable energy.	Installation, repair and maintenance of gas equipment and installation of insulating material in class 37.
Class 39 Transmission, distribution and supply of gas; storage, transportation and delivery of gas; transmission and supply of gas;	Services for the distribution, transmission, metering and delivery of gas in classes 39.

all of the aforesaid services for use in relation to renewable energy.	
Class 40 Gas production and processing; all of the aforesaid services for use in relation to renewable energy.	
	Services for the distribution, transmission of gas in class 42

36. In *Gérard Meric v Office for Harmonisation in the Internal Market*¹¹, the General Court stated that:

“29. goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM-Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

37. Taking this into account I find that the respective goods in classes 4 and 37 are identical. Further, I find that the respective services in class 39 are also identical, except for the applicant’s services for the storage and transportation’ of gas. In class 9, I find that ‘meters’ and ‘metering apparatus’ are identical. Further, the applicant’s term ‘apparatus and instruments for the exchanging, storing, transmission and collection of data’ covers identical goods to the opponent’s ‘metering apparatus’. I accept that the opponent’s (smart) meters/metering apparatus and surveillance apparatus could include a computer or a modem. But one would not naturally describe such goods as computers or modems. Therefore the applicant’s ‘computers’ and ‘modems’ are not identical to any of the goods for which the earlier marks are protected.

38. In the judgment of the CJEU in *Canon*¹² the court stated at paragraph 23 of its judgment that:

“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”.

¹¹ Case T- 133/05

¹² Case C-39/97

39. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*¹³, the General Court stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

40. Even if I am wrong to find that the opponent has established genuine use of BRITISH GAS in relation to metering apparatus, I find that ‘meters and metering apparatus and instruments’ (and, by extension, the broad term ‘apparatus and instruments for the exchanging, storing, transmission and collection of data’, which covers meters) are plainly complementary to the opponent’s ‘gas as fuels’ and services for ‘metering and delivery of gas’. Further, I find that the complementary nature of the goods is so pronounced, and the purposes of the goods/services is so interconnected, that the degree of similarity between them is high.

41. The applicant’s term ‘computers’ is a very broad term capable of being applied to a wide range of hardware. Computers are usually used for calculating and evaluating data. Taking account of the applicant’s qualification “...for use in relation to renewable energy” it seems likely that the computers at issue are used for calculating and evaluating data about renewable energy. In that case they are somewhat similar in nature and purpose to meters, particularly smart meters. However, I doubt that the respective goods are in competition. Smart meters are likely to ‘talk’ to a remote computer via a modem. Modems and computers are therefore important for the use of smart meters. However, whilst an energy provider may provide the energy user with a modem for use in communicating with its central computer, it is unlikely to provide computers as such for this purpose. Nevertheless, taking account of the similar nature and purpose of the respective goods, I find that there is a low degree of similarity between metering and surveillance apparatus and computers.

42. Modems are less similar to metering and surveillance apparatus in terms of their intended purpose, but they are all, broadly, in the nature of electrical apparatus. Further, modems are likely to be provided for use with goods, such as smart meters and surveillance apparatus, which require data to be sent to a central system for evaluation purposes. I therefore find such goods are complementary in the sense required by the case law. In *Kurt Hesse v OHIM*¹⁴ the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. As noted above, it is not quite the only

¹³ Case T-325/06

¹⁴ Case C-50/15 P

element of similarity in this case. Overall, I find that there is also a low degree of similarity between modems and metering and surveillance apparatus.

43. Mr Moody-Stuart submitted that ‘gas purifying installations’ (and similar goods) in class 11 are complementary to gas as a fuel and also services for the distribution of gas. I have no doubt that the goods/services are complementary in the literal meaning of that word, but I am unable to find that they are complementary in the sense required by the case law. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited*¹⁵:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

44. As Mr Geoffrey Hobbs Q.C. as the Appointed Person noted in *Tony Van Gulck v Wasabi Frog Ltd*¹⁶:

“...it [is] necessary, in keeping with the principle of proportionality, to consider the greater or lesser likelihood that a single economic undertaking would naturally be regarded as responsible for providing not only goods of that kind, but also retail services of the kind in question.

In making this assessment it is necessary to consider the matter on the basis of the consumer’s appreciation of the norms and customs of the sector concerned. That is to say, what relevant consumers would normally expect, not what they might expect in the specific case where the earlier mark is a household name, such as BRITISH GAS. There is no evidence that providers of gas and gas distribution services normally also provide gas purifying/cleaning apparatus and installations. Given that these are not everyday goods, the onus is on the opponent to satisfy me with evidence that these goods/services are complementary in the relevant sense and therefore similar to a relevant degree. It has not done so. I see no other obvious similarities between the respective goods/services. Consequently, I find that ‘gas purifying installations’ (and similar descriptions in class 11) are not similar to the goods/services protected under the earlier mark for the purposes of s.5(2)(b) of the Act. As some similarity between the respective goods/services is a pre-condition for

¹⁵ BL-0-255-13

¹⁶ BL O/391/14, at paragraph 25

success under s.5(2) of the Act, this finding means that the opposition under this section of the Act must fail in respect of the applicant's goods in class 11¹⁷.

45. I find that services for the 'transportation' of gas are clearly complementary to 'gas' in class 4, e.g. transportation of gas to the customers' gas storage tank. These services are also plainly very similar to services for the 'delivery' of gas. I therefore find that the applicant's services for the transportation of gas are highly similar to some of the goods/services for which the earlier marks are protected.

46. There is no evidence that users of gas and services for the distribution, transmission, metering and delivery of gas are liable to purchase 'gas production, storage and processing services'. And I acknowledge that the evidence indicates that the opponent's business does not include gas production. The respective services are plainly not in competition. Nevertheless, the overall purposes of the services is sufficiently similar and complementary that, whatever the market norms may be, gas consumers may still believe that the same undertaking is responsible for the production, storage, processing and distribution of gas, if the services are marketed under sufficiently similar trade marks. I therefore find that there is a low to medium degree of similarity between these goods/services.

Global Comparison – the case law

47. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

¹⁷ See *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU)

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of marks

48. The respective trade marks are shown below:

	<p>BRITISH GAS</p>
<p>Contested trade marks</p>	

49. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*¹⁸, that:

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

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

¹⁸ Case C-591/12P

51. Ms Michaels submitted that the partly green coloured union flag is the visually dominant feature of the applicant's marks. Mr Moody-Stuart submitted that the applicant's marks are visually similar to the earlier BRITISH GAS marks because the words BRITISH GAS are re-produced in the later marks.

52. I find that although the union flag device is larger than the word elements, neither element can fairly be said to dominate over the other. Both features contribute in roughly equal measure to the overall visual impression created by the applicant's marks.

53. Ms Michaels accepted that the device element of the applicant's marks will play no part in the aural comparison. Therefore, she also accepted that the respective marks are aurally similar to the words BRITISH GAS. However, Ms Michaels submitted that the additional word GREEN and, in the case of the '596 mark, the position of that word between the words BRITISH and GAS, meant that the level of aural similarity between the applicant's marks and the earlier marks was moderate (in the case of the '597 mark) and low (in the case of the '596 mark).

54. Mr Moody-Stuart submitted that the respective marks are closely similar from an aural perspective. He submitted that little weight should be afforded to the presence of the word GREEN because it was non-distinctive in relation to renewable energy. Ms Michaels made a similar point in relation to the words BRITISH and GAS.

55. I agree that these points must be taken into account in the global comparison, but the distinctiveness of the earlier mark is a separate factor to the level of similarity between the marks. Or to put it another way, I do not accept that the degree of distinctiveness of the earlier marks makes the respective marks any more or less similar than they look or sound¹⁹.

56. In my view, the prominent appearance of the words BRITISH and GAS in the applicant's marks means that there is a degree of similarity to the earlier marks. The degree of overall visual similarity is reduced by the inclusion of the partly green union flag in the applicant's marks, and by the additional word GREEN, neither of which has any counterpart in the earlier marks. Overall, I find that there is a medium degree of visual similarity between the marks.

57. As GREEN is the first word in the applicant's '597 mark, it might be said that this increases the impact of that word over the words that follow it and thereby reduces the overall level of aural similarity between the words GREEN BRITISH GAS and BRITISH GAS. On the other hand, the use of GREEN as the second word in the applicant's '596 mark has the effect of breaking up the words BRITISH GAS, which would always be verbalised in that order in the earlier marks. Taking these points

¹⁹ See *Ravensburger AG v OHIM*, Case T-243/08, at paragraph 27 of the judgment

into account, I still find that there is a medium to high degree of aural similarity between the applicant's marks and the BRITISH GAS marks.

58. As regards the degree of conceptual similarity between the respective marks, both the applicant's marks and the earlier marks convey the idea of Britishness and gas. The inclusion of the union flag device in the applicant's marks reinforces the concept of Britishness. The applicant's marks add a third idea to the mix: that of green or environmentally friendly values. Because this adds to, rather than changes, the concept of the earlier marks, I find that the respective marks are conceptually similar to a medium to high degree.

59. There was some discussion at the hearing as to whether the CJEU's case law in *Medion v Thompson* and *Bimbo v OHIM* means that the marks cannot be conceptually similar where the words in the applicant's marks "form a unit" having a different meaning to that of the individual words, including where the meaning of one component (BRITISH and GAS) is qualified by another (GREEN). However, as Arnold J. made clear in *Whyte and Mackay Ltd v Origin Wine UK Ltd*²⁰ this case law is relevant in situations where the average consumer, whilst comparing the marks as wholes, recognises that a composite mark consists of two or more separate signs one of which has distinctive significance independently of the whole. This means that marks which may not be regarded as similar overall when compared on a conventional 'whole mark for whole mark' basis, may still be found to be sufficiently similar to cause confusion where the *Medion v Thompson* principle applies. I have conducted a conventional whole mark comparison and found that, as wholes, the marks are conceptually similar to a medium to high degree. In my view, the CJEU's caveat on the application of the specific case law in *Medion v Thompson* does not mean that marks cannot be conceptually similar at all where mark A (considered as a whole) means X qualified by Y, and mark B (again, considered as a whole) means X qualified by Y, further qualified by Z.

Distinctive character of the earlier BRITISH GAS marks

60. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*²¹, the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

²⁰ [2015] EWHC 1271 (Ch) at paragraph 19 of the judgment

²¹ Case C-342/97

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

61. The word ‘British’ is capable of designating the geographical origin of goods and the territory in which services are provided and/or the geographical location of the business providing the goods/services. The word ‘Gas’ is plainly the name of the goods in class 4. It is also unequivocally descriptive of the kind (or intended purpose) of the goods and services in classes 9, 37, 39 and 42 for which genuine use of the BRITISH GAS mark has been established, except for ‘surveillance apparatus’, ‘intruder detector apparatus’ and ‘burglar alarms’ in class 9 and ‘installation of insulating material’ in class 37. Therefore, BRITISH GAS as a whole has little or no inherent distinctive character for most of the goods/services on which the opponent relies. However, the word ‘Gas’ is not descriptive or otherwise non-distinctive for ‘surveillance apparatus’, ‘intruder detector apparatus’, ‘burglar alarms’ or installation of insulating material’. Therefore, the earlier marks as a whole have an average degree of inherent distinctive character in relation to these goods and services.

62. BRITISH GAS is a household name for gas and electric energy, as well as for closely related goods/services, particularly services for the supply of gas and electric as well as for meters and the installation, maintenance, and repair of gas appliances. I have no doubt that the earlier marks are highly factually distinctive for these goods/services.

Average consumer

63. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*²².

64. Ms Michaels submitted that the average consumer in this case varied according to the type of goods/services involved. I accept that. I find that the average consumer of the applicant’s goods/services in classes 4, 9, 37 and 39 (except gas storage

²² Case C-342/97

services) is likely to a business or domestic user of gas and/or gas appliances. By contrast, the average consumer of gas production, storage and processing services in classes 39/40, and gas purifying/cleaning apparatus in class 11, is likely to be a business engaged in the supply and/or refinement of gas.

65. Ms Michaels submitted that even average consumers for the first group of goods/services would pay an above average level of attention when selecting an energy provider, and still more care when selecting one that supplies renewable energy.

66. Mr Moody-Stuart submitted that the relevant average consumer would pay a normal level of attention when selecting goods/services in the first group.

67. I accept that the choice of gas supplier is one that is taken with an above average level of care and attention because energy is expensive and consumers of gas (both business and domestic) want a reliable provider with a good service and safety record. The same applies to related goods and services, such as meters and maintenance etc. of gas equipment.

68. Slightly different considerations applies to electrical apparatus, such as modems and computers in class 9 and installation of insulating materials in class 37. However, these are also likely to be significant purchases. The average consumer is therefore likely to pay at least a normal level of attention during the selection process.

69. Services for the production, storage and processing of gas are likely to be sold to people whose businesses depend on the quality of the services they use. These are likely to represent important commercial transactions to these users. Therefore, I accept that such consumers are likely to pay a high level of attention when selecting the goods/services.

Likelihood of confusion

70. Considering, first, the likelihood of confusion amongst average consumers of gas and associated goods and services in classes 9 (meters²³), 37 (including installation and maintenance of gas appliances) and 39 (except for gas storage services), I find that the (at least) medium degree of similarity between the respective marks, the identity or close similarity between goods/services, and the high level of factual distinctiveness of the BRITISH GAS marks is sufficient to create a likelihood of confusion. In particular, the average consumer is likely to believe that the applicant's

²³ And, by extension, "apparatus and instruments for the exchanging, storing, transmission and collection of data....monitoring and supervision apparatus and instruments... all of the aforesaid goods for use in relation to renewable energy", which cover metering apparatus.

marks are used by a sub-division of the opponent devoted to renewable energy, or at least by an undertaking with an economic connection to the opponent.

71. I do not consider that this conclusion is undermined by the lack of inherent distinctiveness of the words BRITISH GAS. After all it is what those words convey to consumers at the date of the applicant's applications which counts, not what they meant before they acquired a strong trade mark identity. Nor do I consider that the consumer's level of attention will avoid the sort of confusion described in the preceding paragraph. This is because there is nothing about the applicant's marks which could dispel such confusion, no matter how closely one looks at them. The presence of the union flag simply replicates the meaning and significance of the word BRITISH. The word GREEN and the partly green colour of the flag convey the idea of green values, which fits with the supply of renewable energy products and services, but does nothing to detract from the trade origin message conveyed by the words BRITISH and GAS.

72. I have carefully considered whether this conclusion holds good for the applicant's '596 mark in which the word GREEN appears between the words BRITISH and GAS. I accept that there is more room for argument as to whether BRITISH GAS retains its trade mark significance when the words are separated in this way. However, I have come to the conclusion that the level of factual distinctiveness of the BRITISH GAS mark is sufficient that the words will still point to a connection with the opponent even when they are separated by the word GREEN. In reaching this conclusion I have taken into account that (unlike BRITISH and GAS when used in a combination) GREEN has a purely descriptive meaning in relation to goods/services "for use in relation to renewable energy".

73. In case I am found to be wrong that the opponent has shown genuine use of BRITISH GAS in relation to metering apparatus, I record here that I would have reached the same conclusion as regards the applicant's marks for 'meters and metering apparatus and instruments' on the basis of their similarity to the opponent's registration of its marks for 'gas' in class 4 and services for the 'metering of gas' in class 39.

74. This brings me to the registrability of the applicant's marks in relation to computers and modems "for use in relation to renewable energy" in class 9. I earlier found that these goods were similar to a low degree of the opponent's metering and surveillance apparatus. On the other hand, the earlier marks are highly distinctive for metering apparatus, and normally distinctive for surveillance apparatus. On balance, I consider that there is still a likelihood of confusion because of the level of distinctiveness of BRITISH GAS in the context of goods associated with energy supplies, despite the low level of similarity between the respective goods. In particular, the average consumer is likely to believe that the applicant's marks are

used by a sub-division of the opponent devoted to renewable energy, or at least by an undertaking with an economic connection to the opponent.

75. Turning next to the registrability of the applicant's marks in relation to 'installation of insulating materials' in class 37. I acknowledge that the opponent's earlier marks are only distinctive to a normal degree in relation to these services, but here the respective services are identical. Again the 'green' impression created by the applicant's marks is a weak distinguishing message as regards the trade origin of the respective services. Taking all the relevant factors into account I find that there is a likelihood of confusion. In particular, the average consumer is likely to believe that the applicant's marks are used by a sub-division of the opponent devoted to renewable energy, or at least by an undertaking with an economic connection to the opponent.

76. Finally, I turn to the registrability of the applicant's marks in relation to gas production, storage and processing services "for use in relation to renewable energy". I earlier found that these services are similar to the opponent's gas and gas distribution services to a low to medium degree. The applicant's best argument, in my view, is that these services are often provided by different companies. However, this does not appear to be an absolute rule. After all, the applicant itself has expressed an intention to use its marks in relation to gas as a fuel, gas production, gas processing, gas storage and gas distribution services. Further, it is difficult to imagine anything other than confusion if a new company started to provide gas production, storage and processing services under the mark BRITISH GAS itself. Therefore, whilst giving due weight to the norms in the gas market, I find that there the level of distinctiveness of BRITISH GAS is such that there is a likelihood of confusion amongst relevant average consumers and end users, if the applicant's marks are used normally and fairly in relation to gas production, storage and processing services in classes 39/40. In particular, the average consumer is likely to believe that the applicant's marks are used by a sub-division of the opponent devoted to renewable energy, or at least by an undertaking with an economic connection to the opponent.

Outcome of section 5(2) ground of opposition

77. The opposition under s.5(2)(b) succeeds in relation to all the goods/services covered by the application, except for:

Class 11

Gas purifying installations; gas purification apparatus; gas cleaning apparatus; all of the aforesaid goods for use in relation to renewable energy.

Decision - section 5(3) ground of opposition

78. Section 5(3) states:

“(3) A trade mark which-
(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

79. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark’s ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a

change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

Reputation

80. Earlier I found that BRITISH GAS was a household name at the date the opposed application was filed. There is no doubt that the mark has a qualifying reputation for gas and electric energy, as well as for closely related goods/services, particularly the installation of meters and the installation, maintenance, and repair of gas appliances.

Link

81. With the exception of use of the applicant's marks in relation to the goods covered by class 11 of the applications, I have already found that there is a likelihood of confusion amongst the relevant public if the applicant's marks are used in relation to the goods/services listed in the applications. It follows that consumers of the applicant's goods/services will make the required mental link between the applicant's mark and the earlier BRITISH GAS marks. Further, even where the applicant's

goods/services are outside of the scope of the opponent's core reputation, such as is the case with computers, modems, gas purifying apparatus, services for the installation of insulation material, and gas production, storage and processing services, I find that:

- (i) the level of similarity between the marks;
- (ii) the apparent link between the respective goods/services, bearing in mind that the applicant's goods/services are all "for use in relation to renewable energy";
- (iii) the strength of the opponent's marks' reputation;
- (iv) the high level of factual distinctiveness of BRITISH GAS;

- is sufficient to create the required link in the mind of a (very) significant proportion of the applicant's customers and potential customers. Indeed I consider that the relevant public will make a strong link between the respective marks.

82. I recognise that consumers in the market for the applicant's goods in class 11 and gas production, storage and processing services in classes 39/40 are unlikely to be the target market for the goods and services for which the earlier marks have a reputation. This is because although such consumers may also be end users of gas etc., consumers of gas purifying apparatus, gas production, gas storage and gas processing services are likely to be businesses operating as intermediaries in the supply of gas to the public. However, the reputation of BRITISH GAS is likely to be very well known to businesses in this field. In my judgment, the applicant's marks are sufficiently similar to the BRITISH GAS marks that, when such consumers see and hear the applicant's marks, the earlier marks will come to mind.

83. I therefore find that the necessary link is established as regards all the goods/services covered by the applications.

Unfair advantage

84. Mr Moody-Stuart drew my attention to the opponent's evidence of an article from 'green daily news' on the website ukfast.co.uk in which the founder of the applicant, Mr Dale Vince, is quoted as claiming that "*We're the real British Gas now*"²⁴. This was said to be consistent with the opponent's claim that the applicant's marks take unfair advantage of the reputation of the earlier marks.

85. Ms Michaels submitted that the quotation showed no such thing. In any event, the quotation was written by a journalist and may not be accurate.

²⁴ See exhibit LC35 to Ms Cawker's statement

86. As to the last point, the applicant had the opportunity to file evidence contesting the accuracy of the quotation attributed to Mr Vince, but did not do so. I therefore accept that it is probably an accurate quotation of what Mr Vince said. The article in question was primarily about the applicant extending its operation from the provision of green electricity to the provision of green gas. Mr Vince was quoted as saying:

“We’re the real British Gas now. We’re kick starting the market to move Britain from brown to green gas, turning people’s gas bills into green gas mills, just as we’ve been doing with windmills for over a decade”.

87. The article in question did not include either of the applicant’s trade marks, so its suggested significance is that the likely intention behind the applicant’s marks is to take advantage of the reputation of the opponent’s marks.

88. I do not accept that the article establishes that the applicant’s marks are intended to take advantage of the reputation of the opponent’s marks. The article indicates an intention to compete with British Gas and convert users of brown gas (including British Gas’s customers) to green gas. At worst, Mr Vince assertion that the applicant is *“the real British Gas now”* was a poorly judged use of the opponent’s trade mark.

89. However, a finding of unfair advantage may be based on the objective circumstances²⁵. So although relevant, whether or not the applicant’s marks are intended to take unfair advantage of the opponent’s mark is not decisive.

90. In *L’Oreal v Bellure*, the CJEU set out the correct approach to determining whether a later mark takes unfair advantage of an earlier mark with a reputation, as follows:

*“In order to determine whether the use of a sign takes unfair advantage of the distinctive character or the repute of the mark, it is necessary to undertake a global assessment, taking into account all factors relevant to the circumstances of the case, which include the strength of the mark’s reputation and the degree of distinctive character of the mark, the degree of similarity between the marks at issue and the nature and degree of proximity of the goods or services concerned. As regards the strength of the reputation and the degree of distinctive character of the mark, the Court has already held that, the stronger that mark’s distinctive character and reputation are, the easier it will be to accept that detriment has been caused to it. It is also clear from the case-law that, the more immediately and strongly the mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character or the repute of the mark or is, or will be, detrimental to them (see, to that effect, *Intel Corporation*, paragraphs 67 to 69).”*

²⁵ See, *Jack Wills Ltd v House of Fraser (Stores) Ltd*, [2014] EWHC 110 (Ch)

91. The opponent's pleaded case is that the applicant's marks "*ride on the coat tails*" of the BRITISH GAS marks and trade off their reputation. Ms Cawker's witness statement elaborated on this claim by stating that the opponent's customers will think that the applicant's marks indicate some sort of association with BRITISH GAS and that this will benefit the applicant in competing with the opponent.

92. I consider that the opponent's concern is well founded. The strength of the reputation of the opponent's marks, the factual distinctiveness of the marks in the energy sector, and the strength of the link between the opponent's marks and the applicant's marks is sufficient to conclude that the applicant's marks will unfairly benefit from an association with the opponent's marks and a presumed connection with the undertaking responsible for those marks.

93. Ms Michaels reminded me that unfair advantage and detriment to distinctive character are distinct legal concepts and should not be equated with a likelihood of confusion. I accept that. However, it is possible for the same facts to amount to a likelihood of confusion with, and taking unfair advantage of, an earlier mark. Or to put it another way, provided that all the necessary conditions are satisfied, there is nothing to prevent both conclusions from being drawn from the same facts.

94. One of the conditions applicable under s.5(3) is that the unfair advantage, or detriment, must be such as to be liable to alter the economic behaviour of consumers of the applicant's goods/services (in the case of advantage) or the economic behaviour of the consumers of the goods/services for which the opponent's marks have a reputation (in the case of detriment). Given the strength and long established nature of the reputation of the opponent's marks in the gas energy sector, it is clear to me how the reputation of the BRITISH GAS marks is liable to benefit a new provider of gas and associated goods/services. In short, consumers will be more willing to take up the newcomer's goods/services because they will feel assured by the apparent association with an established provider.

95. Therefore, in the case of the applicant's goods/services in classes 4, 9, 37 and 39 (except for gas storage services), where the relevant consumers are members of the general public and businesses in the market for energy supplies and/or associated goods/services, it is clear why the sort of advantage described in the preceding paragraph is both unfair to the opponent's marks, and likely to affect the economic behaviour of consumers of the applicant's goods/services.

96. Consumers of the kind of goods/services covered by classes 11 and 40 of the application, and gas storage services, do not make up a significant part of the general market at which the opponent's goods/services are directed (although, as I noted earlier, such consumers are also likely to be consumers of energy). Nevertheless, I find that the reputation of the BRITISH GAS mark is sufficiently

strong that, despite whatever expectations such consumers may have as a result of the usual structure of the market, they are liable to assume that the undertaking using the applicant's marks has some connection with the undertaking which uses the BRITISH GAS marks. I accept that it is not so clear in this case how such a misapprehension is liable to affect their economic behaviour. If the answer is that it will make no difference, then there is probably no advantage for the applicant's marks, or at least no unfair advantage.

97. However, having carefully considered this matter I have come to the conclusion that the reputation of the BRITISH GAS marks for the goods/services described in paragraph 80 above is such that consumers of gas purifying apparatus, gas production, storage and processing services will be positively influenced in their selection of the applicant's goods/services by a perceived connection with the opponent's marks. I remind myself that the reputation of the opponent's marks includes installation, maintenance, and repair of gas appliances. I find that the opponent's reputation is likely to transfer and attach itself to the applicant's trade in gas purifying/cleaning apparatus, gas production, storage and processing services. This is liable to make it easier for the applicant to find a market for such goods/services. Therefore, the applicant will gain an unfair advantage from a perceived connection with the opponent's marks.

98. The applicant has not pleaded a case of 'due cause'. However, it appears the applicant believes that the opponent's trade marks cannot entitle it to a monopoly in the words BRITISH and GAS. I understand this concern, and it might have had more force if the opponent was objecting to purely descriptive use of these words. However, as the context of these proceedings makes clear, the applicant wishes to use its marks as brands. The inherently descriptive nature of the words BRITISH and GAS for most of the goods/services at issue does not justify the applicant using trade marks that are likely to cause confusion and/or take unfair advantage of the opponent's trade marks.

99. I therefore find that the s.5(3) ground based on unfair advantage succeeds in respect of all the goods/services covered by the opposed applications.

Detriment to reputation and/or distinctive character

100. Mr Moody-Stuart did not pursue the s.5(3) based on detriment to the reputation of the opponent's marks. He was right not to do so. This appeared to be based on the mere possibility that the goods/services offered under the applicant's mark would be of lower quality than the goods/services offered under the opponent's marks.

Although this is a legitimate head of damage where a misrepresentation is established under the law of passing off, this is not a proper basis for a s.5(3) case²⁶.

101. The opponent's case under the heading of detriment to distinctive character appears to be that the use of the words BRITISH and GAS in a competitor's mark will erode the distinctiveness of the earlier marks and impair their origin function. In effect, the argument seems to be that if the applicant is allowed to use these words as part of its brand, others will follow and the earlier marks will become less distinctive as a result.

102. I have already found that the applicant's marks are likely to cause confusion with, and/or take unfair advantage of, the BRITISH GAS marks. If that is right then this detriment-based objection takes the opponent's case no further. If I am wrong and there is no likelihood of confusion or unfair advantage, then it is difficult to see how the anticipated dilution of the earlier marks will affect the economic behaviour of consumers of the goods/services covered by them. I therefore find that the opponent has not made out a self-standing case based on the dilution of the earlier marks.

Section 5(4)(a) ground of opposition

103. The relevant principles are well established and not in dispute. They are conveniently set out in Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue). Passing off requires the presence of (i) goodwill, (ii) misrepresentation, and (iii) damage.

104. The opponent plainly has goodwill under its marks at least as wide as the goods/services described in paragraph 30 above.

105. There is one possible difference between the position under trade mark law and the position under passing off law. In *Marks and Spencer PLC v Interflora*²⁷, Lewinson L.J. cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that "a substantial number" of the relevant public are deceived, which might not mean that the average consumer is confused. As both tests are intended to be normative measures intended to exclude those who are unusually careful or careless²⁸, it is doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This must be even less likely now that the Court

²⁶ See the decision of Ms Anna Carboni as the Appointed Person in *Unite The Union v The Unite Group plc*, Case BL O/219/13

²⁷ [2012] EWCA (Civ) 1501

²⁸ Per Jacob L.J. in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40

of Appeal has stated that it is sufficient for the purposes of s.10(2) of the Act that *“having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused”*²⁹.

106. Taking this into account, I find that the opponent’s opposition under s.5(4)(a) adds nothing to the case for refusing the applicant’s marks for goods/services for which I have already found the marks must be refused under s.5(2). Further, as the successful s.5(3) ground covers all the goods covered by the s.5(2) ground, the time required to examine the whole case again under s.5(4)(a) would be disproportionate to the likely need or benefit.

107. However, the opposition under s.5(2)(b) failed in respect of:

Class 11

Gas purifying installations; gas purification apparatus; gas cleaning apparatus; all of the aforesaid goods for use in relation to renewable energy.

In case I am wrong to find that the applicant’s marks are caught by the s.5(3) ground of opposition in respect of these goods, I will briefly consider the merits of the opposition under s.5(4)(a) in this respect.

108. At paragraph 97 above I found that consumers of gas purifying/cleaning apparatus are more likely to select the applicant’s goods/services because of a perceived connection with the opponent’s marks and the reputation associated with them. In particular, the average consumer is likely to believe that the applicant’s marks are used by a sub-division of the opponent devoted to renewable energy, or at least by an undertaking with an economic connection to the opponent.

109. I find that a substantial number of relevant consumers are likely to purchase the applicant’s gas purifying/cleaning apparatus in the belief that the words BRITISH and GAS in the applicant’s marks signify that the applicant is economically connected with the opponent.

110. My earlier finding that the applicant’s class 11 goods are not similar to any of the goods/services for which the opponent’s registered marks are entitled to protection for the purposes of s.5(2)(b) of the Act, does not mean that there can be no misrepresentation under the law of passing off. This is because it is well established that passing off law does not even require the parties to be in the same fields of commercial activity.

²⁹ *Interflora Inc v Marks and Spencer plc* [2015] EWCA Civ 1403, [2014] FSR 10 from [107] to [130] and *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ. The same must apply, by extension, to the assessment of a likelihood of confusion for the purposes of s.5(2).

111. In *Harrods Limited V Harrodian School Limited*³⁰, Millett L.J. described the requirements for damage in passing off cases like this:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.

112. I find that the misrepresentation that is likely to arise if the applicant uses its marks in relation to the goods in class 11 is likely to result in damage to the opponent's goodwill. This is because it will lose control of its reputation in a way that could cause damage to its business. In particular, if the applicant's marks cause its customers to believe that its gas purifying/cleaning apparatus is connected with the opponent, and the applicant's customers are not satisfied with the quality of the goods, then this is liable to make those customers less likely to purchase their energy supplies from the opponent, or to procure the technical services offered under the BRITISH GAS marks, such as the installation, maintenance, and repair of gas appliances.

113. Therefore, even if I am wrong to find that the applicant's class 11 goods are caught by the s.5(3) ground of opposition, I would still have found against the applicant on the basis that they are caught by the s.5(4)(a) ground.

Overall outcome

114. The oppositions are wholly successful and the applications will be refused.

³⁰ [1996] RPC 697

Costs

115. The opponent has been successful and is entitled to a contribution towards its costs. In the circumstances I award the opponent the sum of £2800 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

£400 official fees for filing notices of opposition
£400 towards the cost of completing the notices and considering the counterstatements
£1000 towards the cost of filing evidence
£1000 towards the cost of the hearing, including the submission of a skeleton argument

I therefore order Ecotricity Group Ltd to pay GB British Gas Holdings Ltd the sum of £2800. This sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 18th day of March 2016

**Allan James
For the Registrar**