

**O/452/19**

**TRADE MARKS ACT 1994  
CONSOLIDATED PROCEEDINGS**

**IN THE MATTER OF APPLICATION NOS. 3270234 AND 3261881  
BY SPIRIT ENERGY LIMITED FOR THE TRADE MARKS**



**AND**

**SPIRIT ENERGY**

**IN CLASSES 4, 37, 39, 40 AND 42  
AND THE OPPOSITIONS THERETO UNDER NOS. 411753 AND 411754  
BY SPIRIT SOLAR LTD**

**AND**

**APPLICATION NO. 502194 BY SPIRIT ENERGY LIMITED TO REVOKE FOR  
NON-USE REGISTRATION NO. 2587629 FOR THE TRADE MARK**

**Spirit Solar  
SpiritSolar**

**A SERIES OF 2 MARKS IN CLASSES 9, 11, 35, 37, 40 AND 42**

**OWNED BY SPIRIT SOLAR LTD**

## Background

1. On 6 October 2017 and 13 November 2017, Spirit Energy Limited (“the applicant”) filed trade mark application numbers 3261881 and 3270234, respectively, for the marks shown on the front cover of this decision, both in respect of the following goods and services:

Class 4: *Gas and oil fuels.*

Class 37: *Oil and gas drilling; extraction of gas; building construction and demolition relating to oil and gas exploration and production; construction, refurbishment, inspection, repair, maintenance and decommissioning of pipelines; construction, refurbishment, inspection, repair, maintenance and decommissioning of oil and gas installations; installation, refurbishment, inspection, repair, maintenance and decommissioning of energy supply installations and energy production plants; grout reinforcement for oil and gas platforms.*

Class 39: *Storage, transmission, distribution and delivery of gas and oil.*

Class 40: *Processing of gas and oil.*

Class 42: *Exploration for gas and oil; engineering services in the field of production of gas and oil; oil prospecting; preparing surveys of oil-bearing seams; surveying of oil beds and fields; geophysical exploration for the oil and gas industries; conducting feasibility studies relating to gas exploration.*

2. The applications were accepted and published in the *Trade Marks Journal* for opposition purposes. Application number 3270234 for the series of five marks was published first, on 1 December 2017. Application number 3261881 was published on 29 December 2017. On 27 February 2018, Spirit Solar Ltd (“the opponent”) opposed the applications under sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”). The section 5(2)(b) and 5(3) grounds are based upon the opponent’s earlier registered trade mark 2587629:

Spirit Solar

SpiritSolar

(a series of two marks)

*Class 9: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; photovoltaic elements; components, spare parts and accessories (included in this class) for all the above-mentioned goods; solar collectors; photovoltaic cells; solar cells for electricity generation; photovoltaic roofing and thermo-solar hybrid modules; panels for capturing solar thermal energy; solar energy generating modules; solar panels for electricity generation.*

*Class 11: Photovoltaic/solar installations, photovoltaic/solar modules and photovoltaic/solar cells, all being components for apparatus for lighting, heating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; solar heating panels; parts and fittings for the aforesaid goods.*

*Class 35: Marketing services in the field of renewable energies.*

*Class 37: Installation services; installation, maintenance and repair of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; installation, maintenance and repair of solar electric systems and installations for use in electricity generation; installation, maintenance and repair of photovoltaic apparatus and installations for generating power; installation, maintenance and repair of photovoltaic apparatus and installations for generating electricity; installation, maintenance and repair of solar energy or electricity systems; installation, maintenance and repair of solar energy or electricity operating apparatus; installation, maintenance and repair of solar cells for energy or electricity generation; installation, maintenance and repair of solar panel systems for energy or electricity generation.*

*Class 40: Production of energy, in particular renewable energies; generation of electricity from solar energy; production of solar energy.*

Class 42: *Preparation of appraisals, assessments, research and reports related to the field of solar energy; design of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; design of renewable energy systems, including solar hot water systems, solar thermal systems, photovoltaic systems, wind systems and source heat pumps; design of solar panels and other energy-saving products; surveying services.*

Date of filing: 13 July 2011; completion of registration procedure: 16 December 2011.

3. As the opponent's trade mark had been registered for more than five years on the date on which the opposed applications were published, it is subject to the proof of use provisions under section 6A of the Act. The opponent made a statement of use in relation to all of its goods and services. The opponent claims that the marks are similar and that the parties' goods and services are identical and similar, leading to a likelihood of confusion under section 5(2)(b) of the Act. Under section 5(3), it claims that use of the applications would be detrimental to the distinctive character of its mark and would gain an unfair advantage owing to the opponent's mark's reputation. I will say more about the section 5(3) pleadings later in this decision.

4. The opponent relies upon the use of three signs for its section 5(4)(a) ground. It claims it has used SPIRIT and SPIRIT SOLAR in the UK since 2010, and SPIRIT ENERGY in the UK since 1 September 2017. The opponent claims that it has made use of these signs in relation to the goods and services which are the subject of its registered mark 2587629, and also in relation to *design, installation and maintenance of battery storage systems, energy storage systems, heat pumps, biomass boilers; preparation of appraisals, assessments, research and reports related to the field of battery storage systems, energy storage systems, heat pumps, biomass boilers.* The opponent claims that its prior goodwill entitles it to prevent the use of the applicant's marks under the law of passing off.

5. The opponent puts its section 3(6) claim like this:

“56. At the date of filing of the application<sup>1</sup>, the Applicant was well aware of the Opponent’s prior rights in its SPIRIT SOLAR, SPIRIT and SPIRIT ENERGY names and trade marks in the UK as set out above.

57. This is evident because on or around 25 September 2017 a representative of the Applicant called the Opponent because the Applicant was considering using a similar name. Before the Opponent had a chance to respond substantively, the Applicant filed the application only 10 days later.

58. Accordingly the Applicant’s intention at the time of filing for registration of the goods and services in suit was to interfere prejudicially with the Opponent’s rightful trading/marketing activities. Objectively, that constitutes a dealing which falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the area under consideration (*Gromax Plasticulture v. Don & Low Nonwovens Ltd* [1999] RPC 367 at 379).”

6. The applicant filed defences and counterstatements, denying all the grounds. In relation to the section 3(6) claim, the applicant states:

“25. It is denied that, at the date of filing of the Application, the Applicant was well aware of the Opponent’s alleged prior rights in the SPIRIT and SPIRIT ENERGY names and trade marks in the UK, as alleged in paragraph 56 of the Statement of Grounds. It is admitted that the Applicant was aware of the existence of the registration of the Opponents’ Trade Marks for SPIRIT SOLAR.

26. It is admitted that a telephone call was made to the Opponent on 25 September 2017. It is denied that the Applicant was considering using a confusingly similar name to the Opponent’s Trade Mark. It is admitted that the Applicant filed the Application [11/49] days after the said telephone call.

---

<sup>1</sup> The pleading is identical for both trade mark applications.

27. It is denied that it was the Applicant's intention at the time of filing the Application to interfere prejudicially with the Opponent's alleged rightful trading/marketing activities, as alleged in paragraph 58 of the Statement of Grounds. It is further denied that the Applicant has acted in bad faith or that its behaviour constitutes a dealing which falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the area under consideration, whether as alleged in paragraphs 54 to 58 of the Statement of Grounds or at all."

7. In its defences and counterstatements, the applicant puts the opponent to proof of use of its trade mark registration 2587629, in relation to all the goods and services for which it is registered. The opponent filed its first round of evidence, on 11 July 2018, following which the applicant filed an application, on 14 August 2018, to revoke the opponent's registration on the grounds of non-use. The applicant claims that the mark was not put to genuine use for some of the goods and services for which it is registered between 17 December 2011 and 16 December 2016, with an effective date of revocation of 17 December 2016, under section 46(1)(a) of the Act. Under section 46(1)(b) of the Act, the claim is that there had been no genuine use of the mark in relation to some of the goods and services, between 6 October 2012 and 5 October 2017, and between 2 August 2013 and 1 August 2018, with effective revocation dates of 6 October 2017 and 2 August 2018, respectively. The goods and services for which the applicant claims that there has been no genuine use are as follows (I have crossed through the services for which there is no challenge in the revocation pleadings):

*Class 9: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; photovoltaic elements; components, spare parts and accessories (included in this class) for all the above-mentioned goods; solar collectors; photovoltaic cells; solar cells for electricity generation; photovoltaic roofing and thermo-solar hybrid modules; panels for capturing solar thermal energy; solar energy generating modules; solar panels for electricity generation.*

Class 11: *Photovoltaic/solar installations, photovoltaic/solar modules and photovoltaic/solar cells, all being components for apparatus for lighting, heating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; solar heating panels; parts and fittings for the aforesaid goods.*

Class 35: *Marketing services in the field of renewable energies.*

Class 37: *Installation services; ~~installation, maintenance and repair of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; installation, maintenance and repair of solar electric systems and installations for use in electricity generation; installation, maintenance and repair of photovoltaic apparatus and installations for generating power; installation, maintenance and repair of photovoltaic apparatus and installations for generating electricity; installation, maintenance and repair of solar energy systems; installation, maintenance and repair of electricity systems; installation, maintenance and repair of solar energy operating apparatus; installation, maintenance and repair of electricity operating apparatus; installation, maintenance and repair of solar cells for energy or electricity generation; installation, maintenance and repair of solar panel systems for energy or electricity generation.~~*

Class 40: *Production of energy, in particular renewable energies; generation of electricity from solar energy; production of solar energy.*

Class 42: *~~Preparation of appraisals, assessments, research and reports related to the field of solar energy;~~ design of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; design of renewable energy systems, including solar hot water systems, solar thermal systems, photovoltaic systems, wind systems and source heat pumps; design of solar panels and other energy-saving products; surveying services.*

8. The opponent filed a defence and counterstatement, stating that it has used its mark continuously on all the challenged goods and services since registration, if not before. At this point, all three actions were consolidated into one set of proceedings.

9. The opponent is professionally represented by Humphreys & Co., whilst the applicant is professionally represented by Mathys & Squire LLP. Both sides filed evidence and the opponent filed written submissions with its first round of evidence. The applicant filed amendments to its specifications as a fall-back position, on 28 March 2019. A hearing was held on 5 April 2019 by video conference, at which Mr Guy Hollingworth, of Counsel, represented the opponent and Mr Simon Malynicz QC, represented the applicant.

### **Preliminary matters arising from the hearing**

10. The part of the opponent's statements of grounds which deals with its section 5(3) ground says this (after having quoted standard authorities):

"39. ... use of the Applicant's mark without due cause would take unfair advantage of and/or be detrimental to, the distinctive character or the repute of the Opponent's earlier trade mark.

40. The Applicant's mark takes unfair advantage of the reputation of the Opponent's earlier trade mark by enabling the Applicant's mark to ride on the coat-tails of the Opponent's earlier trade marks and profit from the substantial investment expended by the Opponent in promoting the earlier trade mark (Case C-487/07, *L'Oréal SA v. Bellure NV*, paras. 41-45).

41. Further, it is detrimental to the distinctive character of the Opponent's earlier trade mark by: (1) interfering with/jeopardising the Opponent's substantial investments in promoting the earlier trade mark now and in the future because it weakens the 'pull' or commercial magnetism that that trade mark has on the public; and/or (2) causing the public wrongly to believe or speculate that the goods/services offered under the Applicant's mark emanate from an undertaking linked or endorsed by the Opponent thus affecting the economic behaviour of the public (Case C-323/09, *Interflora Inc. v. Marks & Spencer plc*, paras. 72-77)."



11. It can be seen from paragraphs 40 and 41 that the fleshing out of the three heads of damage listed in paragraph 39 was in relation only to two of them: unfair advantage and detriment to distinctive character. There is no explanation as to how detriment to repute, or 'tarnishing', was considered to occur. I took the view that tarnishing was not pleaded, or so inadequately pleaded as to have no basis. However, the opponent's written submissions filed during the evidence rounds, and Mr Hollingworth's skeleton argument, both addressed tarnishing from the perspective that the opponent's reputation for renewable ('green') energy would be tarnished by association with fossil fuel or non-renewable energy sources. This was not foreshadowed in the pleadings, or in the opponent's evidence or evidence-in-reply. A formal application to amend the pleadings was made at the hearing, which I refused. In any event, it is also part of the opponent's case that the same companies provide both types of energy (Mr Hollingworth's skeleton argument, at paragraph 58, drawing upon the opponent's evidence), contributing to a likelihood of confusion. Such a position seems contradictory and therefore I see no prejudice in refusing to allow the amendment to the pleadings to include this particular tarnishing claim.

12. Both sides made some concessions at the hearing regarding proof of genuine use of the earlier mark, to which I will refer at the appropriate point in this decision.

### **Relevant dates**

13. As these proceedings commenced prior to 14 January 2019, when the Trade Mark Regulations 2018 came into force<sup>2</sup>, the relevant period for proof of use purposes is the five years prior to and ending on the date of publication of the contested applications: 2 December 2012 to 1 December 2017, and 30 December 2012 to 29 December 2017. The relevant dates for the purposes of revocation under sections 46(1)(a) and (b) are set out in paragraph 7, above. The relevant dates for sections 5(2)(b), 5(3) and 3(6) are the dates on which the applications were filed: 6 October 2017 and 13 November 2017. The relevant dates for section 5(4)(a) of the Act are also the filing dates of the applications; however, if the applicant used its marks before the date of the applications, it will be necessary to consider what the

---

<sup>2</sup> SI 2018/825.

position would have been at the date of the start of the behaviour complained about. If the applicant was not passing off when it commenced trading under the marks, a continuation of the same trade under the same marks will not amount to passing off at the relevant dates.

### **Opponent's evidence-in-chief**

14. Erica Charles is the opponent's Managing Director. Her first witness statement is dated 11 July 2018. She states that the opponent has, since its incorporation in 2010, offered a variety of energy-related goods and services in the UK. Between 2010 and August 2017, the goods and services were offered under the marks SPIRIT and/or SPIRIT SOLAR. Ms Charles states that, since September 2017, the same marks were used, with the addition of SPIRIT ENERGY.

15. The opponent's goods and services are usually obtained via its website. Ms Charles states that since 2010, the opponent has had over 500,000 new visitors to its website, and has over 6000-8000 visitors (new and returning) per month<sup>3</sup>. Between 2010 and August 2017, the website used was spiritsolar.co.uk; since September 2017, the opponent has used spiritenergy.co.uk, with web traffic to the former website being re-directed to the latter. Exhibit EC1 comprises 85 prints and screenshots from the websites as they appeared between 2010 and 2017, obtained using the Wayback Machine internet archive. I note from this exhibit that the opponent's photovoltaic ("PV") solar panel systems cost between £7,500 and £24,000, depending upon the number of panels, in 2010. These prices are "all-in prices – including survey, scaffolding, installation and all components". The systems provide electricity and heat hot water (solar thermal). The website print from 30 April 2012 refers to installing Biomass systems, and another, from 11 May 2012, to servicing of solar PV, solar thermal, heat pumps and biomass<sup>4</sup> systems. Servicing is provided in relation to the opponent's own installations, and also third-party installed systems. The words SPIRIT SOLAR appear at the top of the pages, and there are references within the pages to 'Spirit'; for, example, "Why choose Spirit?" The page from 31 January 2013 says that the opponent is a small, specialist company with

---

<sup>3</sup> Page 246 of Exhibit EC1.

<sup>4</sup> Wood-fuelled heating systems that burn wood pellets, wood chip and logs.

over 750 renewable installations in the last two years. By September 2013, this figure had risen to 1000. A map shows the geographical spread of the installations to have been right across the South of England, from Kent to Cornwall, and into the Midlands. The installations are not all to domestic properties; commercial and educational properties feature in the pages, as well as panels installed in fields. A website page from 1 September 2013 says that the opponent's "own staff do all our design and installation work."

16. A page from 23 December 2014 records that the opponent was the winner at the Solar Power Portal Awards for that year, in the public space installation, and renewable heat installation categories. By March 2016, the website shows that the opponent was providing 'battery storage' of energy generated from solar PV, via third-party manufacturer's batteries, and that by October of that year, the number of installations had risen to 2000 (since 2010). This included the UK's largest solar PV installation at an educational establishment. The pages from September 2017 onwards show that the website had been redesigned, and the trade mark used at the top was SPIRIT, with a stylised R. The website states "Spirit Energy is the trading name of Spirit Solar Ltd...".

17. Ms Charles states that, by the end of 2017, the opponent had installed in excess of 1000 residential solar electric systems in the UK. Pages 87 to 104 of Exhibit EC1 list the postcodes and dates on which the systems were installed. By June 2017, the opponent had also installed over 700 solar electric systems for commercial customers (a similar list of postcodes and dates is provided). The largest of its commercial installations was worth £300,000. Ms Charles states that, on many occasions, the opponent has designed and supplied bespoke solar PV systems; for example, in November 2013, it supplied customised steel mountings for the roof of North Middlesex University hospital, and in September 2015, the opponent had bespoke triangular panels manufactured for the Rhino House at Marwell Zoo.

18. In relation to battery storage, Ms Charles states that the opponent has had discussions with an energy supplier that supplies 14% of the UK's industrial and commercial gas market, the latter being interested in offering an energy

storage/generation solution to its business customers. Documentation supporting this statement is included in confidential Exhibit EC2.

19. Ms Charles provides approximate annual turnover figures for what she describes as services between 2012 and 2017: £4.1 million; £1.3 million; £1.6 million; £2.2 million; £2.3 million and £1.3 million. Ms Charles states that most of the opponent's advertising has been online in the form of Google Ads. Since 2010, the opponent has spent over £660,000<sup>5</sup> on such advertising activities. Its spend on the SPIRIT ENERGY mark from 1 September 2017 to 5 October 2017 was £1,800. Brochures (examples are shown at pages 188 to 201 of Exhibit EC1) were distributed by download from the opponent's website, by hard copy postal request on the website, at site visits to domestic and commercial customers, and at shows. The opponent has also had a Facebook and Twitter presence, where it was known as Spirit Solar Community and Spirit Solar, and @SpiritSolar, until 14 December 2017 when these changed to Spirit Energy and @SpiritEnergy\_UK.

20. Ms Charles refers to the Solar Power Portal Awards. In addition to winning two categories in 2014 (as above), the opponent was shortlisted for the best Commercial Installation and Residential Installation categories in 2016, and shortlisted for Residential Rooftop PV in 2017. Ms Charles states that each of the award ceremonies would have been attended by around 200 people within the energy industry. The awards are run by SolarMedia, which showcases the winners at its associated show, Solar and Storage Live. Attendees at the show in 2017 numbered around 4000 business visitors.

21. Ms Charles states that the opponent has exhibited at and/or attended shows including *Ideal Home Show* (27 March 2011); *Kent County Show* (May 2011); *Newbury Show* (2011 and 2012); *Regen South West* (no date); *Ecobuild 2012*; *Renewable Energy Exchange* (2011, 2012 and 2013); *Clean Energy Live* (2016); and *Energy Storage Summit* (February 2017). Documentation to support attendance is shown at pages 204 to 208 of Exhibit EC1.

---

<sup>5</sup> Page 119 of Exhibit EC1, and invoices from Google from pages 120 to 128.

22. Ms Charles states that between 1 September 2017 and 6 October 2017, the opponent's SPIRIT ENERGY website received over 1000 returning visitors, over 5000 new visitors, obtained nearly 300 new leads and sent quotations to over 100 of those leads. Since 2011, the opponent has sent regular emails to over 3000 individuals and companies. During the period when SPIRIT ENERGY was used as the mark, the opponent sent over 14000 emails, half of which were opened and there were approximately 1800 click-throughs to the opponent's website. Ms Charles exhibits at pages 258 to 261 an example of an email that was sent to all 3811 contacts in early September 2017 to notify them that the website and domain name had changed to reflect the broader range of services that the opponent was by then offering.

23. Ms Charles states that the opponent's marks have featured on every item of correspondence and business card since 2010, samples of which are shown at pages 262 to 304 of Exhibit EC1. These show both SPIRIT SOLAR and SPIRIT. I note an invoice dated 15 October 2013 (page 281), to the value of £25,278.59, lists (amongst other items) "Design, Project Management & Administration".

24. The next part of Ms Charles' witness statement concerns the structure of the energy industry. Pages 14 to 18 of Exhibit EC3 comprise pages from an article, dated 28 February 2018, on the Eastern Daily Press website, in which experts in the energy industry discuss views about the industry. Ms Charles points out that Fraser Weir, the applicant's North Sea Director, says in the article:

"For both the gas industry and the renewables sector, a huge opportunity is the potential for us to work together and use our shared expertise and experience for the benefit of the southern North Sea's energy industry more broadly. We already share the basin, and should be open to sharing our expertise as well."

25. Ms Charles states that traditional non-renewable energy companies have increasingly offered renewable services, such as solar PV. Pages 5 to 7 of Exhibit EC3 comprise a copy of an article on the website [solarpowerportal.co.uk](http://solarpowerportal.co.uk), dated 1 February 2018, in which the writer notes that "big oil majors" are returning to the

solar power sector, referring to BP entering the global solar market, in late 2017. Pages 8 to 10 of Exhibit EC3 comprise copies of screenshots from BP's website, showing a section of the website to be dedicated to the supply of commercial solar panels. Ms Charles states that BP is a subsidiary of Centrica Plc, which is also the applicant's ultimate parent (shown in a corporate tree summary on page 11 of Exhibit EC3). BP had, previously, been in both the non-renewable energy and solar markets, ceasing its solar operations in 2011, but recommencing them in 2017 by buying a stake in London-based Lightsource, at the time the EU's largest solar developer. An article in The Guardian, dated 15 December 2017, reports that BP was returning to solar because the sector had matured and the business model had shifted from manufacturing panels to developing solar farms. BP's CEO is reported as saying "[Solar] is really an important part of the overall energy mix. It will constitute around 10% of global power in the next 20 years and is growing around 15% per annum", and "We want to play our full role in the low carbon transition." Ms Charles states that British Gas, another Centrica Plc subsidiary, is moving into the energy storage sector, alongside its non-renewable energy offerings.

26. Pages 30 to 32 of Exhibit EC3 comprise pages from an article on the [solarpowerportal.co.uk](http://solarpowerportal.co.uk) website, dated 13 February 2018. The article reports that "Shell has suggested it will become the next major oil firm to enter the new build solar market after it was reported over the weekend that the Dutch giant plans to build solar farms in Britain." Pages 33 to 41 of Exhibit EC3 concern a Norwegian traditional energy (i.e. oil and gas) company, Statoil. A page from Statoil's website (dated 27 June 2018) refers to the fact that it delivers power to 650,000 UK homes from its UK offshore wind business, and that two more wind farms were to become operational in 2018, off the eastern Scottish coast. Ms Charles highlights page 50 of Exhibit EC3 in which Reuters reports, on 15 May 2018, that Statoil had rebranded, (to become Equinor), dropping the 'oil' from its name in efforts to diversify its business and attract young talent, put off by the impact of fossil fuels on climate change.

27. Pages 54 to 58 of Exhibit EC3 are from the website of EDF Energy (dated 27 June 2018), which declares "We produce more low-carbon electricity than any other generator in the UK." It also operates in the solar PV installation sector (pages 56 to

58). Ms Charles states that E.ON, a major UK energy supplier, produces electricity from a mixture of coal, gas, nuclear and renewable sources. E.ON launched E.ON Solar in 2017, installing domestic solar and storage systems.

28. Ms Charles states that the applicant launched its SPIRIT ENERGY business on 11 December 2017. Page 1 of Exhibit EC4 is a copy of an article on a website called energyvoice.com dated 11 December 2017, which starts “A new entrant to the North Sea makes its bow today. Spirit Energy, a joint venture made up of Centrica’s exploration and production (E&P) business and Bayerngas Norge, has started trading as an independent operator.” Pre-launch press coverage dating from 16 October 2017 is shown on pages 3 to 5 of Exhibit EC4. Ms Charles states that, since this time, the opponent has kept a record of some of the instances of confusion between the parties. Some examples are listed below:

- Tweets, such as “@SpiritSolar is a result of the merger of @centricapl and @BayerngasNorge. Yesterday, Monday 11 December, was the first date of the new company...”.
- Third-party use of the opponent’s Twitter handle @SpiritEnergy\_UK when referring to the applicant.
- On 12 December, the opponent received a telephone call from someone looking for Paul Tanner, who is listed on LinkedIn as the opponent’s General Counsel.
- Six of the applicant’s own employees selected the opponent’s LinkedIn profile instead of the applicant’s.
- The opponent’s Lead Forensics reports show companies are known to have (in some cases, repeatedly) visited the opponent’s website from 16 October: the visits are clearly associated with the oil industry, e.g. Statoil (21 visits, 13 different devices). Many of the visits were from Aberdeen and Norway, locations associated with the oil industry. Ms Charles estimates that Lead Forensics picks up under 10% of the opponent’s total website traffic.
- On 20 March 2018, Knight Frank estate agents called asking for the opponent’s accounts department to send over an invoice for the building rented in Aberdeen, which is where the applicant has offices.

- On the same day, the opponent received a call from someone from “Crossword Cybersecurity” asking for Andrew Collins, head of procurement. Mr Collins works for the applicant. Further phone calls that day and the next were received for other individuals who work for the applicant.
- The opponent was wrongly invoiced for equipment which the applicant had bought.
- On 23 May 2018, someone telephoned asking for “James” and insisted that they had the correct number because the opponent was an off-shoot of Centrica.

29. The final section of Ms Charles’ witness statement concerns the bad faith ground of opposition. Ms Charles states that the applicant knew, at the date of the applications, that the opponent had already been using its earlier marks and signs because, on 25 September 2017, one of the applicant’s employees, Andrew Bradley, telephoned the opponent and spoke to Ms Charles. Ms Charles states:

“Mr Bradley indicated that SEL [the applicant] was interested in using the Spirit Energy name. I told Mr Bradley that I would seek advice and get back to him in due course. I do not recall agreeing to get back to Mr Bradley within any particular timeframe.

102. SEL has suggested in correspondence that Mr Bradley called SSL [the opponent] again on or around 5 October 2017 but that I was unavailable. They have not stated whether or not Mr Bradley left a message. None of our employees recall this second telephone call. Further, we have checked our call records. On 25 September 2017, Mr Bradley called from the number 01224 415000. Neither that number, nor any number from the Aberdeen area, called our clients [sic] on or around 5 October 2017. SEL have been asked by our solicitors to supply full details of the second call that they say Mr Bradley placed, but they have failed to do so.

103. SEL sent no letter or email correspondence to SSL.



104. SEL and their shareholders, whilst knowing of SSL and that we were operating under the Spirit Marks (including SPIRIT ENERGY), decided nevertheless to go ahead and place us in the unenviable position of having to spend considerable time and energy and cost fending off cold-calls, misdirected calls, calls to SSL's accounts department about unpaid SEL invoices... and generally dealing with these instances of mistaken identity."

### **Applicant's evidence**

30. The applicant's evidence comes from David Henry, the applicant's Senior Counsel. Mr Henry's witness statement is dated 5 October 2018.

31. Mr Henry explains that although oil, gas and solar power all fall within the penumbra of the term "energy industry", the processes used to produce, process and distribute them are vastly different. I do not need to record in detail the finer points of the different types of energy production and distribution, but a summary of the position from the evidence is as follows:

- Oil and gas is extracted from the ground. Upstream is the term used for exploration and extraction; i.e. drilling underground and pumping the oil or gas to the surface. Midstream is the term used for transportation, storage and processing of oil and gas at a refinery. Downstream refers to the final production stages, marketing and distribution to customers. The applicant is mainly an upstream company, although it also performs midstream operations in the form of a gas terminal in Cumbria.
- The customers of upstream companies are generally businesses operating in the oil and gas sector. Energy supply or solar PV installation companies provide their services directly to the general public in the domestic and commercial market. Electricity and gas utility companies, such as E.ON, EDF and British Gas are downstream operators, storing and supplying electricity and natural gas.
- In the UK, there is a network of gas pipelines supplying gas to about forty power stations, gas distribution companies and to large industrial users, from

terminals located on the coast. The general public only ever purchases gas from downstream companies. Similarly, consumers do not purchase electricity directly from the National Grid, which owns and manages the transmission network for electricity in the UK. Consumers purchase electricity from downstream companies.

- Solar PV systems capture sunlight and convert it directly into electricity. Solar thermal systems, including power plants, collect and concentrate thermal energy from the sun to produce high temperature heat required to make electricity. The smallest PV systems power watches and calculators, and the largest supply electricity to thousands of consumers, as downstream businesses.

32. I note that Exhibit DH15 comprises a copy of a press release by Centrica plc, dated 17 July 2017, about the joint venture which it states is between Centrica plc and Stadtwerke München GmbH, and Bayerngas Norge AS. Later in the article, Stadtwerke München GmbH is described as Munich's municipal utilities company, the investments of which include E&P, onshore windfarms in several European countries, including one in the UK (Gwynt y Mor). Mr Henry acknowledges that there are some limited examples of upstream companies, such as BP and Shell, being involved in renewable energy as part of their wider group activities. Exhibit DH13 comprises pages from BP's website (dated 20 September 2018) which has tabs called "Upstream", "Downstream", "Alternative energy" and "Venturing". The section headed "Business model" says "From deep sea to desert, from rigs to retail, we find and produce oil and gas, fuels and lubricants, wind power and natural biofuels for a changing world". Another page says "Sustainability means building a resilient BP; a business that is competitive in all conditions, that recognises the urgency of the climate challenge and plays its part in driving the transition to a lower carbon world." However, Mr Henry states that renewable energy is not their core focus and their exploration and production arms are separate to their renewables business arms. He states:

"Furthermore, whilst it is true that there are examples of companies within the energy industry moving towards renewable energy, this does not change the fact that the goods and services offered by upstream E&P companies, as well

as the process involved in providing such goods and services, remains entirely different to the processes involved in renewable energy production.”

33. Mr Henry also gives the example of Equinor, formerly Statoil, which he states is an upstream company which is moving away from exploration and production services to focus increasingly on renewable energy. Exhibit DH14 consists of an article from the US news outlet CNBC, dated 7 February 2018, regarding Equinor’s pledge to move away from gas and oil over the next decade. Equinor’s CEO is quoted as saying “There is an energy transition going on and we will take part in that by not only producing oil and gas, but increasing our renewable energies”.

34. The next part of Mr Henry’s evidence concerns the applicant. It is not necessary to go into detail about its actual business because the assessment I make must be on the notional basis of the goods and services applied for (and the applicant’s fall-back specifications). I have noted the applicant’s evidence that it is an upstream company. Mr Henry gives evidence about the adoption of its marks. He states that, following an internal competition which was run between 21 and 28 August 2017 open to the employees of Centrica and Bayerngas Norges, the two entities which were to form the joint venture, the name SPIRIT ENERGY was selected as the name for the joint venture. The winning suggestion, Spirit Energy, was made by Andrew Smith of Centrica E&P, a Senior Commercial Advisor, by email on 25 August 2017. A copy of the relevant email chain is exhibited at Exhibit DH22. Mr Smith’s email of 25 August 2017 says:

“Spirit/Spirit Energy/Spirit Oil & Gas/(any other suitable name following Spirit e.g. Hydrocarbons) – the definition of spirit is literally “the non-physical part of a person which is the seat of emotions and character”, thus embodying care, but also hinting that there is something more than merely an E&P company. It is a distinctive name, could be shortened to Spirit within the industry, and certainly stands out.”

35. The applicant’s Managing Director, Chris Cox, announced the new name to employees by email on 12 October 2017, shown in Exhibit DH27. The email starts “Now that all the necessary checks have been made, the T’s crossed and the I’s

dotted I am thrilled to be able to share with you our new JV [joint venture] name...Spirit Energy". On 16 October 2017, company number 10854461 (previously called Centrica Newco 123 Limited) had its name changed to Spirit Energy Limited. The energy industry press announced the name on the same day (Exhibit DH29) and on 19 October 2017 (Exhibit DH30).

36. Another email chain is shown in Exhibit DH23. This chain, dated 12 and 13 September 2017, is between Carla Riddell, the applicant's Director of Strategy and Business Planning, and James Grant of IT/CIO. It concerns the purchase of the domain name. Mr Grant said that he had done some analysis on domain name options and had noted that there is a SpiritEnergyLLC.com, a US oil and gas company. Ms Riddell responded that he should go ahead with the most attractive domain name and that other domain names would be picked up after this. She also said that she had noted the US domain name/company and hoped it would not cause too many issues on the US trademark screening. Following the purchase, Ms Riddell wrote "Great stuff! We're one step closer to having a company name". An email dated 9 August 2018 from Mr Grant to Mr Henry, presumably solicited for these proceedings judging by the date, records that the master domain name Spirit-Energy.com was bought on 13 September and that from mid-October (2017) the applicant purchased UK, NL, NO and DK variants from in-country domain registers. He states that email wasn't switched on until Day 1 (presumably 11 December 2017; according to other evidence, this was the date on which the applicant commenced trading). Mr Henry states that the applicant created a LinkedIn page in September 2017 (Exhibit DH25). The first tweet was made on 11 December 2017 from the applicant's Twitter account, @spirit\_energy, which was created in September 2017.

37. Mr Henry states that he is aware of only two instances of possible confusion between Spirit Energy and Spirit Solar. The first is one of the instances highlighted by Ms Charles in her evidence: the applicant's employees putting their information on the opponent's LinkedIn pages instead of the applicant's. The second instance relates to a parcel from Royal Mail which was addressed to Vishal Giga, Operations Manager of Spirit Solar, at the applicant's address.

38. I reproduce below the remainder of Mr Henry's witness statement which deals with the allegation of bad faith:

60. As part of its risk management activities, Spirit Energy became aware of Spirit Solar's UK trade mark registration No. 2587629, but the Spirit Energy management team decided that the activities of Spirit Solar were wholly different to those of Spirit Energy and that there was therefore no overlap in the respective businesses' areas of activity.

61. Notwithstanding the above, it was decided, as a matter of professional courtesy, that it would be appropriate to inform Spirit Solar of Spirit Energy's intention to file the Applications and to use the Spirit Energy name. I am informed by Mr Adam Bradley (Commercial Manager of Spirit Energy) and believe that he contacted Mrs Erica Charles (director of Spirit Solar) on 25 September 2017 and notified Mrs Charles of Spirit Energy's intention to file the Applications and asked whether she had any objections. Mr Bradley has informed me that he also intimated to Mrs Charles that a swift response would be required. I am informed by Mr Bradley and believe that Mrs Charles did not provide any views on whether Spirit Solar would object to any such applications but said that she would take legal

advice and revert back to Mr Bradley. In the absence of any response from Mrs Charles, I am informed by Mr Bradley and believe that he followed up with a second call around 10 days later, but was unable to reach Mrs Charles, who was apparently unavailable.

62. In view of the fact that no further contact was made by Mrs Charles despite Mr Bradley informing her that a response was required quite swiftly, Spirit Energy inferred that Mrs Charles agreed with Mr Bradley's observations that there was no risk of confusion between the marks in view of the obvious differences between the respective businesses of Spirit Solar and Spirit Energy. Spirit Energy then proceeded to file the Applications.

63. Around three months after filing the Applications, Spirit Energy received a letter before claim from Spirit Solar on 8 February 2018.

64. As far as Spirit Energy was, and is, concerned, Spirit Energy and Spirit Solar are quite obviously wholly distinct businesses whose activities do not overlap, hence Spirit Energy's decision to contact Mrs Charles and to proceed to file the Applications. Moreover, the Applications were filed in respect of goods and services that do not overlap.

39. The applicant has also filed a witness statement from Harry Rowe, who is a trade mark attorney at Mathys & Squire LLP (the applicant's professional representatives in these proceedings). Mr Rowe's witness statement is dated 10 October 2018. It adduces several exhibits and states what they are, but there is no narrative explaining their relevance. Some are dictionary definitions of spirit, energy and surveying. Another is an extract from the website of a Swedish company about how gas turbines work. Mr Rowe adduces documents relating to the opponent's 2017 abridged accounts (from Companies House) and an extract from the Ministry of Housing Communities and Local Government's English Housing Survey 2016-17. The final exhibit is a printout from the LinkedIn profile of Debby Lamrhai and a printout from the website of Onyx Facilities Services, but without explanation. Since Mr Malynicz did not rely on any of this evidence in his submissions at the hearing, I will say no more about it.

#### **Opponent's evidence-in reply**

40. Ms Charles's second witness statement is dated 11 December 2018. She takes issue with the applicant's evidence that there is no similarity between the goods on account of the differences between non-renewable and renewable energy. Ms Charles points to the evidence of companies such as Shell and BP which have operations in both types of energy production and delivery. She provides a further example of Total S.A. (a French multinational that is one of the seven 'supermajor' global oil companies), which provides energy exploration and production, including oil, gas, solar and bioenergies (Exhibit EC5). Pages 4 to 50 of Exhibit EC50 are from BP's website, which reports on BP's low carbon plans. Similar evidence is given from the Equinor website, where it is stated "...we're looking for new ways to utilise our expertise in the energy industry, exploring opportunities in new energy as well as driving innovation in oil and gas around the world. We know that the future has to be low carbon. Our ambition is to be the world's most carbon-efficient oil and gas producer, as well as driving innovation in offshore wind and renewables" (printed on 5 December 2018). The Equinor website states that it is a major crude oil seller, the second-largest gas supplier to the European market, and also supplies electricity in the UK through offshore windfarms. The website refers to Equinor having a "New Energy Solutions business area" to complement the oil and gas business "with

profitable renewable energy and low-carbon solutions.” Ms Charles also highlights that there are plans to build a floating solar park in the North Sea where many oil and gas rigs are located (page 43 of Exhibit EC5, an undated article on the website renewablesnow.com).

41. Ms Charles points out that solar energy is not just a domestic power affair and that it is evolving to power whole communities and islands (according to pages 34 to 37 of Exhibit EC5, from E.ON’s website in June 2018).

42. Ms Charles answers the applicant’s evidence about contact with Mr Bradley concerning the applicant’s trade mark plans. Whilst she agrees that Mr Bradley contacted her on 25 September 2017, she states that Mr Bradley did not say that a swift response was required or indeed give any timescale for her response. In relation to the applicant’s statement that Mr Bradley made a follow-up call to the opponent on or around 5 October 2017, Ms Charles exhibits (pages 65 to 73) the opponent’s incoming calls records for the period 25 September 2017 to 6 October 2017. There are no calls from the applicant, apart from the original call made from Aberdeen on 25 September 2017. Ms Charles also gives details of more instances of confusion, along similar lines to the instances described in her first witness statement; all on or after 20 August 2017.

## **Decision**

### **Proof of use and the revocation proceedings**

43. Section 46 of the Act states:

“(1) The registration of a trade mark may be revoked on any of the following grounds—

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in

relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;

(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services or which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made.

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



(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that—

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from—

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

44. Section 6A mirrors, in many respects, Section 46. It suffices to note, for this decision, the difference in the relevant period for section 6A, which is the five years prior to the date on which the contested applications were published, as set out in paragraph 13 of this decision.

45. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) (28 June 2018), Arnold J. summarised the case law on genuine use of trade marks:

“114. The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV*

[2003] ECR I-2439, La Mer (cited above), Case C-416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I-4237, Case C-442/07 Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky' [2008] ECR I-9223, Case C-495/07 Silberquelle GmbH v Maselli-Strickmode GmbH [2009] ECR I-2759, Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG [EU:C:2013:592], [2014] ETMR, Case C-141/13 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised 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]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* 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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(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] and [22]. 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]; *Reber* at [29].

(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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(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] and [76]-[77]; *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].”

46. The onus is on the opponent, as the proprietor of the earlier mark, to show use because Section 100 of the Act states:

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

47. The applicant has requested proof of use for all the goods and services of the earlier mark, but has made only a partial attack in its revocation application. At the hearing (and in the skeleton arguments), concessions were made. The opponent accepted that it had not made genuine use of its mark for the registered services in classes 35 and 40. The consequences of this concession are that the opponent cannot rely upon these services in the oppositions and, furthermore, that its registration is revoked in respect of these services with effect from 17 December 2016:

*Class 35: Marketing services in the field of renewable energies.*

*Class 40: Production of energy, in particular renewable energies; generation of electricity from solar energy; production of solar energy.*

48. In his skeleton argument, Mr Malynicz said:

“9. In essence the opponent has failed to submit evidence of use of the earlier mark in relation to anything other than services relating to the installation and servicing of photovoltaics, battery storage devices and biomass. The registration should be limited to these services alone.

10. In fact there does not seem to be much between the parties on the issue of proof of use. The opponent's written submissions at paragraph 16 state as follows:

*“Within the relevant 5 year periods [the opponent] has been genuinely using SPIRIT SOLAR in the UK in connection with the registered goods and services including the design, supply, installation, maintenance and repair of: solar pv systems, solar thermal systems, biomass systems, energy storage systems and electrical systems”.*

11. Apart from the very general words at the end, namely “*energy storage systems*” (which could be any kind of energy stored in any manner), and the impossibly broad and vague “*electrical systems*” (which could cover anything from the navigation of a fighter jet to a handheld video game) the applicant basically agrees with the opponent that it has shown the use alleged.”

49. The next few paragraphs of the skeleton argument set out some exceptions to the above, such as submitting that there was no genuine use in relation to the registered goods, to installation services at large or to surveying services (in addition to no use of the class 35 and 40 services, which is accepted by the opponent).

50. At the hearing, referring to his skeleton argument, Mr Malynicz said:

“We say, as I have said in paragraph 11, that we more or less adopt what my learned friend has contended for in that italicised section above. I say more or less because my learned friend stopped there and did not read my remaining paragraphs 12, 13 down to 17, because it is all of a piece. What I say is we are prepared to accept that the registration is notionally considered to stand registered for design, supply, installation, maintenance and repair of solar systems, solar thermal systems, biomass systems, energy storage systems and electrical systems, save for those last two categories.

My learned friend really wants design and he really wants maintenance and repair. I think we would probably agree with him on maintenance and repair. On design we disagree... There is no stand-alone service provided to any third party... They, basically, have provided solar PV systems, solar thermal systems, biomass systems and we have been shown heat pumps today... If they want to keep heat pumps as well, that is fine. That does not mean you get to keep energy storage systems. That is far too broad on any basis after five years... Equally electrical systems... Installation, maintenance and repair services are a bit like retail services. They have to be pinned to specific goods in order to be meaningful.”

51. In the context of what was said both earlier and later at the hearing, I did not understand the concession about heat pumps to be about the goods themselves; rather, the installation, maintenance and repair of heat pumps. I have set out what Mr Malynicz said in his skeleton argument and at the hearing because certain concessions were made, the consequences of which are that there are certain goods and services upon which the opponent may rely for its opposition, and in relation to which the application for revocation fails (or is withdrawn), also bearing in mind that the proof of use request is total, whereas the revocation application is partial. The submissions about design were unclear. On the one hand it is mentioned in the skeleton and at the hearing as being part of the list of services which the applicant concedes; on the other hand, submissions were then made about it not being a stand-alone service. I will, therefore, come to my own conclusions about the various design services based upon the opponent’s evidence.

52. I approach the matter with the above concessions in mind, having firstly considered the matter in the light of the authorities which deal with the framing of a fair specification.

53. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark

has been used and which are not in substance different from them;  
*Mundipharma AG v OHIM (Case T-256/04) ECR II-449; EU:T:2007:46.*”

54. I agree with the applicant that *installation services*, in the class 37 specification, is far too wide. The opponent has operated in a clear market sector and is not entitled to retain such a broad term (which is the installation of anything). The applicant contends that certain terms in class 37 are also too wide: installation, maintenance and repair of installations for use in electricity generation; installation, maintenance and repair of electricity systems; installation, maintenance and repair of installations for generating power; installation, maintenance and repair of installations for generating electricity; installation, maintenance and repair of electricity operating apparatus. I agree; this covers all manner of operations, including nuclear power stations, although I think part of the problem is down to the drafting of the original specification. Accordingly, inserting a solar qualification to the services, the opponent may rely upon, and retain its registration for the following class 37 services:

*Installation, maintenance and repair of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; installation, maintenance and repair of solar electric systems and installations for use in solar electricity generation; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar power; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar electricity; installation, maintenance and repair of solar energy or solar electricity systems; installation, maintenance and repair of solar energy or solar electricity operating apparatus; installation, maintenance and repair of solar cells for solar energy or solar electricity generation; installation, maintenance and repair of solar panel systems for solar energy or solar electricity generation.*

55. The applicant’s arguments that the opponent has not made genuine use of its mark in relation to the design and surveying services in its class 42 specification are based upon the premise that these services are not stand-alone services provided to third parties, but form part of the opponent’s delivery of its solar energy system installation business. Mr Malynicz gave the example of a plumber visiting a domestic



customer to install a new boiler in a new room, which would entail a site survey and some bespoke design. Mr Hollingworth disagreed with this analogy and submitted that there is a whole range of elements which collectively make up a solar installation; customers engage the opponent to design the system as a whole, supply the elements and install it. The evidence shows that some of these elements have been designed or customised for specific customers (e.g. North Middlesex Hospital in 2013 and Marwell Zoo in 2015.) The website has consistently referred to design of the systems to be installed. Mr Hollingworth referred to the following parts of Ms Charles' evidence (not summarised above):

- A customer review on 6 September 2017: "...I found the design team to be incredibly helpful..." (page 136 Exhibit EC1).
- A review (undated): "At the initial site visit the technician was able to explain all of the technical requirements and we were able to work with him to design a very tidy system design.
- In the opponent's brochure: "We work with qualified structural engineers who carry out detailed calculations for each roof that we work on... We also design the foundations for ground mounted systems, optimising the design to the local wind conditions".
- In the opponent's brochure: "For every system that we install we follow a similar process of design, pre-contract support, installation and commissioning.

**Design and pre-contract support**

Optimised system sizing and specification

Design drawings

..."

- Design services are itemised in invoices, e.g. an invoice dated 15 October 2013, which lists, as the first item, "Design, project management and administration", at a cost of £1620.

56. I note from the invoices that design does not always feature, from which I infer that not all the opponent's jobs require a design and surveying element, but that some do. Whilst I understand the plumber analogy, one can think of other examples

in which surveying, design and supply would be perceived by the average consumer as being purchased as distinct elements of one overall service; for example, having a new kitchen fitted or one's garden landscaped. The average consumer would attribute the quality of the surveying and design to the opponent. Bearing in mind the opponent's trade in other types of renewable energy, such as biomass, I find that the opponent can rely upon and retain all its class 42 services, with a qualification to surveying services:

*Preparation of appraisals, assessments, research and reports related to the field of solar energy; design of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; design of renewable energy systems, including solar hot water systems, solar thermal systems, photovoltaic systems, wind systems and source heat pumps; design of solar panels and other energy-saving products; surveying services relating to the installation of renewable energy systems.*

57. The applicant claims that the goods supplied are those of third parties and that, therefore, there has been no genuine use of the earlier mark in relation to any of the goods of the registration:

*Class 9: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; photovoltaic elements; components, spare parts and accessories (included in this class) for all the above-mentioned goods; solar collectors; photovoltaic cells; solar cells for electricity generation; photovoltaic roofing and thermo-solar hybrid modules; panels for capturing solar thermal energy; solar energy generating modules; solar panels for electricity generation.*

*Class 11: Photovoltaic/solar installations, photovoltaic/solar modules and photovoltaic/solar cells, all being components for apparatus for lighting, heating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; solar heating panels; parts and fittings for the aforesaid goods.*

58. In *Aegon UK Property Fund Limited v The Light Aparthotel LLP* BL O/472/11, Mr Daniel Alexander Q.C., sitting as the Appointed Person, stated that (footnote omitted):

“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 the Community Trade Mark Regulation. For example, in *Strategi Group*, Case T-92/09, 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."

59. It will usually be difficult to show the necessary link between the supplier's trade mark and the goods where the goods bear third-party trade marks. However, each case turns on its own facts. If a kitchen design and fitting company provides appliances such as cookers and fridges bearing third-party brands, the company will be perceived as a retailer of those goods, which the customer will have selected on the basis of the brands on the goods. If there is an issue with the appliances themselves, the customer is unlikely to hold the kitchen company responsible (as opposed to an issue with the actual kitchen). The necessary link between the kitchen fitting company and the appliances would not exist. However, in the case of the opponent's solar systems business, the customer is unlikely to select the goods on the basis of the manufacturer's (third-party) mark, even if the goods bear a third-party mark. The customer will consider that they have chosen goods from the opponent (and, as the goods will often be on the roof, are unlikely even to see a third-party brand). The 2012 version of the opponent's website informed prospective customers that the opponent chooses the components which work best for individual

customers. Some of the invoices refer to branded goods, others do not. The customer does not order the goods separately from the opponent's services. The evidence shows that, in November 2013, the opponent supplied customised steel mountings for the roof of North Middlesex University hospital, and in September 2015, the opponent had bespoke triangular panels manufactured for Marwell Zoo. On balance, it is, therefore, the opponent which is likely to be held responsible for the quality of the goods.

60. As a result, I accept that the opponent has used its mark at least in relation to some of the registered goods. However, I consider the following to be too wide considering the use shown: *Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity*. The opponent cannot rely upon, or retain these goods in its class 9 specification. This covers everything from a small-scale solar electrical system to a major power station. The remainder of the class 9 specification appears to me to cover exactly what the opponent's business has been shown to be. I am satisfied that the remainder of the class 9 goods and the class 11 goods represent a fair specification on the evidence provided.

61. The opponent has shown use on domestic and commercial installations, so it is not appropriate to limit it to the domestic market. The proof of use and revocation proceedings outcome is that the opponent may rely upon, and retains its registration for the following goods and services:

*Class 9: Photovoltaic elements; components, spare parts and accessories (included in this class) for all the above-mentioned goods; solar collectors; photovoltaic cells; solar cells for electricity generation; photovoltaic roofing and thermo-solar hybrid modules; panels for capturing solar thermal energy; solar energy generating modules; solar panels for electricity generation.*

*Class 11: Photovoltaic/solar installations, photovoltaic/solar modules and photovoltaic/solar cells, all being components for apparatus for lighting, heating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; solar heating panels; parts and fittings for the aforesaid goods.*

*Class 37: Installation, maintenance and repair of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; installation, maintenance and repair of solar electric systems and installations for use in solar electricity generation; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar power; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar electricity; installation, maintenance and repair of solar energy or solar electricity systems; installation, maintenance and repair of solar energy or solar electricity operating apparatus; installation, maintenance and repair of solar cells for solar energy or solar electricity generation; installation, maintenance and repair of solar panel systems for solar energy or solar electricity generation.*

*Class 42: Preparation of appraisals, assessments, research and reports related to the field of solar energy; design of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; design of renewable energy systems, including solar hot water systems, solar thermal systems, photovoltaic systems, wind systems and source heat pumps; design of solar panels and other energy-saving products; surveying services relating to the installation of renewable energy systems.*

62. The registration is revoked with effect from 17 December 2016 in respect of the following goods and services, which the opponent may also not rely upon for the opposition:

*Class 9: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity.*

*Class 35: Marketing services in the field of renewable energies.*

*Class 37: Installation services, and the wider unqualified services.*

*Class 40: Production of energy, in particular renewable energies; generation of electricity from solar energy; production of solar energy.*

Class 42: *Surveying services* at large, subject to the qualification.

### **Section 5(2)(b) of the Act**

63. 5(2)(b) of the Act states:

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

(a) ...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

64. The following principles are gleaned from the decisions of the Court of Justice in the European Union (“CJEU”) 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;

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

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

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

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

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

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

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

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



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

#### Comparison of goods and services

65. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU stated at paragraph 23 of its judgment:

“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.”

66. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06, the GC stated that “complementary” means:

“82 ... there is a close connection between [the goods], 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...”.

67. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

68. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. stated:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

69. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12] Floyd J said:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

70. The applicant's primary case is based upon the specifications in its application, but it has also supplied amendments as a fall-back position. The amendments are shown below in bold:

Earlier mark	Application
Class 9: <i>Photovoltaic elements; components, spare parts and accessories (included in this class) for all the above-mentioned goods; solar collectors; photovoltaic cells; solar cells for electricity generation; photovoltaic roofing and thermo-solar hybrid modules;</i>	Class 4: <b><i>Gas and oil fuels supplied only to: refineries, oil and gas terminals and depots, offshore oil/gas platforms, drilling rigs, other non-domestic oil and gas infrastructure entities and other oil and gas production and trading companies.</i></b>

*panels for capturing solar thermal energy; solar energy generating modules; solar panels for electricity generation.*

*Class 11: Photovoltaic/solar installations, photovoltaic/solar modules and photovoltaic/solar cells, all being components for apparatus for lighting, heating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; solar heating panels; parts and fittings for the aforesaid goods.*

*Class 37: Installation, maintenance and repair of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; installation, maintenance and repair of solar electric systems and installations for use in solar electricity generation; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar power; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar electricity; installation, maintenance and repair of solar energy or solar electricity systems; installation, maintenance and repair of solar energy or solar electricity operating apparatus; installation, maintenance and repair of solar cells for*

*Class 37: Oil and gas drilling; extraction of gas; building construction and demolition relating to oil and gas exploration and production; construction, refurbishment, inspection, repair, maintenance and decommissioning of **oil and gas** pipelines; construction, refurbishment, inspection, repair, maintenance and decommissioning of oil and gas installations; installation, refurbishment, inspection, repair, maintenance and decommissioning of energy supply installations **being oil and gas platforms and drilling rigs, oil and gas terminals or depots and oil and gas storage installations, and none being installations powered by, using or supplying solar energy; installation, refurbishment,***

*solar energy or solar electricity generation; installation, maintenance and repair of solar panel systems for solar energy or solar electricity generation.*

***inspection, repair, maintenance and decommissioning of energy production plants powered by, using, distributing or supplying oil and/or gas, and none being energy production plants powered by, using, distributing or supplying solar energy; grout reinforcement for oil and gas platforms.***

***Class 39: Storage of gas and oil offshore and onshore in terminals, depots and other non-domestic storage facilities; transmission of gas and oil by pipeline to and from refineries, offshore oil/gas platforms and drilling rigs and terminals, depots and other non-domestic storage facilities and other non-domestic oil and gas infrastructure; distribution and delivery of gas and oil to and from refineries, offshore oil/gas platforms and drilling rigs, to and from other non-domestic oil and gas infrastructure entities and other oil and gas production and trading companies.***

*Class 40: Processing of gas and oil.*

*Class 42: Preparation of appraisals, assessments, research and reports related to the field of solar energy; design of solar installations, photovoltaic*

*Class 42: Exploration for gas and oil; engineering services in the field of production of gas and oil; oil prospecting; preparing surveys of oil-bearing seams;*

<p><i>modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; design of renewable energy systems, including solar hot water systems, solar thermal systems, photovoltaic systems, wind systems and source heat pumps; design of solar panels and other energy-saving products; surveying services relating to the installation of renewable energy systems.</i></p>	<p><i>surveying of oil beds and fields; geophysical exploration for the oil and gas industries; conducting feasibility studies relating to gas exploration.</i></p>
--	---

71. I have given thought as to whether the suggested fall-back wording is contrary to the CJEU’s guidance in *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* [2004] E.T.M.R. 57, known as “*Poskantoor*”.

72. In *Omega SA (Omega AG) (Omega Ltd) v Omega Engineering Incorporated* [2012] EWHC 3440 (Ch), Arnold J. provided the following guidance:

“43. *The POSTKANTOOR principle.* In *POSTKANTOOR* the applicant applied to register the word *POSTKANTOOR* (Dutch for *POST OFFICE*) in respect of goods and services in Classes 16, 35–39, 41 and 42. The Benelux Trade Mark Office refused registration on the grounds that the sign was descriptive. On appeal, the *Gerechtshof te s’-Gravenhage* (District Court of The Hague) referred nine questions of interpretation of the Directive to the Court of Justice, of which the eighth was as follows:

“Is it consistent with the scheme of the Directive and the Paris Convention for a sign to be registered for specific goods or services subject to the limitation that the registration applies only to those goods and services in so far as they do not possess a specific quality or specific qualities (for example, registration of the sign ‘Postkantoor’ for the services of direct-mail campaigns and the issue of postage stamps, provided they are not connected with a post office’)?”

44. The Court of Justice answered this question as follows:

“113. ... when registration of a mark is sought in respect of an entire class within the Nice Agreement, the competent authority may, pursuant to Article 13 of the Directive, register the mark only in respect of some of the goods or services belonging to that class, if, for example, the mark is devoid of any distinctive character in relation to other goods or services mentioned in the application.

114. By contrast, where registration is applied for in respect of particular goods or services, it cannot be permitted that the competent authority registers the mark only in so far as the goods or services concerned do not possess a particular characteristic.

115. Such a practice would lead to legal uncertainty as to the extent of the protection afforded by the mark. Third parties — particularly competitors — would not, as a general rule, be aware that for given goods or services the protection conferred by the mark did not extend to those products or services having a particular characteristic, and they might thus be led to refrain from using the signs or indications of which the mark consists and which are descriptive of that characteristic for the purpose of describing their own goods.”

45. The guidance given by the Court of Justice must be seen in the context of the question to which it was addressed, namely whether it was acceptable to restrict the goods or services by reference to the absence of “a specific quality”. What the District Court of The Hague meant by this can be seen from the example it gave, viz. “the services of direct mail campaigns and the issue of postage stamps provided that they are not connected with a post office”. When the Court of Justice referred in its answer to “a particular characteristic”, it must have meant the same thing as the District Court meant by “a specific quality”.

46. The application of this guidance has caused some difficulty in subsequent cases. In *Croom's Trade Mark Application [2005] R.P.C. 2* at [28]–[29] Geoffrey Hobbs QC sitting as the Appointed Person held that the *POSTKANTOOR* principle precluded the applicant from limiting a specification of goods in Classes 18 and 25 by adding the words “none being items of haute couture” or “not including items of haute couture”. He went on at [30] to refer to “characteristics that may be present or absent without changing the nature, function or purpose of the specified goods”. Mr Hobbs QC made the same distinction in *WISI Trade Mark [2007] E.T.M.R. 5; [2006] R.P.C. 22* at [16].

47. In *Oska's Ltd's Trade Mark Application [2005] R.P.C. 20* at [56] I observed *en passant* when sitting as the Appointed Person that I did not consider that it would be permissible to limit the specification by reference to the applicant's intended target market.

48. In *MERLIN Trade Mark (BL O/043/05) R.P.C. 871* at [27]–[28] I held when sitting as the Appointed Person held that the disclaimer “but not including the provision of venture capital” was acceptable, because it was not framed by reference to the absence of particular characteristics of the services, but rather it was a restriction on the scope of the services embraced by the specification. Accordingly,

“the effect of [the disclaimer] is simply to excise a particular service from the specification. The mere fact that it is more convenient to express it in negative than positive terms does not make it objectionable.”

49. I also allowed a second disclaimer “and not including the provision of any such services to the pharmaceutical biotechnological [or] bioscientific sectors” for reasons which I expressed at [29] as follows:

“The position with regard to the second disclaimer is more debatable, but in my judgment the disclaimer does not relate to a characteristic of

the services. I consider that there is a distinction between goods and services here. An article of clothing is an article of clothing regardless of whether it is of a particular style or quality and regardless of the identity and proclivities of the intended purchaser. By contrast, services can be defined in part by the recipient of the service. The opponent's registration is an example of this, since both the Class 35 and the Class 36 specification are limited to services provided to the pharmaceutical biotechnological and bioscientific sectors. In my view *POSTKANTOOR* does not make it impermissible to define services in this way. That being so, I consider that it makes no difference if the definition is expressed negatively rather than positively."

50. In *Patak (Spices) Ltd's Community Trade Mark Application (R746/2005-4) [2007] E.T.M.R. 3* at [28] the Fourth Board of Appeal at OHIM refused to allow a proposed limitation "*none of the aforesaid being dart games or darts*" to a class 28 specification as offending the *POSTKANTOOR* principle. I find this decision difficult to follow, since the exclusion related to categories of goods, rather than the characteristics of goods. It appears that the objection may have been down to the fact that the exclusion was negatively worded, but as I explained in *MERLIN [1997] R.P.C. 871* that is a matter of form, not substance, and so should not have been determinative."

And

"56. Against this background, counsel for Swiss submitted that the limitation "intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)" contravened the *POSTKANTOOR* principle because it purported to restrict the specification of goods by reference to whether the goods possessed particular characteristics.

57. I do not accept that submission for the following reasons. First, if and insofar as the *POSTKANTOOR* principle depends on the limitation being



expressed in negative terms, the limitation in the present case is expressed in positive terms. Secondly, and more importantly, I do not consider that the limitation refers to whether the goods possess particular characteristics in the sense in which the Court of Justice used that term in *POSTKANTOOR*. Rather, the limitation refers to the functions of the goods. To revert to the analogy discussed above, it is comparable to a limitation of “clocks” to “clocks incorporating radios”. Accordingly, in my judgment it falls on the right side of the line drawn by Mr Hobbs QC in *Croom’s Trade Mark Application [2005] R.P.C. 2* and *WISI Trade Mark [2007] E.T.M.R. 5; [2006] R.P.C. 22*.”

73. The comment in *Oska’s* is on all fours with the present class 4 position, which seeks, like *Oska’s*, to limit the specification by reference to the applicant’s intended target market. This is contrary to *POSTKANTOOR*. The fall-back specification in class 4 is unacceptable.

74. Furthermore, in relation to the part of the qualification which reads, for example in the class 4 fall-back, “other non-domestic oil and gas infrastructure entities and other oil and gas production and trading companies” the qualifying characteristic cannot be identified with sufficient legal certainty<sup>6</sup>. The limit in class 37 to e.g. “none being energy production plants powered by, using, distributing or supplying solar energy” appears to be a meaningless exclusion of characteristics. The plants are energy plants. The limit to “construction, refurbishment, inspection, repair, maintenance and decommissioning of oil and gas pipelines”, and “being oil and gas platforms and drilling rigs, oil and gas terminals or depots and oil and gas storage installations” in class 37 is acceptable, as is “distributing or supplying oil and/or gas”. None of the remainder of the class 37 fall-back wording is acceptable and so must be left out of account in determining the grounds under section 5 of the Act<sup>7</sup>. The class 39 fall-back wording is acceptable.

75. The applicant’s goods in class 4 are *Gas and oil fuels*. They do not share nature or method of use with the opponent’s goods. One would not choose the opponent’s goods instead of the applicant’s: the comparison is not directly between gas/oil and

---

<sup>6</sup> *GAP (ITM) INC v GAP 360 LTD* [2019] EWHC 1161 (Ch), paragraph 50.

<sup>7</sup> *Idem*, paragraph 51.

solar electricity. They are not important for the use of each other. The opponent's goods are all solar/photovoltaic-related, so it is not possible to see how they would coincide in trade channels. However, although there is some similarity in purpose, as the purpose of gas and oil fuel is to provide power, as ultimately are the opponent's goods, particularly in class 9, there are steps in the power generation process. If there is any similarity between the goods, it is very low.

76. In terms of the comparison with the opponent's services in classes 37 and 42, there is, of course, a self-evident difference between the nature and the methods of use of a good and a service. Despite this, the purpose of a good and a service could, nevertheless, be similar. In this case, there could be a low degree of similarity of purpose. The purpose of gas and oil fuel is to generate power, whereas the purpose of the class 37 services is the installation of systems to produce power. However, this is even less direct than the level of similarity between the parties' goods, as above. The goods and the services are not competitive; the competition would be between fuel and electricity, not fuel and solar panel installation services. Neither do I see any complementary relationship between gas and oil fuels and the installation services. In relation to the class 42 services, there is no similarity. The questions of nature, intended purpose, methods of use, competition and complementarity are even further away than that assessed already.

77. I cannot see any meaningful level of similarity between any of the opponent's goods and services and the applicant's services in class 37. The applicant's services are specific to oil and gas, and such installations will be very different to the opponent's goods and services. Oil and gas are highly flammable and explosive, entailing very specific extraction and piping conditions. They are underground resources, whereas solar installations are completely the opposite – they require exposure to the sun to work.

78. In relation to the applicant's services in class 39, my comments above about the special conditions for such fuels apply here. The opponent's goods and services all relate to solar energy, which is stored and distributed in very different ways to gas and oil. The opponent does not have cover in class 39 for the distribution of electricity, nor in class 40 for the production of electricity. The opponent makes a

point about there being similar trade channels as large companies turn, increasingly, to renewable energy provision. Consumers buy both gas and electricity from a single supplier. The evidence shows that some suppliers, such as E.ON, also install domestic PV systems. There may therefore be an argument that gas can be sourced from the same undertaking which supplies electricity and also installs PV systems, feeding generated electricity back to the grid. However, the overall similarity here will be very low, given the parameters of the caselaw.

79. The applicant's class 40 services are *Processing of gas and oil*. The opponent's services are the installation (repair and maintenance) of solar installations, the design of such, and the goods which are installed. None of these share nature, purpose, method of use, or are complementary, in competition or sourced from the same trade channels as the applicant's services in class 40 which are highly specialised, chemical processes.

80. The applicant's services in class 42 are *Exploration for gas and oil; engineering services in the field of production of gas and oil; oil prospecting; preparing surveys of oil-bearing seams; surveying of oil beds and fields; geophysical exploration for the oil and gas industries; conducting feasibility studies relating to gas exploration*. As above, these are highly specialised services. I cannot see any similarity between them and the opponent's goods and services, beyond a very high-level observation that energy of some description is the end-result. This is not enough to find similarity within the parameters of the caselaw cited earlier in this decision.

81. Without the fall-back specification limitation in class 37, I would have found that the applicant's *installation, refurbishment, inspection, repair, maintenance and decommissioning of energy supply installations and energy production plants* was identical and similar to the opponent's class 37 services. I will proceed from here on the basis of the fall-back which I have said is acceptable.

#### The average consumer and the purchasing process

82. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood

of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

83. With the exception of *gas and oil fuels*, the selection of the parties' goods and services is likely to be a relatively important decision, either for an individual for personal/domestic use or a business. I find that the average consumer is likely to pay an above average level of attention when selecting these services. In respect of the applicant's services, in particular, these are specialist and will involve a high level of attention. Gas and oil will be subject to a normal level of attention during the purchasing process. Whilst the predominant mode of selection will involve visual perception of the marks, the services are also likely to involve aural discussion during the purchasing process, so aural perception of the trade marks also has some significance.

#### Comparison of marks


84. 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 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.

85. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

85. 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.

86. The marks to be compared are:

Opponent's mark	Applicant's marks
Spirit Solar SpiritSolar	 SPIRIT ENERGY

87. I have only reproduced the black and white version of the mark in the applicant's series of five marks. This is because the colour makes no difference to the assessment as to similarity between the marks. The Court of Appeal has stated on two occasions following the CJEU's judgment in *Specsavers*, (see paragraph 5 of the judgment of the Court of Appeal in *Specsavers* [2014] EWCA Civ 1294 and *J.W. Spear & Sons Ltd v Zynga, Inc.* [2015] EWCA Civ 290, at paragraph 47) that registration of a trade mark in black and white covers use of the mark in colour. This is because colour is an implicit component of a trade mark registered in black and white (as opposed to extraneous matter)<sup>8</sup>.

88. The overall impression of the earlier mark is that it comprises the words Spirit Solar. The conjunction of the words in the second mark in the series makes next to no difference to the overall impression of two common words, since the capitalisation of the S in Solar clearly signposts that the mark comprises the two words Spirit and Solar. For simplicity, I will refer to the earlier marks in the singular from here onwards.

---

<sup>8</sup> See paragraph 5 of the judgment of the Court of Appeal in *Specsavers* [2014] EWCA Civ 1294 and *J.W. Spear & Sons Ltd v Zynga, Inc.* [2015] EWCA Civ 290, at paragraph 47.

89. Solar has less weight in the earlier mark because not only is it the second of the two words, but also has less distinctive character, being a descriptive word in the context of the goods and services. This also follows for the applicant's word only mark, in which ENERGY, a descriptive word in the context of the goods and services, is the second word in the mark, the overall impression being a mark comprised of the two words SPIRIT and ENERGY. These words are also the more dominant part of the applicant's composite mark, with ENERGY having the least weight in the overall impression of the mark because it is descriptive of the goods and services.

90. The parties' word marks share a medium degree of visual and aural similarity on account of the first words being identical but the second words looking and sounding quite different. The earlier mark is visually similar to the applicant's composite mark to a medium degree; despite the device, the words are clear and separate within the mark. The black background would be seen exactly as that, having a minimal impact on the visual perception of the mark as a whole. It is unlikely that the device would be articulated; therefore, the composite mark has a medium degree of aural similarity with the earlier marks.

91. There are various meanings of 'spirit' in the dictionary<sup>9</sup>, such as character and feelings, the soul, a ghost, courage, people's energy, attitude, intention, strong alcoholic drinks, and other types of alcoholic liquids, such as surgical spirit. 'Solar' is a reference to the sun and, in the context of the goods and services, a reference to energy captured from sunlight. There is a high level of conceptual similarity between the marks since they both share the word spirit, and the second words in the marks are either energy or describe a type of energy (solar energy).

#### Distinctive character of the earlier mark

92. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*<sup>10</sup> the CJEU stated that:

---

<sup>9</sup> Collins Online Dictionary

<sup>10</sup> Case C-342/97

“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).

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).”

93. Spirit is not an invented word, so does not possess the highest level of inherent distinctive character; nevertheless, it does not obviously describe or allude to any characteristic of the opponent’s goods and services. The earlier mark has a good level of distinctive character *per se*. I note that the applicant’s evidence shows that the employee who won the applicant’s naming competition considered that spirit was ‘distinctive’.

94. One of the principles which must be taken into account in deciding whether there is a likelihood of confusion is that 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. The earlier mark has been used, and used successfully by a small business, but the use is not to such a level that, in accordance with the caselaw, its distinctive character has been enhanced to any significant extent beyond its inherent level, which is already good.

### Likelihood of confusion

95. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. However, if there is no similarity between the goods and services, there can be no likelihood of confusion (*Canon*). Consequently, the section 5(2)(b) ground fails in respect of the services in the applications which are not similar to the opponent's goods and services.

96. Earlier in this decision, I found that there was a very low degree of similarity in respect of the goods and services in classes 4 and 39 of the applications, compared to the opponent's goods and services. I find that there is no likelihood of confusion in relation to the applicant's class 4 and 39 goods and services because the high level of attention during the purchasing process will be of such a degree, in combination with the very low similarity between the goods and services if, indeed, there is any, that it will militate against a likelihood of confusion.

97. There are two final points to make before moving on to the other grounds of opposition. The first is the opponent's evidence which purports to show confusion. This all took place after the opponent changed its own name to Spirit Energy. It does not show that there was confusion in relation to Spirit Solar; additionally, the applicant did not start using its name until after the opponent changed its name to Spirit Energy. The applicant did not use its name whilst the opponent was still using Spirit Solar.

98. The second point is that even if I had considered that the earlier mark benefited from an enhanced level of distinctive character to any significant extent, the result would not have been any different. The inherent level of distinctiveness is already good, so an uplift would not have been significant enough to have counteracted the difference in goods and services and the higher level of attention.



## Section 5(3) of the Act

99. 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.”

100. 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, *Adidas-Salomon*, [2004] ETMR 10 and Case 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 on 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*).

101. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its mark is similar to the applicant's marks. Secondly, the opponent must show that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the later marks. Fourthly, assuming that the first three conditions have been met, section 5(3) requires that one or more of the types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

102. The first requirement of similarity between the marks is satisfied, as detailed earlier in this decision. The second requirement is a reputation in the goods and services relied upon; however, this is further restricted to a reputation in the goods and services which survived the genuine use assessment, as set out at paragraph 61 of this decision.

103. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

104. His Honour Judge Hacon, in *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC 35 (IPEC) stated "Reputation constitutes a knowledge threshold". In *Enterprise Holdings Inc. v Europcar Group UK Ltd* [2015] EWHC 17 (Ch), Arnold J (as he then was) described the requirement to prove reputation as not particularly onerous. This is a different (albeit related) question as to whether the mark's distinctive character had been enhanced through use by the relevant dates. This is because reputation is a question of how many of the potential consumers of the goods and services know of the earlier marks, and for what, whereas distinctive character is a measure of how strongly the mark identifies the opponent's goods and services from those of other undertakings. Although there are no market share figures, this is not fatal. It depends on what the overall evidential picture shows. The GC, in *Farmeco AE Dermokallyntika v OHIM*, Case T-131/09, stated, in relation to the factors listed in paragraph 27 of *General Motors*:

"59 That finding is not called into question by the applicant's argument that the turnover figures for sales and the amount spent on promoting the goods covered by the earlier marks, which are referred to in the opposing party's observations of 5 September 2005, have not been proved. It should be pointed out that the absence of figures is not, in itself, capable of calling into question the finding as to reputation. First, the list of factors to be taken into consideration in order to ascertain the reputation of an earlier mark only serve as examples, as all the relevant evidence in the case must be taken into

consideration and, second, the other detailed and verifiable evidence produced by the opposing party is already sufficient in itself to prove the reputation of its mark for the purposes of Article 8(5) of Regulation No 40/94 (see, to that effect, judgment of 10 May 2007 in Case T-47/06 *Antartica v OHIM – Nasdaq Stock Market (nasdaq)*, not published in the ECR, paragraph 52).”

105. The opponent has adduced a considerable amount of material showing that it has won awards and recognition in the renewable energy industry, and has attended shows such as the *Ideal Home Show*. Its customer base extends right across southern England, and into the Midlands. The opponent’s business has been constant since its inception in 2010, with domestic and commercial customers (including a hospital and a zoo), and it installed the UK’s largest solar panel system at an educational establishment. Its turnover since 2012 (until 2017) amounted to approximately £12.8 million. I find that, at the dates on which the contested applications were filed, the opponent had a sufficient reputation upon which to base its section 5(3) ground, in the goods and services for which I found there had been genuine use.

106. I find the opponent’s evidence to be persuasive in showing that traditional, fossil fuel, or non-renewable, energy companies have been increasingly looking to diversify and to offer renewable energy, in addition to the traditional sources of energy, such as oil and gas. The applicant’s own North Sea Director, Fraser Weir, was reported as stating that the two sectors have a huge opportunity to work together and to share their expertise, both operating in the North Sea. The opponent’s confidential evidence gives detail about some discussions it had with a major fuel company, which is a household name in the UK, towards that company offering energy storage to its commercial customers. An article on the solarpowerportal website refers to “big oil majors”, citing BP as an example of one such company returning to the solar power sector, late in 2017. The screenshots from BP’s website refer to it selling commercial solar panels. BP is a subsidiary of Centrica, the corporate parent of the applicant. BP’s CEO is reported as stating that solar power will constitute around 10% of global power in the next 20 years and is growing about 15% per annum. He states that BP wants to play a full role in the low

carbon transition. British Gas was also making the move into the energy storage sector, another subsidiary of Centrica, as was Shell, building solar farms in the UK. Although some of this evidence is a couple of months after the relevant date, the press reports indicate trends, which are unlikely to be overnight sensations given the size of the undertakings involved. This evidence is relevant to the position at the relevant dates. Furthermore, the applicant's own evidence refers to BP and Shell's diversification, although the applicant's view is that this is not their focus. That is not determinative of whether a link will be made.

107. The convergence between the various types of energy business and the movement of 'major' oil companies towards providing renewable energy, coupled with the similarities between the marks, the inherent distinctiveness of the earlier mark, and the recognition which the opponent enjoys within the renewable energy industry leads me to conclude that a link will be made. This would be the case even though some of the applicant's services are specialised; the public does not need to be a consumer of oil rig services to know that energy companies providing domestic fuels also operate oil rigs.

108. The applicant gives evidence about Equinor, formerly called Statoil, an upstream company which has moved away from exploration and production to focus increasingly on renewable energy. Equinor's CEO said, early in 2018, that there is an energy transition taking place and that Equinor wanted to take part in that "by not only producing oil and gas, but increasing our renewable energies". The opponent has also provided evidence about Equinor and its change of name from Statoil. Statoil/Equinor provides power to 650,000 homes via its offshore wind farm business in the North Sea. Reuters reported that the rebranding, dropping the 'oil' in Statoil, to Equinor, was to reflect the diversification of its business and to attract young graduate talent which was put off by the 'oil' part of the name, reflecting changing moral/ethical standards of the younger generation in terms of the impact of fossil fuels on climate change. Based on this evidence and the evidence showing the increased diversification within the energy industry, with a shift amongst the fossil fuel companies towards providing renewable energy in the commercial and domestic markets, I find that the applicant would benefit from the association with the 'green' credentials of the applicant. This would be an unfair advantage because the

applicant has only latterly operated and the opponent has spent several years building its business and reputation. The applicant would benefit from the marketing and publicity efforts of the opponent, which is a recognised leader in its field. The section 5(3) ground succeeds under this type of damage. It is unnecessary to look at detriment to distinctive character. As set out earlier in this decision, the application to amend the pleadings to include one of detriment to repute is not allowed.

### **Section 5(4)(a) of the Act**

109. Section 5(4)(a) states:

“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

(b)...

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.”

110. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

111. Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 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.”

112. The relevant dates for assessing the passing off complaint are the dates on which the contested marks were filed: 6 October 2017 and 13 November 2017. The applicant had not used the marks before these dates.

113. It will be clear from my findings earlier in this decision that I consider that the opponent had a well-established goodwill for the goods and services which I found to survive the genuine use assessment, in relation to its signs SPIRIT and SPIRIT SOLAR.

114. I found that the applicant’s goods and services either had no, or a very low, degree of similarity with the opponent’s goods and services. That was a finding made under the established caselaw pertinent to section 5(2)(b) of the Act. Such considerations have relevance under section 5(4)(a), but they do not prevent a finding of misrepresentation (and damage). In *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Millet L.J. made the following findings about the lack of a requirement for the parties to operate in a common field of activity, and about the additional burden of establishing misrepresentation and damage when they do not:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression “common field of activity” was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat case Lord Diplock* expressly recognised that an action for passing off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego case Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

*Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency)* [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego case Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

'even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.'

In the same case Stephenson L.J. said at page 547:

'...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged "passer off" seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in

their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.’ ”

121. Both parties are in the energy business, although this is a diverse field of activity. I considering whether there is, or could be, an association, between the field of activity of the opponent and the field of activity of the applicant, I also bear in mind that wondering if there is a connection between the businesses is not enough: there must be an assumption for misrepresentation to occur amongst a substantial number of the opponent’s customers (or potential customers)<sup>11</sup>. It is also the opponent’s customers who must be deceived, not the applicant’s.

122. Both smaller players and huge multinationals occupy increasing ground in the renewable energy market. The evidence shows that the multinationals, such as BP and Shell, had plans at the relevant date, reported in the press, to move into the renewable energy sector. The opponent was in talks with a major household non-renewable energy name. I consider that there will be a misrepresentation for a substantial number of the opponent’s customers if the later marks were used in relation to *gas and oil fuels*, but not for the applicant’s services which are specialised and used by a specialist public. However, gas and oil is used by the general public. I find that that, at the relevant dates, the applicant was entitled to have prevented the use of the later mark under the law of passing off in relation to *gas and oil fuels* because such use would have been damaging to the applicant’s goodwill. Damage could arise in a number of ways; such as, a belief by the public that the goods or services offered by the applicant were a collaboration with the opponent; or damage caused by association with an undertaking involved in non-renewable energy in the eyes of customers who eschew such energy sources.

123. Having found for the opponent on the basis of its SPIRIT and SPIRIT SOLAR signs, there is, strictly, no need for me to look at the passing off ground based upon its use of SPIRIT ENERGY. However, for completeness, I will make some brief findings. The opponent commenced use of SPIRIT ENERGY on 1 September 2017. This was about a month prior to the filing of one of the contested applications and

---

<sup>11</sup> *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5.

about two and a half months prior to the filing of the other. An opponent might face an uphill struggle to demonstrate a sufficient level of goodwill having been created in such a short space of time. However, this case is not so straightforward. The opponent's business was not a new business or a change of business on 1 September 2017, and it already had goodwill in SPIRIT and SPIRIT SOLAR. SOLAR denotes the types of business, as does ENERGY. The business was the same, solar and renewable energy. In my view, the opponent's goodwill in its SPIRIT and SPIRIT SOLAR signs was sufficient to found its passing off action at the relevant dates in relation to SPIRIT ENERGY. The new mark was distinctive of the opponent's business at the relevant dates. The section 5(4)(a) ground also succeeds in relation to the earlier sign SPIRIT ENERGY against the applicant's *Gas and oil fuels*.

### **Section 3(6) of the Act**

124. Section 3(6) of the Act states:

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

125. In *Red Bull GmbH v Sun Mark Ltd & Anr* [2012] EWHC 1929 and [2012] EWHC 2046 (Ch) (“Sun Mark”) Arnold J. summarised the general principles underpinning section 3(6) as follows:

“Bad faith: general principles

130 A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/ Article 3(2)(d) of the Directive/ Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, “Bad faith in European trade mark law” [2011] IPQ 229.)

131 First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-529/07

*Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132 Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2009] EHCW 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133 Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207–2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134 Fourthly, bad faith includes 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”: see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004 ) at [8].

135 Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for

example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see Cipriani at [185].

136 Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137 Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138 Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

“41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48).”

126. Section 3(6) of the Act is an absolute, self-standing ground<sup>12</sup>, independent of the existence of the other grounds. The relevant dates are 6 October 2017 and 13 November 2017.

127. It is not, of itself, bad faith to apply for a trade mark which you know others are using. In *Road Runners (East Grinstead) Limited v Roadrunners Gatwick Limited*, BL O/094/17, Mr Daniel Alexander QC, sitting as the Appointed Person, observed at [29]:

“...the boundary between impermissible appropriation or denial of third party right amounting to bad faith and permissible assertion of a bona fide claim to a trade mark right of one’s own is not always easy to draw. That is partly because it is not bad faith as such to stake a claim to trade mark protection even if that claim may not ultimately be justified. Nor is it bad faith as such for an undertaking to seek registration of a trade mark with a view to preventing others from using that or a similar mark. Indeed, securing exclusivity is the very purpose of trade mark registration. The jurisdiction to refuse protection in cases of bad faith is also not to be invoked so as to make general adjudications as to commercial morality.”

---

<sup>12</sup> *Melly's Trade Mark Application* [2008] RPC 20.



128. This ground is heavily fact dependent. Mr Henry has given hearsay evidence about what Mr Bradley said to him. It is not explained why the evidence has not come directly from Mr Bradley about the phone call with Ms Charles, and the alleged follow-up call, which Ms Charles disputes took place (and she provides a print out of the calls received as proof). In the applicant's favour is Mr Henry's statement that the parties' businesses do not overlap. As can be seen from this decision, that is largely true in relation to the section 5(2)(b) ground, although not the passing off ground. Of itself, again, this not determinative. However, viewed alongside Mr Henry's opinion that Ms Charles did not get back to the applicant and the evidence about the internal naming competition and the new company's enthusiasm for its new brand, I find that the applications were not filed in bad faith. To do so would stray in to the territory of making a general adjudication about the applicant's commercial morality.

## **Outcome**

129. The opposition is successful; partially under section 5(4(a), wholly so under section 5(3) of the Act. The applications are refused.

130. The revocation action was partially successful. Registration 2587629 remains registered for the following goods and services:

*Class 9: Photovoltaic elements; components, spare parts and accessories (included in this class) for all the above-mentioned goods; solar collectors; photovoltaic cells; solar cells for electricity generation; photovoltaic roofing and thermo-solar hybrid modules; panels for capturing solar thermal energy; solar energy generating modules; solar panels for electricity generation.*

*Class 11: Photovoltaic/solar installations, photovoltaic/solar modules and photovoltaic/solar cells, all being components for apparatus for lighting, heating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; solar heating panels; parts and fittings for the aforesaid goods.*

*Class 37: Installation, maintenance and repair of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; installation, maintenance and repair of solar electric systems and installations for use in solar electricity generation; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar power; installation, maintenance and repair of photovoltaic apparatus and installations for generating solar electricity; installation, maintenance and repair of solar energy or solar electricity systems; installation, maintenance and repair of solar energy or solar electricity operating apparatus; installation, maintenance and repair of solar cells for solar energy or solar electricity generation; installation, maintenance and repair of solar panel systems for solar energy or solar electricity generation.*

*Class 42: Preparation of appraisals, assessments, research and reports related to the field of solar energy; design of solar installations, photovoltaic modules, solar modules, solar collectors, solar battery panels, solar energy generating modules; design of renewable energy systems, including solar hot water systems, solar thermal systems, photovoltaic systems, wind systems and source heat pumps; design of solar panels and other energy-saving products; surveying services relating to the installation of renewable energy systems.*

131. Registration 2587629 is revoked with effect from 17 December 2016 in respect of the following services:

*Class 9: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity.*

*Class 35: Marketing services in the field of renewable energies.*

*Class 37: Installation services,*

*Class 40: Production of energy, in particular renewable energies; generation of electricity from solar energy; production of solar energy.*

*Class 42: Surveying services.*

## Costs

132. The opponent has been successful in the oppositions and is entitled to a contribution towards the costs of the proceedings, based upon the scale of costs published in Tribunal Practice Notice 2/2016. The applicant has also succeeded in partially revoking the earlier mark for non-use. The balance is in the opponent's favour with regard to costs. Taking into account the economies of consolidation, and offsetting the opponent's award to take account of the partial revocation success for the applicant, I award costs to the opponent as follows:

Official fees for the two TM7s	£400
Filing the TM7s and considering the counterstatements	£400
Filing evidence and considering the applicant's evidence	£1500
Preparing for and attending a hearing	£1000
Offset	-£100
Total	£3200

133. I order Spirit Energy Limited to pay to Spirit Solar Ltd the sum of **£3200**. This sum is to be paid within 14 days of the expiry of the appeal period or within 14 days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated 2 August 2019**

**Judi Pike**

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