

O-195-19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NOS. 3233597, 3233598, 3231358, 3231589,
3231497, 3233600, 3233601 AND 3233599 BY 'A1' ARBORISTS LTD TO
REGISTER THE FOLLOWING TRADE MARKS**

ECS EUROPEAN CHAINSAW STANDARDS

ECC EUROPEAN CHAINSAW CERTIFICATE



ICS INTERNATIONAL CHAINSAW STANDARDS



ICC INTERNATIONAL CHAINSAW CERTIFICATE

IN CLASSES 9, 16 AND 41

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS THERETO UNDER
NOS. 410049, 410051, 410052, 410055, 410056, 410058 AND 410059
BY EUROPEAN FORESTRY AND ENVIRONMENTAL SKILLS COUNCIL**

BACKGROUND AND PLEADINGS

1) 'A1' Arborists Ltd (hereafter "the applicant") applied to register the marks identified on the front cover of this decision. The relevant filing dates and publication dates of these eight marks are as follows:

Application Nos.	Filing date	Publication date
3231358, 3231589, 3231497	16 May 2017	26 May 2017
3233597	26 May 2017	2 June 2017
3233598, 3233599, 3233600, 3233601	26 May 2017	9 June 2017

2) All applications are in respect of the following same specifications of goods and services:

Class 9: *Training manuals in electronic format; Training guides in electronic format.*

Class 16: *Printed certificates; Printed award certificates.*

Class 41: *Awarding of educational certificates; Training; Education services relating to vocational training; Training and education services; Publication of training manuals; Educational examination services; Setting of educational standards; Setting of training standards; Educational assessment services.*

3) European Forestry and Environmental Skills Council (hereafter "the opponent") opposes the marks on the basis of section 3(6) and section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The latter ground is based on a claimed likelihood of confusion with the following of earlier mark in the name of the opponent:

Mark and relevant dates	Goods
<p data-bbox="188 250 775 338">European Union Trade Mark (EUTM) no. 10109122</p>  <p data-bbox="188 663 719 864">Filing date: 8 July 2011 Publication date: 3 November 2011 Date of entry in register: 10 February 2012</p>	<p data-bbox="810 304 1123 338">Class 16: Certificates</p>

4) This is an earlier mark within the meaning of section 6(1) of the Act. It completed its registration procedures more than five years before the publication of all eight applications. As a consequence, the earlier mark is subject to the proof of use provisions set out in section 6A of the Act.

5) The oppositions are also based on a claim of bad faith under section 3(6) of the Act. The opponent claims that:

- The mark is not being used and the applicant has no bona fide intention to use the mark;
- The applicant was aware, when making the application, of the marks owned and used by the opponent because it was, for many years, a member of the opponent and had cooperated on the development of standards, guidelines, training manuals, hand books and certificates;
- The applicant made its applications in an attempt to strengthen its commercial position and did so without anyone's knowledge and was an attempt to pre-empt the opponent from using its marks;
- The applications are deceptive and constitute unfair commercial behaviour and leads to confusion.

6) The applicant filed a counterstatement denying the claims made. It also requests that the opponent provides proof of use.

7) Only the opponent filed evidence (but see “Preliminary Point” below) and both sides filed written submissions. I will summarise the evidence to the extent that it is considered necessary and I will keep the submissions in mind.

8) A Hearing took place on 27 June 2018 with the opponent represented by Robin Webster for Stevens, Hewlett & Perkins and the applicant by Denise McFarland of Counsel, instructed by Murgitroyd & Company.

Hearing – preliminary issue

9) Two days before the hearing, the opponent applied for leave to admit late evidence. The reason given was that it was not available earlier. This evidence consisted of a witness statement by Tom Embo, Chairman of the Board of the opponent. The purpose of the evidence was two-fold:

- (i) Exhibit TE15 consisting of a handbook produced by the opponent illustrating the fees paid by its members. The purpose of filing this was to illustrate the opponent operating in a commercial way and therefore to bolster its proof of use evidence;
- (ii) Exhibit TE16 consists of two documents, a handwritten note of a proposal resulting from a meeting of the “Leonardo Project Partnership – European Chainsaw” on 24/25 August 2011, where “all partners” agreed to “...sharing of all intellectual property developed as part of Leonardo project and subsequently on behalf of [the opponent]”. This document was signed by multiple attendees, including Billy Robb of the applicant. The purpose of this evidence is to support the opponent’s contention that the intellectual property from the project vests with the opponent.

10) I declined to admit the evidence set out at (i) above, but I admitted the evidence set at (ii). This is because the latter evidence is highly relevant to the issue of bad faith and central to the opponent’s case.

11) Further, upon a reading of the papers, it became obvious that the opponent attempted to include its original evidence of fact regarding its claim of bad faith as part of its written submissions provided at the same time as its evidence regarding proof of use. No action was taken at the time to address this and I directed that, if the opponent still wished to rely upon this, it would be necessary to regularise this evidence under cover of a witness statement.

12) No good reason was provided for the lateness of the additional evidence and, as Ms McFarland pointed out, the very same evidence had been submitted into proceedings before the EUIPO on 9 February 2018. This illustrates that it was clearly available at least four months earlier than when it was filed in these proceedings. Its lateness necessitated a postponement of the part of the hearing that related to the claim to bad faith and for a timetable to be put in place to complete the evidence from both sides on this issue. For this reason, I indicated to the parties that I would invite submissions specifically on the additional costs incurred by the applicant as a direct consequence of the late filing of the evidence and the work and time involved in dealing with the new timetable.

13) Whilst the submissions on bad faith and costs were held over to a later date, at this first hearing I invited submissions from the parties in respect of proof of use and the grounds based upon section 5(2)(b). This decision takes full account of those submissions together with the submissions on bad faith and costs provided at the second hearing on 14 February 2019 when the opponent was, once again represented by Mr Webster and the applicant by Chris Aikens, of Counsel, again instructed by Murgitroyd & Company.

Evidence

14) The opponent's evidence takes the form of three witness statements by Tom Embo, Chairman of the Board of the opponent since 2012. Prior to this he was a General Director of Inverde, one of the founding partners of the "Leonardo" project (together with the applicant). The first is provided to address the issue of proof of use of the opponent's mark in the EU, the second, as directed by myself at the hearing on 27 June 2018, formalises its evidence in support of its claim of bad faith, and the

third in-reply to the applicant's evidence regarding its defence to the claim of bad faith.

15) The applicant's evidence takes the form of a witness statement by William Hugh Robb, Managing Director of the applicant. His evidence is provided to address the claim of bad faith made by the opponent.

DECISION

Section 3(6)

16) I find it convenient to firstly consider the ground based upon section 3(6). This section 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.”

17) The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

“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* [2008] EWHC 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)."

18) The opponent claims that at a meeting in August 2011 that all IP resulting from the "Leonardo" project would be vested in the certification body (the opponent) and thus, the applicant will have been aware of the opponent's mark that was filed a few months after that meeting. Support for this assertion has been provided in Mr Embo's late evidence that I admitted at the first hearing.

19) By way of background, in his second witness statement, Mr Embo explains that the opponent is an international non-profit association established on 16 May 2011 with founding members from "National Agencies" in the Netherlands, Germany, Spain and with the applicant being the UK "National Agency".

20) In his third witness statement, Mr Embo states that:

"It is common ground that the applicant was involved in a partnership with the opponent's predecessor in title (Inverde) and collaborated in application for European funding under the Leonardo da Vinci Programme of the Lifelong Learning Programme entitled "*Evaluation and Implementation of Chainsaw Operator's Certificate*"

21) Mr Embo states that all the members of the opponent, including the applicant, contractually agreed that any, and all rights in relation to the European Chainsaw Certificates would be exclusively owned by the opponent as evidenced¹ by:

¹ Mr Embo's second witness statement, paras. 2 and 3

- The applicant applying for a grant under the “Leonardo” programme for the project entitled “Evaluation and Implementation of Chainsaw Operators Certificate”. In its application it explicitly recognised that the intellectual property rights (“IPR”) would be owned by the opponent when it said “IPR where relevant will be owned through the formation of the certification body referred to in the WP’s and links to long term sustainability of the project which will be reported to the NA [...]”²;
- At a meeting of partners of the opponent (including the applicant) held on 24/25 August 2011, the partners explicitly agreed to “open, transparent communication and sharing of intellectual property developed as part of the Leonardo project and subsequently on behalf of [the opponent]”. An agenda copy of the meeting is provided where one of the proposals for discussion was “All partners agree to open, transparent communication and sharing of all intellectual property developed as part of the Leonardo project and subsequently on behalf of [the opponent]”³. A partial handwritten record, signed by the attendees, including Mr Robb, confirms that this was agreed⁴;
- All partners subsequently agreed that the following trade mark would be registered on behalf of the opponent: “ECC European Chainsaw Certificate” (the earlier mark relied upon for the purposes of the section 5(2)(b) grounds);
- It is asserted that from the above, it is obvious that the applicant was fully aware of the opponent’s earlier mark as well as its use by the opponent’s partners and, further, that it explicitly consented to the registration of the opponent’s mark

22) The applicant claims, in its counterstatement, that the project’s Grant Agreement stated that intellectual property rights related to the project shall be vested with the applicant. Mr Robb explains that, in around February 2009, he submitted an Outline Funding Proposal for a project to establish an EU-wide training standard, examination and certification scheme for chainsaw users after meeting with several like-minded professionals including Mr Embo⁵. Due to the scale of the project, the

² Ditto, para 2

³ Exhibit TE15

⁴ Ditto

⁵ Ditto, paras 21-25

applicant engaged the assistance of various partners⁶. The grant application was successful, and the grant agreement was entered into on 19 February 2010. This agreement, at its Article 3.1 stated:

“unless stipulated otherwise in this agreement, ownership of the results of the action, including industrial and intellectual property rights, ... shall be vested in the beneficiary”⁷

23) There is some tension between this statement and the statement in the grant application referred to by Mr Embo (see paragraph 21, first bullet point, above). The applicant further claims that the partnership broke down in 2012, however, Mr Embo states that this is not correct and that the opponent is still active as an awarding body with original and new members⁸.

24) In his witness statement, Mr Robb developed the applicant’s reasoning regarding what, he asserts, was a breakdown in the partnership. His main points are:

- The exact structure of the planned awarding body was not discussed until various project meetings held in 2010/11. At that time a dispute arose regarding a lack of transparency and its planned organisational structure⁹;
- As a result of the dispute there was a 50/50 split between the partners regarding what the organisational structure of the opponent and the representation on its executive body. A project management meeting in March 2011 ended in deadlock because of this¹⁰;
- A few weeks later, on the side lines of a forestry meeting in Austria, a further meeting took place without all partners being present and outside of the project partnership. It is claimed that Mr Embo and others established a three person executive board “where they basically elected themselves”.

⁶ Ditto, para. 27

⁷ Ditto, para. 30 and page 9 of the Grant Agreement at Exhibit WR1

⁸ Ditto, para 2

⁹ Mr Robb’s witness statement, para. 10

¹⁰ Ditto, para. 11

The applicant expressed its concerns and argued for a larger executive board, but this was never actioned¹¹;

- A further meeting was convened in August 2011 in an attempt to resolve the dispute and a proposal put forward to try and resolve it. Mr Robb explains that he felt that the entire project would collapse if no compromise was reached and would result in the UK national agency requesting repayment of all the project funding¹². The outputs from the meeting are exhibited by Mr Embo (see my footnotes 3 and 4). Mr Robb states that parts of the agreement were never implemented, and there was a lack of intention to do so by other partners and further, there were no legal representatives at the meeting¹³;
- These outputs were signed by the attendees, including Mr Robb, and indicated an agreement that any intellectual property developed as part of the project would be shared and subsequently be on behalf of the opponent. Mr Robb states that “everyone agreed and understood that [the applicant] owned the trade marks until various other matters were resolved, which of course never happened”¹⁴;
- Mr Robb states the agreement recorded in the outputs of the August 2011 meeting were never finalised, nor implemented and no legal transfer of ownership was ever executed. It was not anticipated that an insurmountable dispute would arise, as occurred at the end of 2011 and the proposal was based upon continued cooperation of each of the project partners with the applicant after the end of the project. As a result, the partnership and ongoing function of the opponent as a certification body did not develop. The awarding body, ABA International, was later established to perform this function instead¹⁵.

25) Mr Embo states that the applicant has established a new awarding body “ABA International” and, technically, remains a member of the opponent. Mr Robb states that, in fact, “ABA International” was established to perform the awarding function

¹¹ Ditto, para. 12

¹² Ditto, para. 14

¹³ Ditto, para. 15

¹⁴ Ditto, para. 16

¹⁵ Ditto, paras. 17/18

instead of the opponent¹⁶, but fails to explain why or under what authority this was so.

26) Annexed to the grant agreement were contracts between the applicant and each of its partners in the project, including Inverde. This latter contract is provided and is signed by Mr Robb and Mr Embo¹⁷. In this contract, the following is stated:

“The contractor shall undertake:

[...]

4. to define in conjunction with the Partner the role and rights and obligations of the two parties, including those concerning the attribution of the intellectual property rights;”¹⁸

27) The project funding agreement provides the framework for the applicant to receive a grant for the period 1 October 2009 to 30 September 2011, from “the UK National Agency for the Leonardo, Grundtvig & Transversal Programmes, ECOTEC Research & Consulting Ltd”. The purpose of the grant is described as being “for the action entitled Evaluation and Implementation of Chainsaw Certification” and relates to “development of a common training standard and examination for chainsaw users”¹⁹. During the development of the project, the name “ECC” or “European Chainsaw Certificate” was established and a logo was commissioned²⁰. At this time Mr Robb was “generally aware” of Inverde lodging an EU mark, but he was not concerned because he believed that Inverde was operating on behalf of the funded project in their role as contracted partner. He was not aware that it was made in Inverde’s own name and the applicant did not give consent or to later transfer it into the name of the opponent²¹.

¹⁶ Ditto, paras. 17/18

¹⁷ Exhibit WR3

¹⁸ Exhibit WR3, page 5

¹⁹ Exhibit WR1, page 2 of 65

²⁰ Ditto, paras. 35/36

²¹ Ditto, para. 36

28) It is the applicant's case that the project came to an end in September 2011 with the dispute between the partners remaining unresolved²². However, the opponent provides a number of items of evidence that suggests otherwise, namely:

- A brand identity style guide for use of its mark, dated in 2016²³;
- An Internet screenshot from a French website referring to an event about the qualification, showing the opponent's mark. The event is shown as taking place on 12 and 13 May 2016²⁴;
- A Dutch newspaper article showing the opponent's certificates being awarded and the title refers to the "European Chainsaw Certificate". It is dated 15 February 2017²⁵, and;
- An assessor pre-registration form for an event to be held on 2 February 2012. The opponent's mark appears prominently on the form²⁶.

29) Mr Robb states that at "no time during the applicant's partnership with Inverde or afterwards, was a formal agreement executed to allow Inverde the right to apply for registration of the trade marks, in Inverde's own name, or to assign any such rights or registrations to [the opponent]"²⁷. Mr Robb claims that in the absent of such an executed agreement, the rights to the intellectual property created during the project belong to the applicant, and he states that the applicant has used its marks in the UK throughout the time of the funded project since 2012.

30) Mr Robb states that he believes the applicant is the legitimate and legal owner of the marks and when filing to register these marks he was acting to protect the applicant's rights and the interests of its customers, and he had no motive of bad faith²⁸.

31) At the second hearing, Mr Webster made the following relevant points:

²² Ditto, para 42.

²³ Exhibit TE1

²⁴ Exhibit TE9b

²⁵ Exhibit 11a

²⁶ Exhibit TE12

²⁷ Mr Robb's witness statement, para. 7

²⁸ Mr Robb's witness statement, para.4

- The applicant had been working co-operatively as part of the partnership, that subsequently became the opponent, since 2008, some 9 years before the relevant dates in these proceedings;
- The applicant was complicit in all the acts carried out by the partners in the partnership, including the choosing of, creation, use and registration of the opponent's mark;
- In making the application for funding, it was merely acting as an authorised agent for the collective project group;
- The applicant was well aware of the historical collaborative nature of the relationship with the opponent and its contractual obligations with the opponent and had no authority or entitlement on an individual basis to any of the project's assets.

32) The opponent's mark was applied for by Inverde in July 2011 but not assigned to the opponent until 4 August 2017. This creates some tension with the opponents claim that the agreement between its members was that any IP developed as part of the project would reside with the opponent. However, taking account of the evidence that clearly shows the opponent's mark being used in a way consistent with it being used by the opponent (see paragraph 28, above). The applicant asserts that he was unaware that Inverde applied for the opponent's mark in its own name, but in the absence of any criticism suggesting otherwise, I find that it is reasonable to infer that Inverde filed the application on behalf of the opponent.

33) I note that the grant agreement relied upon by the applicant refers to the grant recipient being the owner of IP generated within the project. However, this is in stark contrast to the other evidence before me, namely:

- The contracting form²⁹ (that partners needed to complete, including Mr Robb of the applicant) states that any IPR generated will be owned by the certification body;
- The applicant's position is contrary to what was agreed and signed for (including by Mr Robb) at the meeting in August 2011;

²⁹ Provided at Exhibit TE20

- The project continued after 2011 without the applicant's active participation and there is evidence that it was still using its mark at least in 2012, 2016 and 2017.

34) Mr Robb explains that he signed the meeting outcomes from August 2011 but he asserts that the outputs were never finalised and that there was a lack of intention to do so by himself and the other partners and that there was no legal representation at the meeting. I am unconvinced by these arguments. The fact that the document was signed indicates that the partners agreed to the IP generated as part of the project would be owned by the opponent. Therefore, Mr Robb is very likely to have had knowledge that it was the intention that the opponent would hold the IPR developed during the project. Further, he would have completed the contracting form, that also made reference to IPR generated by the project being owned by the opponent. Therefore, the evidence illustrates that Mr Robb had knowledge that IPR generated by the project was to be owned by the opponent and also had knowledge of Inverde's application for the opponent's trade mark.

35) Further, he signed an output from a meeting where such IPR ownership was re-confirmed. Such a factual background is set against one document that states a contrary position, namely the grant agreement states that ownership of the IPR will be vested in the beneficiary, that was the applicant. At the very least, this contradictory statement should have caused Mr Robb to challenge any alternative view expressed during the development of the project and certainly it should have given cause for Mr Robb not to have signed a document confirming a contrary position regarding ownership of the IPR.

36) These actions illustrate a degree of untruthfulness on the part of Mr Robb. This is confirmed by his comment that he signed a document that he believed to be incorrect merely because, he asserts, there was a lack of intention to abide by its content.

37) Nearly six years later, Mr Robb's company, the applicant, applied for the contested marks. Mr Robb states that he did not believe the project progressed after 2011. Whilst there was clearly disagreement amongst the project partners at that

time, there is nothing in the evidence to suggest that the project ended once Mr Robb ceased participation or that there was any reason for Mr Robb to believe so (other than there was some disharmony amongst its members at the time). His knowledge of the project's trade mark being in existence since 2011 should have, at the very least, led him to investigate its continued validity as part of any due diligence when filing the applicant's marks. He either did not do this or ignored it once seeing that it was still validly registered.

38) Taking all of this into account, I conclude that insofar as the applicant's marks are such as to be perceived as outputs of the project, then they have been applied for in bad faith. It is my view that its ECC EUROPEAN CHAINSAW CERTIFICATE word mark and word and device marks clearly fall into this category with the letter and word elements mirroring the letter and word elements of the opponent's mark. Further, my finding also extends to the applicant's ECS EUROPEAN CHAINSAW STANDARDS word mark and word and device mark because they are conceptually so close that a person in the field is very likely to assume they relate to the same qualification/standards.

39) However, I find that the success of the opponent's bad faith ground does not extend to the four remaining marks, featuring the letters and words ICS INTERNATIONAL CHAINSAW STANDARDS and ICC INTERNATIONAL CHAINSAW CERTIFICATE. These marks are likely to be perceived as indicating a qualification/standard that is independent of the EUROPEAN CHAINSAW CERTIFICATE services provided by the opponent. The differences between the two marks is not likely to go unnoticed and the conceptual distinction from the opponent's mark is sufficient to indicate that the applicant's marks are not outputs of the opponent and its project. Consequently, I find that the applicant action of filing these two marks does not amount to bad faith.

40) Taking all of the above into account, I find that the applicant knew (and if he did not, he should have) that the IP outputs of the project were to be collectively for the use by the partners in the project and that its application for its two ECC EUROPEAN CHAINSAW CERTIFICATE marks and its two ECS EUROPEAN CHAINSAW STANDARDS marks amounted to bad faith. This ground of opposition,

therefore, succeeds in respect of these four marks, but fails in respect of the remaining four applications.

Proof of Use

41) The proof of use provisions are set out at Section 6A of the Act:

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

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

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

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

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

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

(3) The use conditions are met if -

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

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

(4) For these purposes -

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

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

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

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

42) Section 100 of the Act states that:

“100. 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.”

43) In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use.* In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01

Ansul BV v Ajax Brandbeveiliging BV [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in 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 that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word “genuine”, other language versions use words which convey a somewhat different connotation: for example, “ernsthaft” (German), “efectivo” (Spanish), “sérieux” (French), “effettivo” (Italian), “normaal” (Dutch) and “sério/séria” (Portuguese). As the Court of Justice noted in *Ansul* at [35], there is a similar difference in language in what is now recital (9) of the Directive.

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

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

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

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

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

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of

the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

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

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

44) It is for the opponent to provide evidence to show that it has made use of its mark, during the relevant period, in respect of *certificates*. The relevant periods in these proceedings are the five years ending with the publication dates of the contested applications, namely:

- (i) 27 May 2012 – 26 May 2017;
- (ii) 3 June 2012 – 2 June 2017, and;
- (iii) 10 June 2012 – 9 June 2017.

45) The slight variations between these dates has no material impact upon my considerations.

46) The opponent’s evidence of use can be summarised as follows:

- It is stated that the opponent’s mark has been used throughout the EU during the relevant periods, including Austria, Belgium, France, Germany, Italy, Romania, Spain, The Netherlands and the UK³⁰;
- An “ECC Brand Identity Style Guide” is provided³¹. It was created in 2016 and sets out how the opponent’s mark can be generally presented and, specifically, how it should be used in respect of business cards and brochures. There is no mention of its use in respect of certificates as stated by Mr Embo³²;
- Two photocopies of what Mr Embo describes as certificates is provided³³ but are actually identification cards of two individuals, the first identified as being an ECC Assessor, the second bearing a photograph of the individual and carries the opponent’s mark and a mark of Inverde. The first also bears the opponent’s mark and it is dated December 2012;
- An Austrian brochure is shown providing information on the different levels that can be/needed to be obtained in order to obtain a EUROPEAN CHAINSAW CERTIFICATE³⁴.
- A “certificate” from Belgium is provided³⁵ that has the opponent’s mark appearing prominently. It has the date 10 July 2014;
- Copies of photographs of recipients of a EUROPEAN CHAINSAW CERTIFICATE are provided with the individuals in the photograph holding a certificate bearing the opponent’s mark³⁶. The first relates to certificates awarded on 10 July 2014 in the Netherlands and the second is dated 15 February 2017. A copy of an ECC CHAINSAW CERTIFICATE is also provided³⁷;
- An extract from the opponent’s website states that “Only accredited centres are allowed to use the ECC logo ... on their certificates for those individuals who pass the assessments”³⁸ and further website extracts of national

³⁰ Mr Embo’s first witness statement, para 2

³¹ At Exhibit TE1

³² In his first witness statement, para 3

³³ Ditto & Exhibits TE2 and TE3

³⁴ Ditto & Exhibit TE4

³⁵ Ditto & Exhibit TE5

³⁶ Ditto & Exhibit TE6 and Exhibit TE11

³⁷ Ditto & Exhibit 13

³⁸ Ditto & Exhibit TE8

agencies/partners of the project are stated as providing information on how to acquire a EUROPEAN CHAINSAW CERTIFICATE³⁹;

- A pre-registration form completed by a UK based individual to attend an ECC ASSESSOR event being held on 27 June – 1 July 2011⁴⁰;
- In the relevant periods the EUROPEAN CHAINSAW CERTIFICATE was awarded to about 3,500 individuals from eight different countries in the EU⁴¹

47) At the first hearing, Ms McFarland made a number of technical criticisms of the evidence regarding the lack of a contractual relationship between the opponent and the providers of some of the documents exhibited. There is little merit in this. It is explained by the opponent that it's earlier mark may be used by any of the partners of the project and I accept this.

48) Mr Webster submitted that this evidence clearly illustrated that the opponent had used its earlier mark in respect of *certificates*. Ms McFarland submitted that the opponent is not actually engaged in a trade in *certificates* but rather the use indicates that the opponent offers a qualification. She asserted that there is no evidence of an independent trade in *certificates* and relied upon:

- (i) *UNIDOOR LTD V MARKS AND SPENCER PLC*, [1988] RPC 13 where Whitford J found that use of the mark "Coast to Coast" was used only as decoration and not used as a trade mark;
- (ii) *J and J Crombie Ltd v Nutter (Holdings) Ltd* [2013] EWHC 3459 (Ch) that came before Mrs Justice Asplin where, when discussing his conclusions (at paragraph 47), he made no criticism of the hearing officer's finding (set out at paragraph 29) that use of the contested mark on hangers was not use as a trade mark for the waistcoats hung upon them.

49) These cases are not on all fours with the current case and do not take the position much further forward in the current case. However, they both highlight that for use to qualify as genuine, it must be in accordance with the essential function of a

³⁹ Ditto & Exhibit TE9a-e

⁴⁰ Ditto & Exhibit TE12

⁴¹ Ditto, para 5

trade mark, which is to distinguish the trade source of the products. Ms McFarland concluded by stating that, at best, the use, shows that certificates were used to indicate that the individual had achieved a particular qualification.

50) Firstly, I am of the firm view that the word *certificate* has a clear readily understandable meaning to English speakers, namely “*an official document attesting a fact*”⁴². Such a natural meaning is not contradicted in any way by the earlier mark being registered in Class 16. It describes a physical printed item.

51) The opponent relies upon the fact that its earlier mark appears upon cards (that were described in Mr Embo’s evidence as “certificates”) as well as certificates presented to individuals who had successfully completed a course regarding the standards for chainsaw use. Therefore, the certificates presented to these individuals record that the opponent has successfully undertaken training and/or provided a certification service to these individuals. These certificates are only available to individuals who access the opponent’s services and the certificate acts as a record of this. Therefore, the opponent does not trade in *certificates* per se, but rather, it issues them as an official record of successful completion of its training offering. Consequently, the opponent’s earlier mark does not function as an indicator of origin in respect of the certificates themselves, but rather records that the training it (or more accurately, its partners) provides has been successfully completed. A trade in *certificates* per se would not have to be conditional upon completing the training, as is the case with the use shown by the opponent.

52) I should add that the late evidence referred to in paragraph 9(i), above, had been admitted into the proceedings, it was not of such a nature as to impact upon these findings.

53) In summary, I have little hesitation in concluding that the evidence fails to demonstrate that the opponent has made genuine use of its earlier sign and that the use shown is not use consistent with the essential function of a trade mark.

⁴² <http://www.oxfordreference.com/search?q=certificate&searchBtn=Search&isQuickSearch=true>

54) The opponent has failed to demonstrate genuine use in respect of the only term listed in the earlier mark, namely *certificates* in Class 16 and, therefore, it is not able to rely upon its mark as an earlier mark to pursue its ground under section 5(2)(b). This ground of opposition therefore fails in its entirety.

Summary

55) The opposition succeeds against the following applications:

(i) 3233598 **ECC EUROPEAN CHAINSAW CERTIFICATE**

(ii) 3231589 

(iii) 3233597 **ECS EUROPEAN CHAINSAW STANDARDS**

(iv) 3231497 

56) The opposition fails in respect of the following applications:

(i) 3233599 **ICC INTERNATIONAL CHAINSAW CERTIFICATE**

(ii) 3231358 

(iii) 3233600 **ICS INTERNATIONAL CHAINSAW STANDARDS**

(iv) 3233601 

Costs

57) The opponent has been successful in respect of half of its grounds based upon bad faith and has been unsuccessful in respect of its grounds based upon section 5(2) of the Act. In such circumstances, with honours being roughly even, I would normally decline to make an award of costs and require each party to bear its own

costs. However, in the current case there is the additional issue of the opponent's application to admit late evidence that I have discussed in paragraphs 9 – 12 of this decision. I indicated that I would invite submissions regarding the additional costs incurred by the applicant as a direct consequence of this late filing of evidence.

58) At the second hearing, Mr Aikens submitted that because the applicant was required to instruct different counsel for the second hearing (Ms McFarland was unavailable) and a new attorney was required because the original was on maternity leave, the applicant incurred additional costs. He provided a schedule of costs for my consideration for the following:

- £6000 counsel fees associated with preparation for, and attendance at, the second hearing (£2160 incurred, the remainder estimated);
- £5900 fees of the representative (£4700 incurred, the remainder estimated).

59) I assume that as the schedule was attached to Mr Aiken's skeleton argument, the incurred costs included the preparation of the skeleton argument. The estimated additional £3840 strikes me as somewhat excessive in light of the second hearing being of normal length and complexity. Accordingly, I award in respect of counsel fees from £6000 to £3960 (i.e. £2160 incurred prior to the hearing and a further £1800 for attending the hearing).

60) In respect of the fees of the representative, again I assume that the incurred costs include up to when the skeleton arguments were submitted and I decline to award any costs after that because it is not necessary that the representative attends when counsel has been instructed. In respect of the incurred amount of £4700 translates to a little over 15 hours at the rate disclosed in the schedule of costs. This appears reasonable for familiarising themselves with the case, considering the opponent's evidence to support its claim of bad faith, preparing and submitting rebuttal evidence and briefing new counsel. In summary, I award costs to the applicant on the following basis:

Considering other side's evidence of bad faith and preparing evidence:	£4700
Counsel's preparation for, and attending hearing	£3960
Total:	£8660

61) I order European Forestry and Environmental Skills Council to pay to "A1" Arborists Ltd the sum of **£8660**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated 11 April 2019

Mark Bryant
For the Registrar
The Comptroller-General