

O-216-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2469542
BY ELEMENTUS LIMITED TO REGISTER THE TRADE MARK**

ELEMENTUS

IN CLASSES 41, 42 AND 45

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 97042
BY ELEMENTA CONSULTING LIMITED**

TRADE MARKS ACT 1994

**IN THE MATTER OF application No. 2469542
by Elementus Limited to register the trade mark
ELEMENTUS in Classes 41, 42 and 45**

and

**IN THE MATTER OF Opposition thereto under No. 97042
by Elementa Consulting Limited**

BACKGROUND

1) On 16 October 2007, Environmental Monitoring Services (who subsequently changed its name to Elementus Limited and I shall refer to as “the Applicant”), of 26 Redkilm Way, Horsham, West Sussex, RH13 5QH applied under the Trade Marks Act 1994 (“the Act”) for registration of the mark ELEMENTUS in respect of a list of services that was amended to read as follows:

Class 41

Management training in respect of workplace health, safety and environment.

Class 42

Health, safety and environmental consultancy services; systems management and construction of management systems to help maintain quality and compliance in all areas of health, safety and environment within the workplace; consultancy services with respect to the health and wellbeing of people within the built environment; benchmarking to provide an overview of performance; workplace health, safety and environment auditing; laboratory services relating to the testing, monitoring and assessment of air, water and food quality; risk assessment services in respect of workplace health, safety and environment; consultancy services in respect of water management, water technologies and operational practices; consultancy services in respect of corporate responsibility in matters of health and safety; quality accreditation services relating to environmental safety and to health and safety.

Class 45

Consultancy services in respect of drought legislation.

2) The application was published in the Trade Marks Journal on 8 February 2008 and on 7 May 2008, Elementa Consulting Limited (“the Opponent”) of Mark House, 9-11 Queens Road, Hersham, Surrey, KT12 5LU filed notice of opposition to the application.

3) The grounds of opposition are in summary:

- a) The application is in respect of a mark that is similar to the Opponent’s earlier mark and in respect of identical or similar services and, therefore, falls foul of Section 5(2)(b) of the Act, and;
- b) The application is in respect of a mark that is identical or similar to the Opponent’s earlier mark that has a reputation and, therefore, falls foul of Section 5(3) of the Act.

4) The relevant details of the Opponent’s earlier mark are as follows:

Mark details and relevant dates	List of services
<p>2462625</p> <p>ELEMENTA</p> <p>Filing date: 28 July 2007</p>	<p>Class 35</p> <p><i>Project management for building, construction and civil engineering projects; business management services for design, construction, maintenance, installation and repair of buildings and civil engineering structures; project management services on behalf of third parties; logistical management and support services; sourcing and procurement of materials, goods and services for third parties; personnel recruitment and management services; supervision and management of sub-contractors; feasibility studies; provision, preparation and compilation of business reports, surveys, project studies and statistical information; facilities management; business relocation services; information, advice, consultancy and the preparation of reports all relating to the aforesaid services.</i></p> <p>Class 37</p> <p><i>Construction services; construction consultancy; construction, building, maintenance, installation, cleaning, renovation, restoration, upgrading, enhancement and repair services of residential and commercial properties and civil engineering structures; repair, maintenance and installation of portable and temporary buildings; installation, maintenance and repair of cables, pipelines and pipe work for utility services; installation of equipment, machinery, fixtures and fittings into buildings; property development services; civil engineering services;</i></p>

	<p><i>construction engineering services; demolition services; process engineering services; control engineering services; project management services; supervision of construction projects; plumbing; electrical and gas installation; information, advice, consultancy and the preparation of reports, all relating to the aforesaid services.</i></p> <p>Class 42</p> <p><i>Engineering and construction consultancy and design services; engineering and construction research services; engineering services; civil and structural engineering services; surveying; environmental analysis and consultancy; urban planning; information technology consultancy; research, consultancy, development and testing services, all relating to engineering and design services; quantity surveying and cost consulting; legal research and advisory services; design services; industrial design; planning and design of buildings and structures; interior design; planning and design of building interiors; room planning; graphic design services, illustration services, engineering and technical drawing services; land surveying; architectural services; design of commercial developments and business parks; management of architectural and interior design projects; design of cabling and pipe work for utilities and telecommunications services; energy efficiency advisory services; thermal and energy modelling services; project preparation and studies; preparation or reports and provision of information, advice and consultancy, all relating to all the aforesaid services.</i></p>
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4) The Applicant subsequently filed a counterstatement denying the opponent's claims.

5) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 29 September 2010 when the Opponent was represented by Mr Guy Tritton of Counsel instructed by Brand Protect LLP and the Applicant was represented by Ms Lindsay Lane of Counsel instructed by Rawlinson Butler LLP. Mr Martin Clowes and Mr Gary Dee of the Opponent and Mr Paul Foxcroft of the Applicant attended the hearing for cross-examination.

Opponent's Evidence

Mr Clowes' Witness Statement dated 8 December 2008

6) Martin Clowes is Managing Director of the Opponent. At Exhibit MC4, Mr Clowes provides a printout, dated 2 December 2008, of a page taken from the Applicant's website illustrating the type of work it undertakes. It claims that it is the "leading independent health, safety and environmental specialists" and "helps organisations to realise a safer, healthier and more sustainable working environment". Although not visible on this page, Mr Clowes also states that the Applicant claims to have "customers in almost every line of business".

7) To demonstrate that the parties share a similar sector, Mr Clowes provides printouts from the websites of CB Richard Ellis (Exhibit MC5) and Drivas Jonas (Exhibit MC6) and also of Incentive Facilities Management Limited (Exhibit MC7) and King Sturge (Exhibit MC8). The first and third companies are customers of the Applicant, whilst the other two are customers of the Opponent. The exhibits demonstrate that both of the former companies are property agents and the latter two companies are both in the field of facilities management.

8) To support his claim of a likelihood of confusion, Mr Clowes states that the Opponent is a member of the trade bodies Building Services Research and Information Association (BSRIA) and The Chartered Institution of Building Services, as is the Applicant. He also says that he has been told by one of the directors of the Opponent, Mr Gary Dee, that he attended a networking meeting where the organiser of that event enquired as to whether the Opponent had licensed the Applicant. He states that the organiser recommends many organisations and helps the Opponent to market its services. Mr Clowes also states that the Opponent and the Applicant were present at a BSRIA meeting that resulted in confusion.

Mr Clowes' Witness Statement dated 14 July 2009

9) At Exhibit MC11, Mr Clowes provides a delegate list from the Shakers and Movers Property Networking Club from February 2009 and showing two members of staff from the Applicant.

10) Mr Clowes states, that unlike the Applicant, the Opponent does not own its own laboratory but it does procure the testing of samples by laboratories that may be contracted to the Opponent.

Mr Clowes' Witness Statement dated 4 June 2010

11) Two witness statements were originally supplied by Kerrie Boyland of the Opponent's representatives, Brand Protect LLP. These have been withdrawn and replaced by two essentially identical statements by Mr Clowes. This statement is the first of these.

12) Mr Clowes states that the Opponent has a significant reputation in the UK in respect of the mark ELEMENTA. To support this he provides numerous exhibits.

Exhibit MC1 is a copy of an article, dated 24 July 2007, from the website www.buildingtalk.com recording the fact that the Opponent had won “consultancy of the year” at the annual Building Services Journal awards. Mr Clowes states that www.buildingtalk.com has an average circulation of 38,000 per issue.

13) Exhibit MC2 is a further article, dated 14 March 2007, from www.buildingtalk.com recording the fact that the Opponent had opened an office in the East Midlands “to help support two new public healthcare projects and a rapidly growing customer base across the region”. The Opponent was to provide “technical advice, M+E, public health and renewable and sustainable energy design services for two purpose built healthcare facilities in Wolverton and Bedford.” The article also notes that the Opponent had offices in Surrey and Oxfordshire and is also “M+E consultant on LIFT projects in Oxford and Dudley South”. At Exhibit MC3, a similar article, dated 25 July 2005, notes that the Opponent was appointed the “M+E consultant by Infracare for the development of Oxfordshire’s first NHS LIFT projects.”

14) Exhibits sourced from other websites identify a further eight projects that the Opponent has been involved in as a mechanical and electrical consultant.

15) Mr Clowes also refers to pages 29 to 71 of Exhibit PF1, attached to Mr Foxcroft’s witness statement, that provides references to thirty six projects where the Opponent had undertaken work. A great proportion of these are in the South East of England with a few in the Midlands and one in Leeds.

Mr Clowes’ Witness Statement dated May 2010

16) Mr Clowes states that the Movers and Shakers Networking Event referred to earlier attracts several hundred members to each meeting and therefore, even if the organisers did have a policy of limiting the number of companies from each business area, it would not preclude a number of companies from the same business area being present.

17) Mr Clowes also provides many submissions in his witness statements that I will not detail here, but I will keep in mind.

Applicant’s Evidence

18) This is in the form of two witness statements, dated 14 April 2009 and 16 November 2009 respectively, by Paul Foxcroft, Managing Director of the Applicant. In his first witness statement he explains that the Applicant is an independent consultancy specialising in all areas of strategy, management, assessment, training and support for work place health, safety and environmental issues with a number of blue chip, high profile customers such as *Lloyds Banking Group, Warner Music, Random House Group, Freshfields, Honda and GlaxoSmithKline*. He contrasts this with the Opponent, whom he describes as an

engineering consultancy and describes itself as specialising in “low carbon, sustainable energy and engineering services, solutions for clients in the education, health care, health and leisure, commercial, retail and urban regeneration sectors”. He says that it apparently changed its name to Elementa Consulting Limited in 2005.

19) Mr Foxcroft summarises the Opponent’s services as relating to construction at the “front-end” and that the parties are not in competition in any way and further, he had not known of the Opponent prior to this dispute. He states that, contrary to the inference made in Mr Clowes’ evidence that both parties operate in the same sector, the Applicant’s client base focuses on the public sector, property developers and landlords/land owners whereas the Opponent’s client base is focused on a wide range of “in situ” corporate and commercial entities. Examples of the Applicant’s projects are shown in extracts from the Applicant’s website provided at pages 29 to 69 of Exhibit PF1. Various clients are identified for such projects as “the refurbishment of three floors...to create semi-industrial office accommodation”, “very high quality fit out of 46,000 sq ft of office space” and “development of a 23 acre site...[including]... industrial warehousing,... restaurant units,... car showroom...”

20) The Applicant provides specific compliance services to client facility managers and managers working for facilities management companies including Drivers Jonas and King Sturge. Mr Foxcroft understands that the Opponent also provides services to these two companies, but he does not know to what extent. He says, that in any case, the respective services of the parties are different with the Applicant offering services to these two companies after their taking over of the management of a building from one of the Applicant’s existing property clients, such as the previously identified CB Richard Ellis. He explains that such work involves the monitoring of air and water quality to ensure a safe environment and compliance with legislation. Such services are different to those provided by the Opponent.

21) Mr Foxcroft explains that the Applicant started using the mark ELEMENTUS on 23 April 2008 and that since that time, “we have only been aware of one instance where a third party has queried whether the Applicant is connected to the Opponent. At a CIBSE training course, a member of the Applicant’s staff was asked whether the Opponent had anything to do with the Applicant. He also recounts that, on another occasion, a member of the Applicant’s staff was on the telephone to BSRIA and overheard another member of the BSRIA staff asking whether their colleague was talking to the Opponent.

22) Mr Foxcroft indicates that about 10% of the Applicant’s turnover comes from new customers with the majority of the rest coming from existing customers and he points out there is no evidence that any of the new customers have been obtained as a result of market confusion.

23) Mr Foxcroft explains that purchasers of services offered by both parties are expert and well-informed and that, for the Applicant to secure an order, it will usually involve multiple meetings and service discussions.

24) Mr Clowes stated that both parties were members of BSRIA and CIBSE, but Mr Foxcroft states that the Applicant is not a member of BSRIA and has not been since 2004. He does say that the Applicant's employees sometimes attend BSRIA seminars and one representative of the company also gave a talk at a BSRIA event. He explains that CIBSE is a personal membership organisation where companies cannot become members, but the Applicant does have two members of staff who hold membership.

25) Mr Foxcroft denies that the Applicant's failure, until recently, to record the company's change of name with the registry was anything to do with wrongful intentions but rather, he states it was merely an administrative error.

26) Mr Foxcroft statement is, in the main, submissions countering Mr Clowes own submissions on the similarity of services. I will not detail them here, but I will keep them in mind.

27) In his second witness statement, Mr Foxcroft addresses the pleading in respect of Section 5(3) of the Act in particular. He claims that the Building Services Journal Consultancy of the Year award is specific only to building service engineers, something that the Applicant is not, demonstrating that the Opponent's reputation is in a completely different field.

28) Mr Foxcroft was cross-examined at the hearing and I will return to this later.

Opponent's Evidence in reply

29) This takes the form of a witness statement, dated 19 July 2009 by Gary Dee, a director of the Opponent. Mr Dee provides his first-hand account of his discussion with David Jennings of the networking club "Movers and Shakers". At one of these events in about October 2008, Mr Jennings approached him and asked whether the Opponent was related to or was involved with another company using a very similar name to ELEMENTA. It transpired that the other company was the Applicant who had joined the networking club.

30) Mr Dee explains that this networking club holds regular meetings in London. The purpose of these meetings is to meet other people connected with, or those who have an interest in property. Most of the largest property companies are represented as are architects and property consultants with over 200 people attending. A delegate list for the February 2008 meeting is shown at Exhibit GD1 showing an entry for both ELEMENTA and ELEMENTUS.

31) Mr Dee also includes a number of submissions in his statement and I bear these in mind.

32) Both Mr Clowes and Mr Dee were cross-examined at the hearing and I will summarise this below.

Cross examination of Mr Clowes

33) As mentioned earlier, Mr Clowes attended the hearing for cross-examination. Mr Clowes struck me a confident witness who provided honest, if somewhat guarded answers. By guarded, I mean that he was inclined to avoid providing a straight answer in circumstances where he did not immediately understand the reasoning for a particular line of questioning. Ms Lane's questions focused on the following topics:

Alleged malicious intent by Elementus

34) At various points in his witness statements, Mr Clowes alleges that the Applicant changed its name with the intention of taking unfair advantage of the Opponent's reputation. Under cross-examination he explained that he did not have evidence of malicious intent, but pointed out that the Applicant had been made aware of the confusion between the two and there had been no change in its policy in relation to the market place.

Similarity of services/nature of respective businesses/nature of purchasing act.

35) In response to questions relating to his views on the scope of consultancy services, Mr Clowes stated that both parties are in the same marketplace, namely the construction industry and the building maintenance industry.

36) Ms Lane referred to the table exhibited at Exhibit MC3 of Mr Clowes' first witness statement and developed further and presented as Exhibit MC 10 of his third witness statement. Ms Lane stated that whilst she was not going to work through the whole exhibit, she was challenging all of the whole document by way of asking questions referring to some specific examples. She began by putting a proposition to Mr Clowes that a typical provider of management services would be an employment agency or a recruitment consultancy. Mr Clowes disagreed stating that a consultant, such as the Opponent, is involved in providing services to its clients and that can include management services (and many other services, for that matter) and that it is also common for consultants to second staff to its clients, so if a manager is required, he/she may be provided from the staff of the consultants. He gave examples of where his company is currently doing this.

37) Ms Lane asked Mr Clowes whether it is true that issues relating to “health and safety” and “the environment” are enforced by different agencies. Whilst he confirmed this, he also explained that there is significant overlap between the two areas as health and safety issues often involve consideration of the environmental conditions in a work place. Mr Clowes explained that as an engineer and manager in the construction and building maintenance industries, he is required to demonstrate competency in health and safety issues. He acknowledged that this is separate to some environmental issues such as minimising carbon consumption of a building.

38) Ms Lane also identified the size of projects that the Opponent is involved in and put the proposition to Mr Clowes that as they are quite large, sometimes costing many millions of pounds, then there is a careful purchasing process on the part of its customers. Mr Clowes explained that the level of care exhibited by customers varies depending on a number of factors. These factors can be summarised as the size of the project and whether it was public or private sector procurement. He further explained that for a large project, the due diligence process may result in it taking nine to twelve months to get an appointment with the client. For projects of about £5 million in value, the process might take an hour and be based on a recommendation and a discussion. Small projects of £1000 to £1500, such as energy performance certificates, may be agreed merely by a telephone conversation.

39) In response to the proposition that the Opponent’s customers are informed and knowledgeable, Mr Clowes stated that it is extremely variable but generally they are reasonably well informed.

Scenarios where confusion may occur

40) When questioned by Ms Lane on his statement where he identified occasions where confusion between the parties may occur, Mr Clowes acknowledged that part of the selection process when needing to appoint a consultant is to compare and contrast candidate companies by speaking to others in the industry. He also conceded that where both companies are listed on a single list of service providers then there is not much likelihood of confusion.

Cross-examination of Mr Dee

41) Mr Dee also attended the hearing for cross-examination. Mr Dee answered the questions posed to him in what appeared to be an honest, straightforward and direct manner. He did not obfuscate in any way. He was a good witness. Ms Lane’s questions related to the account Mr Dee provided in his witness statement, relating to the “Shakers and Movers” networking meeting he attended.

42) Mr Dee acknowledged that participants at the meeting are drawn from a wide range of organizations including legal firms, banks, journalists, *Estee Lauder* the

beauty products company, *First Choice* the holiday company, representatives of local councils. Mr Dee also confirmed that members have to pay a membership fee and that both parties would have paid a separate membership fee, however, that the organizer had approached him at one of these meetings to ask if the Applicant had anything to do with the Opponent.

Cross-examination of Mr Foxcroft

43) Mr Foxcroft, for the Applicant, attended the hearing for cross-examination. Mr Foxcroft struck me as an honest witness who provided honest and succinct answers. He was a good witness. Mr Tritton questions related to the following:

Overlap between services relating to health and safety and services relating to environmental issues

44) Mr Foxcroft confirmed that the Applicant provides advice and consultancy in health, safety and environmental issues in the workplace and that on its website, the Applicant does not make any big distinction between health and safety on the one hand and environmental services on the other. This can be seen from the hyperlink on its website entitled “Health, Safety & Environment”. He further conceded that “environmental health” can be described as health and safety issues caused by the built environment. This is an area that the Chartered Institute of Environmental Health (CIEH) is interested in and the Applicant provides speakers for CIEH members’ events. Mr Foxcroft conceded that whilst there are health and safety issues not related to the environment and there are environmental issues not related to health and safety there is, nevertheless, a big overlap.

45) Mr Tritton put several scenarios to Mr Foxcroft. Firstly, that issues concerning asbestos in a building could be described as a problem of the built environment that had health and safety implications. Secondly and similarly, the same can be said of fire. Mr Foxcroft agreed that there is no “bright line” between the issues of health, safety and environment in these examples.

46) Mr Foxcroft confirmed that his company provide energy performance certificates and that it appeared that the Opponent also does so and that, therefore, the parties are involved in the provision of an identical service.

Comparison of the parties’ respective roles

47) Mr Foxcroft explained that the Opponent is a consulting engineering company in the field of mechanical and electrical engineering and that the Applicant, whilst it does not monitor consultants, it does monitor the performance of mechanical and electrical engineers. He also explained that the Applicant provides management advice if they find shortcomings in the way a building environment is managed, but that, if such advice was to replace, for example,

water plant, it would inform the building managers that they would need to engage with an engineering company (of which the Opponent is one). He also explained that its primary customer base is building occupiers. He later describes the Opponent's customers as landlords, property developers and landowners. He conceded that there was some overlap as evidenced by both parties having a number of customers in common such as *King Sturgis* and *Drivers Jonas*, but that also there were differences.

48) Mr Foxcroft was at pains to point out that his company audits conditions in the built environment and not in a building construction environment and use its own laboratories to measure air and water quality. He confirmed that the Applicant's business relates to health, safety and environmental issues caused by buildings. He also stated that, in his experience, it is unusual for building services consultants (such as the Opponent) to be involved in the ongoing management and testing of buildings.

49) Mr Foxcroft conceded that a building services consultant (such as Elementa) when commissioned for a refurbishment project may well advise on the taking of samples to ascertain the air and water quality in that environment.

DECISION

Section 5(2)(b)

50) Section 5(2)(b) reads:

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

(a) ...

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

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

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

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

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question,

taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

52) Of potential relevance to a ground of opposition under Section 5(2) are the provisions that relate to proof of use. The Opponent relies upon one earlier registered mark, namely 2462625, and this qualifies as an earlier mark as defined by Section 6 of the Act. Its registration procedures were completed on 7 March 2008. This is after the publication date of the Applicant’s mark and, as such, the proof of use provisions do not apply.

53) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

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

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

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

Comparison of services

54) In assessing the similarity of services, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23:

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

55) Other factors may also be taken into account such as, for example, the distribution channels of the services concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

56) Three further cases on the way that specifications ought to be interpreted should be borne in mind. In *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd ("Thomson")* [2003] RPC 32, at para 31, Aldous LJ, says

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use.”

57) Although this was in the context of arriving at a fair specification consequent to an attack of revocation on the grounds of non-use, the principle that it is the public and circumstances of the relevant trade that should underpin consideration as to the terms used in a specification nonetheless holds good.

58) Secondly, I also bear in mind the following guidance in *Avnet Inc v Isoact Ltd (Avnet)* [1998] FSR 16:

“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.”

59) Finally, there is the case of *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd ("Beautimatic")* [2000] FSR 267, in which the principle of giving words their ordinary (rather than an unnaturally narrow) meaning was enshrined. In summary, the *Avnet* case cautions about giving too broad an interpretation whereas the *Beautimatic* case urges an approach that is not unnaturally narrow. The *Thomson* case stresses that the exercise is not one of lexical analysis in a vacuum, but by reference to how the average consumer may perceive matters in the relevant trade.

60) For the purposes of assessing the case under Section 5(2)(b), I must consider the level of similarity between the respective services listed in each parties' specifications and not the level of similarity between the services that the respective parties actually engage in the market place. In this respect, whilst I note Mr Foxcroft's comments in his second witness statement that the Applicant targets building occupiers, whereas the Opponent is involved with "new build" and "refurbishments", this is not relevant for my considerations here as neither parties' specifications are limited in this way.

61) I should also say that, for convenience, I intend to select certain services listed in the Opponent's earlier mark to compare with those of the Applicant's

services. However, any similarity is not necessarily limited to these. I am particularly mindful that Mr Clowes, in his first witness statement, provided a table of services to demonstrate what he believed are similar services. I have taken these comments into account, but I have based my analysis on what I see as the Opponent's strongest case.

62) For ease of reference, I list the respective services below:

Opponent's services	Applicant's services
<p>Class 35: <i>Project management for building, construction and civil engineering projects; business management services for design, construction, maintenance, installation and repair of buildings and civil engineering structures; project management services on behalf of third parties; logistical management and support services; sourcing and procurement of materials, goods and services for third parties; personnel recruitment and management services; supervision and management of sub-contractors; feasibility studies; provision, preparation and compilation of business reports, surveys, project studies and statistical information; facilities management; business relocation services; information, advice, consultancy and the preparation of reports all relating to the aforesaid services.</i></p> <p>Class 37: <i>Construction services; construction consultancy; construction, building, maintenance, installation, cleaning, renovation, restoration, upgrading, enhancement and repair services of residential and commercial properties and civil engineering structures; repair, maintenance and installation of portable and temporary buildings; installation, maintenance and repair of cables, pipelines and pipe work for utility services; installation of equipment, machinery, fixtures and fittings into buildings; property development services; civil engineering services; construction engineering services; demolition services; process engineering services; control engineering services; project management services; supervision of construction projects; plumbing; electrical and gas installation; information, advice, consultancy and the</i></p>	<p>Class 41: <i>Management training in respect of workplace health, safety and environment.</i></p> <p>Class 42: <i>Health, safety and environmental consultancy services; systems management and construction of management systems to help maintain quality and compliance in all areas of health, safety and environment within the workplace; consultancy services with respect to the health and wellbeing of people within the built environment; benchmarking to provide an overview of performance; workplace health, safety and environment auditing; laboratory services relating to the testing, monitoring and assessment of air, water and food quality; risk assessment services in respect of workplace health, safety and environment; consultancy services in respect of water management, water technologies and operational practices; consultancy services in respect of corporate responsibility in matters of health and safety;</i></p>

<p><i>preparation of reports, all relating to the aforesaid services.</i></p> <p>Class 42: <i>Engineering and construction consultancy and design services; engineering and construction research services; engineering services; civil and structural engineering services; surveying; environmental analysis and consultancy; urban planning; information technology consultancy; research, consultancy, development and testing services, all relating to engineering and design services; quantity surveying and cost consulting; legal research and advisory services; design services; industrial design; planning and design of buildings and structures; interior design; planning and design of building interiors; room planning; graphic design services, illustration services, engineering and technical drawing services; land surveying; architectural services; design of commercial developments and business parks; management of architectural and interior design projects; design of cabling and pipe work for utilities and telecommunications services; energy efficiency advisory services; thermal and energy modelling services; project preparation and studies; preparation or reports and provision of information, advice and consultancy, all relating to all the aforesaid services.</i></p>	<p><i>quality accreditation services relating to environmental safety and to health and safety.</i></p> <p>Class 45: <i>Consultancy services in respect of drought legislation.</i></p>
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The Applicant's Class 41 services

63) The Applicant lists *[m]anagement training in respect of workplace health, safety and environment* in this class. Firstly, I note that the subject matter of the management training, namely *workplace health, safety and environment* can relate to all types of workplaces, whether that is a construction site, an office environment or any other workplace environment. Mr Foxcroft's argument that the Applicant targets building occupiers whereas the Opponent targets new builds and refurbishment projects is therefore not relevant to the consideration of similarity of its services with those of the Opponent.

64) I note that Mr Clowes, at Exhibit MC3 of his first witness statement, identifies numerous services that he considers identical or similar to the Applicant's services. However, I find it convenient to compare these services with the Opponent's *advice, consultancy ... relating to the aforesaid services* [that includes *business management services for design, construction, maintenance,*

installation and repair of buildings and civil engineering structures] in Class 35 and *advice, consultancy ... relating to the aforesaid services [that includes construction, building, maintenance, installation, cleaning, renovation, restoration, upgrading, enhancement and repair services of residential and commercial properties and civil engineering structures]* in Class 37 that I consider provide the Opponent with its best case.

65) Mr Clowes submitted that *consultancy* covers a broad array of services including training. I do not accept that the term *consultancy* will be understood as including training services. "Consultancy" is defined as "a professional practice that gives expert advice within a particular field"¹. There is a distinction between "providing advice" and "training" and the average consumer will not understand the term as covering "training". A consultant is not precluded from providing training services, but crucially, I do not accept that there is a natural expectation on the part of the average consumer that a consultant will do so. Therefore, I conclude that the Opponent's advice and consultancy services are not identical to the Applicant's Class 41 services. Such a position is also supported by the fact that they are classified in different classes.

66) Having reached such a conclusion, I must go on to consider the level, if any, of similarity between these services. The nature and intended purpose of "advice" and "training" is somewhat similar as both are intended to impart knowledge to the consumer. However, they are different in terms of method of delivery with "training" being typically delivered in a more formal way than the imparting of "advice". As I have acknowledged above, the respective trade channels may possibly overlap, but generally there is an expectation on the part of the consumer that there are different expert providers of advice and consultancy than those providing training. Nevertheless, it may be a competitive choice as to whether to provide training to existing staff or to employ a consultant possessed with the necessary skills. As such, there are circumstances when the two services may be in competition. Of course this would be dependent upon the training and consultancy being related to the same subject area. Taking all of this into account, I conclude that these respective services share a moderately high level of similarity.

Elementus' Class 42 services

67) Firstly, I will consider the Applicant's *health, safety and environmental consultancy services*. Environmental consultancy appears in both parties specifications and self-evidently covers identical services. With regard to *health, safety [...] consultancy services*, Mr Clowes argued that environment, health and safety are closely related areas and are normally, if not always, analysed

¹ "consultancy". Oxford Dictionaries. April 2010. Oxford Dictionaries. April 2010. Oxford University Press. 21 February 2011 <http://oxforddictionaries.com/view/entry/m_en_gb0174330>.

together. On the other hand, Mr Foxcroft argues that they are different as they are enforced by different bodies. This may be so, but this is insufficient reason to find there is no similarity. I am more inclined to Mr Clowes submissions that these respective services are closely related. Whilst the point was made clear at the hearing that not all health and safety issues relate to the environment, many do and as such, consultancy services in these fields will be highly similar in nature, intended purpose, methods of use and also in terms of trade channels. As such, I conclude that, if not identical, they share a high level of similarity.

68) Mr Clowes claims that the Applicant's *systems management and construction of management systems to help maintain quality and compliance in all areas of health, safety and environment within the workplace* is identical to the Opponent's *environmental analysis and consultancy*. Such an argument has some force. Taking account of the guidance provided in *Thomson and Beautimatic*, The Opponent's term will be understood as being a description of services related to environments generally and as such will include office environments or other working environments such as building sites. In light of this, I conclude that, in respect of the Applicant's *systems management and construction of management systems to help maintain quality and compliance in all areas of [...] environment within the workplace* are covered by the Opponent's more general term *environmental analysis and consultancy* and is therefore identical. Insofar as the Applicant's services relate to health and safety, whilst not identical they are still highly similar because, insofar as the Opponent's services relate to the built environment, there is a substantial overlap with health and safety issues covered by the Applicant's services.

69) Similarly, the Applicant's *consultancy services with respect to the health and wellbeing of people within the built environment* are at least closely similar to the Opponent's *environmental...consultancy*. Here, health and wellbeing of people within a built environment will be, to a significant extent, influenced by the environment itself. As such, I find that there is a clear overlap between the services covered by the respective terms. They are therefore identical.

70) In his evidence, Mr Clowes takes the view that *benchmarking to provide an overview of performance* enables an organisation to compare their existing performance and approach to others and that this is provided by all of the Opponent's services. I do not agree that this can be so when taking account of the guidance provided in *Avnet, Thomson and Beautimatic*. For example, it cannot be said that the normal understanding of the meaning of *construction services* in Class 37 or *construction consultancy* in Class 42 that they include benchmarking services. That said, insofar as the Applicant's services relate to such areas as performance of environmental control measures, for example, then they will be covered by a number of the Opponent's terms such as *engineering and construction research services* or *energy efficiency advisory services* as benchmarking may be provided as part of these services. I therefore find that these respective services are identical.

71) It is clear to me that the Applicant's *workplace ... environment auditing* will be provided as part of the broader *environmental analysis* services listed in the Opponent's earlier mark. In respect to the Applicant's *workplace health, safety ... auditing*, as I have already discussed in paragraph 65, there is a substantial overlap between environmental services and health and safety services in that issues relating to the built environment are often of a nature that they are described as health and safety issues. All these respective services are therefore also identical or at least highly similar.

72) Mr Clowes argues, in the table exhibited at MC3 to his first witness statement, that the Applicant's *laboratory services relating to the testing, monitoring and assessment of air, water and food quality* are similar to the Opponent's *research, consultancy, development and testing services, all relating to engineering and design services*. I agree insofar as the Applicant's term relates to the assessment of air and water as such assessments may well be provided as part of testing services relating to engineering and design, particularly of buildings. These services are therefore very highly similar. However, I fail to see how the Opponent's services are similar to any *laboratory services relating to food quality*. The laboratories involved are likely to be different, the consumers of such services are likely to be different and they are in no way complementary or in competition with each other. These services are therefore, not similar.

73) Risk assessment services are an integral part of a wide range of consultancy services, including many of those covered by the Opponent's Class 42 specification. For example, a client wishing to obtain risk assessment services relating to the environment is likely to go to a provider of environmental consultancy services. Further, as I have already discussed above, health and safety in the workplace substantially overlaps with the workplace environment. Taking all of this into account, I conclude that the Applicant's *risk assessment services in respect of workplace health, safety and environment* are identical to, at least, the Opponent's *environmental analysis and consultancy and advice and consultancy, all relating to all the aforesaid services [insofar as those services are planning and designing of buildings and structures]*.

74) In respect of the Applicant's *consultancy services in respect of water management, water technologies and operational practices*, Mr Clowes, once again, argues that because such services relate to engineering systems necessary for the functioning of modern buildings, they are covered by the Opponent's management and consultancy services. I am not fully persuaded by this argument. It is true that both the Applicant's services and, for example, the Opponent's *civil engineering services and consultancy* relating to the same may both relate to, for example, large scale water plant construction, dam construction etc., but the actual services would be quite different. The first provides advice relating to water management, technologies and practices, the

other would relate to the physical construction of water structures. Therefore, their nature and intended purpose is somewhat different. However, the services become more closely similar when the water management and technologies referred to in the Applicant's services relate specifically to water structures. As such, whilst not identical, I find there is a reasonably high level of similarity.

75) Next, the Applicant's specification includes *consultancy services in respect of corporate responsibility in matters of health and safety* is more akin to management consultancy (proper to Class 35), but such services are not covered by the Opponent's Class 35 specification. Mr Clowes submission is that the Opponent is asked to provide consultancy at a corporate level with respect to its specialisms and their impact on health and safety. I note this, but taking account of the guidance in *Thomson and Beautimatic*, it is not obvious to me that any of the terms covered by the Opponent's Class 42 specification (or any of its other specifications) will be understood as including *consultancy in respect of corporate responsibility in matters of health and safety*. That said, and similarly to discussions above, where the Opponent's specification covers consultancy services relating to the built environment, health and safety issues will be covered. The terms are not limited to any particular level within an organisation and so include such services provided at a corporate level (and therefore reflects actual use described by Mr Clowes). Therefore, whilst not identical to the Applicant's services, these are highly similar and are provided to the same set of consumers. Taking this into account, I conclude that the respective services share a high level of similarity.

76) The Applicant's specification also includes *quality accreditation services relating to environmental safety and to health and safety*. Nothing in any of the Opponent's specifications can be considered identical to these services. However, providing information, advice and consultancy in the same field (or, as established above, a closely overlapping field) offsets, to some degree, the differences in the nature and intended purpose of the services. These differences are also offset by the fact that the same type of provider may be involved, leading to an overlap in the trade channels for the respective services. Taking all of this into account, I conclude that the respective services share a reasonably high level of similarity.

The Applicant's Class 45 services

77) The Applicant's *consultancy services in respect of drought legislation* has no obvious equivalent in the Opponent's specifications. Mr Clowes submits that these services are similar or identical to the Opponent's *consultancy services relating to legal research and advisory services*, but I do not agree. Whilst both are consultancy services, the Applicant's services are very specialised and will be provided by an equally specialised provider whereas the Opponent's services are less specialised in nature. The respective trade channels are therefore likely to be different. Taking these points into account, I conclude that these respective services are similar but only to a moderate degree.

78) In summary, I have found that the Applicant's Class 41 share a moderately high level of similarity with some of the Opponent's services and that the Applicant's Class 45 services share a moderate level of similarity with various of the Opponent's services. In respect of the Applicant's Class 42 services, I have found that the respective services are either identical, highly similar or reasonably highly similar to numerous of the Opponent's services. I have also found that that the Applicant's *laboratory services relating to food quality* is not similar with any of the Opponent's services.

The average consumer

79) As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who the average consumer is for the services at issue. It is clear from the evidence that the main customers of the types of services covered by the Opponent's specifications are those individuals or companies requiring assistance in the construction of new buildings or the refurbishment of existing buildings. Mr Foxcroft argued that the Opponent's customers are those seeking building industry services whereas the Applicant operates in the field of health and safety and environmental consultancy. Whilst this may neatly define the respective parties' trading in the marketplace, I must consider who the average consumer is for the respective notional lists of services that are not restricted in such a way. With this in mind, I am not convinced that the respective average consumers are totally distinct.

80) From the evidence and submissions provided by, or on behalf of both parties, it is clear that there is an overlap in the customers of the two parties. Firstly, the construction industry and health and safety consultancy are not mutually exclusive and in fact the latter can have a very important role in the former. This point has been made vividly by Mr Clowes. As such, the average consumer of the Applicant's services may also be the average consumer of the Opponent's services. This finding is reinforced by the fact that the two parties attended the same networking event.

81) Having established this, I also need to consider the nature of the purchasing act. Mr Clowes, during his cross-examination, steadfastly but unconvincingly attempted to play down the level of consideration that the average consumer employed when commissioning the types of services provided by the Opponent. Clearly, services costing £5 million (as in the example used by Mr Clowes) require a considered approach by the consumer before making a commitment to spend such money. I have not been provided with an indication of the types of costs involved in procuring the Applicant's services, but it is self evident that these too require careful consideration by the consumer even if they are not of the same high value as the Opponent's services.

Comparison of marks

82) For ease of reference, the respective marks are:

Opponent's mark	Applicant's mark
ELEMENTA	ELEMENTUS

83) When assessing the extent of similarity between the respective marks, I must do so with reference to their visual, aural and conceptual similarities bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23). From an aural perspective, both words are of similar length, both consisting of the three syllable word “element” and an additional syllable added to the end of the word. In the case of the earlier mark, this additional syllable is the sound “ah” as represented by a letter “a” at the end of the mark. In the case of the contested mark, the additional syllable is the “us” sound. Therefore, the respective marks share a high level of aural similarity only being differentiated by the final short syllable.

84) From a visual perspective, both marks consist of the seven letter word “element” together with one or two additional letters that, as I have already noted, are different in each mark. As the majority of both marks are the same and as the point of difference appears at the end of the marks and are both short in character, when considering the marks as a whole, this creates a high level of visual similarity between the marks.

85) Turning to the conceptual comparison, both marks appear to be made-up words constructed from the known word “element” that has a number of meanings including “an essential or characteristic part of something abstract”, “a small but significant amount of a feeling or quality”, “the rudiments of a subject”, “each of more than one hundred substances that cannot be chemically interconverted”, “any of the four substances (earth, water, air, and fire) regarded as the fundamental constituents of the world in ancient and medieval philosophy” or “strong winds, heavy rain, or other kinds of bad weather”². In both marks the addition of the additional letter/letters at the end creates a made-up word. Nevertheless, both marks continue to provide an allusive message as identified by the common “element” part of both marks. In considering the impact of this, I am mindful of the following comments from the GC in Case T-189/05, *Usinor SA v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM):

² “element”. Oxford Dictionaries. April 2010. Oxford Dictionaries. April 2010. Oxford University Press. 2 February 2011 <http://oxforddictionaries.com/view/entry/m_en_gb0260680>.

“62 In the third place, as regards the conceptual comparison, it must be noted that while the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (Lloyd Schuhfabrik Meyer, paragraph 25), he will nevertheless, perceiving a verbal sign, break it down into verbal elements which, for him, suggest a concrete meaning or which resemble words known to him (Case T-356/02 Vitakraft-Werke Wührmann v OHIM – Krafft (VITAKRAFT) [2004] ECR II-3445, paragraph 51, and Case T-256/04 Mundipharma v OHIM – Altana Pharma (RESPICUR) [2007] ECR II-0000, paragraph 57).”

86) There is nothing before me to suggest that the word “element” as it appears as part of both marks will be perceived as having a different meaning attributed to it in each mark, therefore, taking account the above comments of the GC, I conclude that insofar as the consumer perceives a suggested meaning, then this will be the same for both marks.

87) I am required to take account of all these findings to reach a view as to the overall level of similarity between the marks. I have found that the marks share a high level of aural and visual similarity and that to the extent there the marks possess any conceptual meaning, this is the same in both marks. These findings combine so that the respective marks share a high level of similarity overall.

Distinctive character of the earlier trade mark

88) I have to consider whether the Opponent’s mark has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. It consists of the word ELEMENTA. Whilst it has its root in the known word “element”, the addition of the letter “A” creates a made up word. This, and the fact that the word ELEMENT does not appear to have any meaning in respect of the services listed, leads me to conclude that the mark enjoys a reasonably high degree of inherent distinctive character.

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

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of

general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

90) The evidence demonstrates that the Opponent has been involved in many dozens of projects, most in the South East of England, but also a few in the Midlands and one in Leeds. It is not disputed by the Applicant that the opponent is well established. In fact there is recognition that the Opponent is a bigger company than the applicant. From the evidence, I conclude that the Opponent has a reputation in respect of its consultancy services in the construction industry and, as such, its mark benefits from a level of enhanced distinctive character in respect to these services.

Likelihood of confusion

91) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27).

92) At the hearing, Mr Tritton pointed out that Mr Clowes’ evidence illustrated that the “Movers and Shakers” networking meetings are attended by hundreds of companies and, in practice, there will be a number of companies from any given field in attendance and that confusion has occurred in this context. I note this, as do I that I have found that the respective marks share a high level of similarity, that most of the respective Class 42 services are either identical or share a very high level, a high level or a reasonably high level of similarity. In respect of the Applicant’s Class 41 and Class 45 services, I have found they share a moderate level of similarity to various of the Opponent’s services. I have also identified that there is an overlap of the parties customers and that these customers generally apply a considered approach when procuring such services. Finally, I have concluded that the Opponent’s mark enjoys a reasonably high level of inherent distinctive character and that this has been enhanced through the use it makes of it.

93) I take all these points into consideration when looking at the issue of likelihood of confusion and I readily accept that the purchasing decision in relation to the majority of services will be well considered, but nonetheless this is counterbalanced by the level of similarity between the marks and the degree of similarity between the respective services and I find that, even where there is only a moderate level of similarity between the services there is a likelihood of confusion in that the consumer of such services, when bearing in mind that marks are rarely recalled perfectly, will believe that the one mark is in fact the other. Even if I am wrong and such direct confusion would not exist, there is also a strong likelihood that even where the consumer identifies differences between the respective marks they will still believe that the services are provided by the same, or economically linked undertakings.

94) In light of these findings, Elementa's grounds of opposition in respect of Section 5(2)(b) of the Act is successful in respect of the majority of the Applicant's services. The application only survives in respect of *laboratory services relating to food quality*.

95) Having found that a prima facie likelihood of confusion exists in respect of the majority of the Applicant's services, the only factor that can save the majority of the application is the existence and effect of concurrent use. Mr Foxcroft claims that the parties have traded concurrently without confusion. I must be satisfied that the parties have traded in circumstances that suggest consumers have been exposed to both marks and have been able to differentiate between them without confusion as to trade origin (see to that effect the Court of Appeal in *The European Ltd v The Economist Newspaper Ltd* [1998] FSR 283 at page 291, Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at 809 and the Court of Appeal in *Phones 4U Ltd v Phone 4u. co. uk Internet Ltd* [2007] RPC 5 at paragraphs 42 to 45 and Alan Steinfield QC, sitting as a deputy judge of the High Court, in *Fiorelli Trade Mark* [2007] RPC 18)

96) Therefore, for concurrent use to be of assistance to an applicant I must be satisfied that the effect of concurrent trading has been that the relevant public has shown itself able in fact to distinguish between services bearing the marks in question i.e. without confusing them as to trade origin. That implies that both parties are targeting an approximately similar, or at least overlapping, audience and that the use by the parties in nature, extent and duration of trade has been sufficient to satisfy me that any apparent capacity for confusion has been adequately tested and found not to exist. It is clear from the facts of this case, that this is not the case. The parties clearly have overlapping consumers, however, there is also evidence that there is a real possibility that the consumer may be confused as illustrated by the circumstances surrounding the "Movers and Shakers" networking meeting. Further, I note that the Applicant started using its mark at the end of April 2008, less than 12 months before the relevant date. This is not a long time in which to test the proposition that there is no confusion.

97) Taking all of the above into account, I am not satisfied that the parties have traded in circumstances that suggest consumers have been exposed to both marks and have been able to differentiate between them without confusion as to trade origin. On the contrary, the anecdotal evidence is that confusion may well occur. Whilst this evidence is far from determinative, it nonetheless, leans more towards confusion occurring than not. In summary therefore, my *prima facie* finding regarding likelihood of confusion remains undisturbed and there is a likelihood of confusion in respect of all of the Applicant's services except *laboratory services relating to food quality*.

Section 5(3)

98) In light of my findings in respect of the Section 5(2)(b) grounds, I will only consider the grounds based on Section 5(3) insofar as it may improve upon the Opponent's position. To that effect, I will restrict my comments to whether the Opponent's claims will be successful against the Applicant's *laboratory services relating to food quality*.

99) Section 5(3) of the Act reads as follows:

“5.-(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) ‘Reputation’ for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the products or services covered by that mark (paragraph 26 of the CJEU's judgment in *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572). The Opponent's evidence on this point is not particularly well marshalled. For example, there is no indication of the amount of sales or promotion in relation to its mark. Neither is there any indication to illustrate its market share. That said, there are some relevant indications. There is evidence that some of the projects that the Opponent is involved in are quite large, sometimes costing many millions of pounds and there is evidence of at least thirty six different projects. It has been involved in a number of public healthcare projects. There is evidence that it is operating from three offices in England. Further, it received the accolade of “consultancy of the year” at the annual Building Services Journal awards in 2007. This was reported on the website www.buildingtalk.com that has an average circulation of 38,000 per issue. Bearing in mind the specialist nature of the

services offered by the Opponent, this represents a large number of its potential customers.

101) Taking all of the above together, whilst it is not overwhelming evidence that a significant part of the specialist consumer of the Opponent's services will be aware of the mark, on the balance of probabilities, I accept that this is the case and that the Opponent has a reputation. Whilst the evidence does not particularly help in identifying precisely what services this reputation extends to, it is clear to me that it relates to the Opponent's construction services and the related consultancy services listed.

The Link and Heads of Damage

102) Having established the existence and scope of a reputation, I must consider if the necessary link exists. The similarity between the marks does not have to be such as to give rise to a likelihood of confusion between them; the provision may be invoked where there is sufficient similarity to cause the relevant public to establish a link between the respective marks (*Adidas Salomon v Fitnessworld* [2004] ETMR 10, paragraphs 29-30). The fact that the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link between the conflicting marks (*Intel Corporation Inc. v CPM United Kingdom Ltd (INTEL)* [2009] RPC 15). Whilst not necessarily determinative of this point, I have found earlier that there is no similarity between the Opponent's services and the Applicant's *laboratory services relating to food quality*. Such services are not ancillary to building service engineering and related consultancy services that the Opponent provides. They will not share any of the same trade channels with totally different end users being involved. As such, any consumer of the Opponent's services who was exposed to the Applicant's mark in relation to *laboratory services relating to food quality* would not make any link to the Opponent. In respect of these services it would not even bring the earlier mark to mind.

103) In light of my findings above, it follows that as no link exists, the opponent will not suffer damage. As such, the application survives in respect of *laboratory services relating to food quality*. However, in light of my finding in respect to Section 5(2)(b), it is refused in respect of all other services claimed.

COSTS

104) The opposition having been substantially successful, the Opponent is entitled to a contribution towards its costs. I take account of the fact that a hearing has taken place and that two of its witnesses have been cross examined. I also take account that the opposition failed in respect of one of the Applicant's services. I award costs on the following basis:

Preparing Notice of Opposition and statement	£500
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Preparing and filing evidence and considering other side's evidence	£1200
Preparing for, and attending hearing	£1200
TOTAL	£2900

105) I order Elementus Limited to pay Elementa Consulting Limited the sum of £2900. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day of June 2011

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