TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 10179
BY EUROMIX CONCRETE LIMITED
FOR A DECLARATION OF INVALIDITY IN
RESPECT OF TRADE MARK NO 1566675
IN THE NAME OF CPI LIMITED

TRADE MARKS ACT 1994

IN THE MATTER OF application No. 10179
by Euromix Concrete Limited
for a Declaration of Invalidity in respect of trade mark No 1412303
in the name of CPI Limited

DECISION

Trade mark EUROMIX is registered under number 1566675 in Class 19 in respect of:

> Building materials; cement, concrete, mortar, gypsum; mixes made from or containing cement, concrete, mortar or gypsum; rendering compositions for internal and external applications; all included in Class 19.

The registration currently stands in the name of CPI Limited.

By an application dated 24 June 1998, Euromix Concrete Limited applied for this registration to be revoked under the provisions of Section 47(1) and section 47(2), the grounds in summary being as follows:

1.	**Under Section 5(4)(a)**	By virtue of the law of passing off.
2.	**Under Section 3(3)(b)**	Because use of the mark applied for would deceive the public.
3.	**Under Section 3(6)**	Because the application was made in bad faith.
4.	**Under Section 3(4)**	By virtue of the law of passing off

The registered proprietors filed a counterstatement in which they deny these grounds.

Both sides ask that costs be awarded in their favour.

Both sides filed evidence in these proceedings. The matter came to be heard on 6 December 1999, when the applicants were represented by Mr David Young of Her Majesty's Counsel, instructed by Urquhart Dykes & Lord, their trade mark attorneys, and the opponents were represented by their trade mark attorneys.

Applicants' evidence

This consists of a Statutory Declaration dated 22 September 1998, and is made by Stephen Robert Nicklen, the sole Director and a major shareholder of Euromix Concrete Limited. Mr Nicklen confirms that the contents of the Declaration are from his own knowledge, or unless indicated otherwise, have been extracted for him from his company's records.

Mr Nicklen begins by saying that his company was incorporated under the name Euromix Concrete Limited on 5 May 1983, and commenced trade under the name EUROMIX in June 1983, and refers to exhibit SRN1 which is a copy of the Certificate of Incorporation and a Value Added Tax Assessment Notice for Euromix Concrete Limited, both of which confirm the dates given. He goes on to refer to an application to register the word EUROMIX as a trade mark in Class 19 made by his company on 19 November 1997, and he details the goods for which they sought to register the mark.

He refers to exhibits SRN3 and SRN4 which consist of documentation relating to the supply of concrete mixes, the earliest dating from July 1983 and a delivery note from Blue Circle Cement for the supply of materials in April 1984, all showing the word EUROMIX being used as part of a company name. Mr Nicklen confirms that since his company began to use the mark in June 1983, they have used the mark continuously in respect of the goods listed earlier. He goes on to set out the sales figures for the years ending 31 May 1989 to 31 May 1997, which range from £222,104 in 1989 to a peak £1,766,761 in 1996, the figure for 1997 being £955,442, and the total sales for the period amounting to over £6,600,000.

Mr Nicklen goes on to say that his company has promoted its goods under the trade mark in various named publications, and refers to exhibit SRN5. This consists of invoices for advertisements placed at various times in the Braintree and Witham Times, the Chelmsford Advertiser and the Yellow Advertiser, the earliest dating from June 1983, and an invoice and copies of the artwork for an entry in YELLOW PAGES, which does not bear a legible date but which Mr Nicklen says has appeared since 1985. There are no copies of the newspaper advertisements and it is not possible to determine whether and in what form they included the word EUROMIX. The artwork from YELLOW PAGES clearly bears the word being used on its own, or in conjunction with the word CONCRETE. He says that since June 1989 his company has spent some £27,500 on advertising in these publications. He says that his company has been involved in other forms of promotion, such as the named sponsor of a local youth football team and providing gift items such as stationery.

Mr Nicklen says that the mark has also been used upon company vehicles, and refers to exhibit SRN6 which consists of photographs which he says date from 1989, 1990 and 1993 to 1995. The photographs show cement mixer vehicles bearing the word EUROMIX across the front and the company name and address on the side doors. He says that through this use the mark has gained distinctiveness. Mr Nicklen concludes his Declaration by setting out the towns and cities in which his company has supplied goods, which is essentially the Southeast of England.

Registered Proprietors' evidence

This consists of two Statutory Declarations. The first is dated 23 December 1998 and comes from Fergus Malone, the Director of CPI Limited, a position he has held since 1983. Mr Malone confirms that the evidence contained within his Declaration come from his own personal knowledge or has been obtained from his company's records.

Mr Malone says that the mark EUROMIX had been devised in 1993 by an in-house company task group and was first used by his company in that year in the Republic of Ireland in 1993, and subsequently on the mainland of the United Kingdom in 1997. He says that searches of the Irish

and United Kingdom trade mark registers were carried out, and application to register EUROMIX as a trade mark were made in the Republic of Ireland on 30 April 1993, and the United Kingdom on 24 March 1994. Exhibit FM2 consists of a copy of the trade mark registration certificate for the United Kingdom.

He refers to exhibit FM1 which consists of working papers from CPI Limited's "MORTAR TASK GROUP" meetings held from February to April 1993. These show that the group were looking at a range of issues including the name/ logo for their products, and from 23 February 1993 were considering the name EUROMIX which was subsequently adopted in April 1993. Mr Malone says that his company has used the mark in relation to dry mortars, renders and screeds which are transported in an unmixed state to the building site, and refers to exhibit FM3 which consists of various photographs of an industrial site with a silo marked CPI EUROMIX - QUALITY MORTAR RIGHT WHERE YOU NEED IT. Mr Malone says that his company's turnover in the United Kingdom since the date of first use amounts to over £400,000, and refers to exhibit FM4 which consists of a selection of sample invoices, all of which bear the mark EUROMIX solus, but all date from after the relevant date, and consequently, cannot be given much if any weight. He says that sales of the product (mortar?) are increasing and to date they have sold goods bearing the mark throughout the South of England and Scotland.

Mr Malone continues saying that the mark has been promoted throughout the United Kingdom, and included a direct promotion to a list of potential customers drawn up by the General Manager of the registered proprietors' company. He says that none of the companies contacted mentioned Euromix Concrete Limited and that he is not aware of any instances of confusion between that company and his own. Mr Malone refers to exhibit FM5 which consists of product leaflets for customers relating to dry mortar mixes and items of mixing apparatus for use with dry mortars, and a video tape which Mr Malone says is sent as a follow up to customers, and to exhibit FM6 which is a list of potential customers to whom this literature was sent, and which records details of contacts dating from 25 November 1997. The literature shows the mark used in the form EuroMix, and is dated October 1997 and July 1998. He says that the EUROMIX product was exhibited at the World of Concrete Exhibition held at the Birmingham NEC on 25-27 July 1997, stating that none of the visitors or other exhibitors mentioned Euromix Concrete Limited. He refers to exhibit FM7 which consists of a photograph of a container of EUROMIX used as part of the display at the exhibition, and which is the same apparatus shown in exhibit FM3.

Mr Malone goes on to refute the claim of bad faith which he says is answered in his Declaration, and refers to a statement made by the applicants that in their business "everyone knows everyone". He says that exhibits FM4 and FM6 shows that a large number of customers in this business have become aware of his company's product, and that the evidence shows that his company has traded in the same towns mentioned by Mr Nicklen in his Declaration. He notes the lack of any mention of the applicants company in any of these contacts.

Mr Malone goes on to say that in his view there is a significant difference between the products supplied by his company and the ready mix concrete supplied by the applicants. He goes on to set out these differences, which are essentially the manner and state in which they are delivered, the way and time in which they must be used and the constituent materials. He says that he believes the products to be distinct and discrete, concluding that this explains the apparent lack of confusion.

The second Statutory Declaration is dated 22 December 1998, and comes from John Hague, a partner in the John Hague Partnership, a position he has held since 1996. Mr Hague says that he has worked in the building industry for approximately 40 years and prior to setting up his own consultancy had been employed by a large ready-mix concrete supplier and had also been a member of a committee involved in, inter alia, quality control issues in the industry.

Mr Hague begins by saying that in May 1996 he was employed by the registered proprietors as their business consultant for their United Kingdom division, a role that he has continued to date. He says that he first became aware of Euromix Concrete Limited in July 1996 through a conversation and began investigations into this company and their use of EUROMIX through contacts in the industry. He says that on 4 February 1997 he contacted Mr Nicklen, the Director of Euromix Concrete Limited to explain that CPI Limited had registered the mark EUROMIX in the United Kingdom and intended to use it in relation to the production of dry mortars, renders and screeds in the South-East of England. He recounts the conversation and gives the impressions that he drew from Mr Nicklen's comments.

Mr Hague says that he reported the conversation to CPI Limited, and as a result he sent a letter to Mr Nicklen, a copy of which is shown as exhibit JH1. The letter dated 13 February informs Mr Nicklen that CPI Limited had registered and intended to use the mark EUROMIX in relation to a dry mortar business based in South London, and enclosed a product brochure. He says that a reply was received from Mr Nicklen, (exhibit JH2) which claimed ownership of the names Euromix concrete Limited, Euromix Limited and Euromix Mortars limited, and suggesting that CPI Limited change its livery and trading names. Mr Hague's reply to Mr Nicklen (exhibit JH3) informs Mr Nicklen that CPI Limited had registered EUROMIX as a trade mark, not a company name.

Mr Hague says that he commissioned a company search into use of the name EUROMIX, the results (exhibit JH4) show that Mr Nicklen applied to register the names Euromix Limited and Euromix Mortars Limited on 12 March 1997, which Mr Hague notes is after the date on which he first contacted Mr Nicklen. He says that he is aware that the average haulage for ready-mix concrete throughout the United Kingdom is approximately 5 miles, and given that Mr Nicklen operates in a rural area he considers that the business could extend this to approximately 9 miles without the transportation becoming uneconomical, and draws the conclusion that this shows the allegations of bad faith to be unfounded. He also gives his opinion on the apparent lack of confusion which he says is due to the difference in the respective products, which he indicates to be their intended uses.

Applicants' evidence in reply

This consists of two Statutory Declarations. The first is dated 25 May 1999 and comes from Susan Mary Rust, the Sales Manager of Euromix Concrete Limited. Ms Rust says that she has been employed by the company since since May 1990 having previously worked as a Sales Representative. Ms Rust confirms that the contents of the Declaration are from her own knowledge, or unless indicated otherwise, have been extracted for her from her company's records.

Ms Rust says that she first became aware of the registered proprietors' use of the EUROMIX

trade mark in the latter part of 1997, and that through her direct contact with her company's customers she became aware of confusion. She refers to exhibit SMR1 which she says is a copy of a letter from a long standing customer. The letter is dated 8 January 1999 and comes from a company called Costain, inviting Euromix Concrete Limited to provide a quotation for the supply of ready mixed mortar. Ms Rust says that she believes the letter was intended for CPI Limited because her company does not provide brick laying mortar in the quantities specified, or provide the "on site silo".

Ms Rust goes on to refer to exhibit SMR2 which consists of a tape recording and transcript of a conversation resulting from an in-coming telephone call from Mr Richard Castle-Smith of Balfour Beatty Construction Limited on 3 December 1998, enquiring about on site mortar mixing facilities. She refers to exhibit SMR3 which consists of a number of photographs which she says were taken at a construction site operated by Bellway Homes Limited, and showing the registered proprietors EUROMIX mortar silos and the applicants' concrete mixing vehicles who were supplying concrete to the groundwork contractor on the same site. Ms Rust notes the similarity in the trade dress which she says would lead people to the conclusion that they are from the same undertaking.

Ms Rust goes on to refer to exhibit SMR4 which consists of a tape recording and transcript of a telephone conversation resulting from a telephone call Ms Rust made on 4 January 1999, to Mr Danny Cooper, a Buyer employed by Bellway Homes Limited in Chelmsford, who she says is a long standing customer. Ms Rust states that the conversation clearly illustrates that Mr Cooper associated the EUROMIX name with her company and was confused by CPI Limited using the name, and contradicts Mr Malone's statement that the respective products are different and discrete and accounted for the lack of apparent confusion. Ms Rust says that the name of the exhibition, World of Concrete exhibition which Mr Malone says his company attended also shows the similarity in the goods. She also states that her company has supplied an identical product to a number of the actual and potential customers of CPI Limited.. She refers to SMR6 which consists of the invoices exhibited by Mr Malone in FM4. Ms Rust says that she has marked those companies who are also her contacts and with whom her company have, and continue to supply.

Ms Rust next refers to the Declaration by Mr Hague, and in particular, to his statements relating to the area of operation of her company which he has based on his understanding of the requirements for using concrete Ms Rust refutes the suggestion that her company only operates within a 9 mile radius but that this really was of no consequence because her company's trade mark is recognised by contractors based throughout the country who will use her company's EUROMIX products on projects in and around her company's plant. She refers to exhibit SMR7 which is a list of contractors who currently have a credit facility with her company, some of which are based in the North/Midlands and which Ms Rust says shows that her company's reputation in EUROMIX extends throughout the country. Ms Rust says that the use of the mark EUROMIX by the respective parties does, and continues to cause confusion.

The second Statutory Declaration is dated 25 May 1999 and comes from Stephen Robert Nicklen, who confirms that he is the same person who executed the earlier Declaration.

Mr Nicklen says that he has 25 years experience in the supply of ready-mix concrete and associated goods. He says that in this time he has made many contacts and his company has built

a reputation under the mark EUROMIX and that he is dealing with instances of confusion between his company's products and those of the applicants. He refutes the suggestion that the respective goods are different and to illustrate this refers to exhibit SRN7 which consists of extracts from Yellow Pages and which show a number of company's supplying both. He says that since 1983 his company has also supplied screed and details a number of companies who are customers noting that screeds are identical products to those supplied by the registered proprietors under an identical mark.

Mr Nicklen next refers to exhibit SRN9 which consists of another extract from Yellow Pages in the category of "Concrete Products". He particularises one entry for a company that specialises in building concrete floors and notes that screeds are also used for making floors, and as it is clear from the registered proprietors' own evidence that their products are for floors there must be an overlap in the respective goods. He also says that his company has the intention of expanding into the supply of mortar and have in the past supplied small quantities on a one-off basis. He returns to the question of the similarity of the goods noting that apart from one being supplied wet and the other dry, the respective goods are not discrete. He refers to exhibit SRN10 which is a copy of a letter and an accompanying brochure from a company called M-Tec promoting that company's mortar render and screed production plant, the same technology used by the registered proprietors, and noting that the letter says that it can also be used in relation to concrete. Mr Nicklen goes on to say that an advertisement placed by the registered proprietors in Construction News, shown at exhibit SRN11, noting that it refers to the registered proprietors as the concrete products division of Grafton Group plc, and that their main products are ready-mix concrete, concrete blocks and dry mortar. He also notes that the advertisement refers to the registered proprietors being involved with Tarmac, who, Mr Nicklen says, is a company with whom his company has had a long standing relationship.

Mr Nicklen challenges Mr Malone's claim to not having heard of his company, saying that the landlord of the site on which the registered proprietors set up their plant is a long standing competitor of his company who has co-operated in supplying large contractors. He refers to the statement by Mr Hague in his Declaration in which he says that he first became aware of Euromix Concrete Limited in July 1996 through a conversation with the landlord of the site. He refers to exhibit SRN12 which is a list of businesses in the concrete industry and in which both his and the registered proprietors' companies are listed saying that it is difficult to believe that the registered proprietors can deny any knowledge of his company until such a late date. The list is noted as the second edition 1998.

Mr Nicklen refers to the conversation with Mr Hague denying that he consented or indicated a willingness to allow the registered proprietors to use his company's reputation, and which he says is the position clearly expressed in his letter of 8 April 1997 shown as exhibit JH2. He refers to the statement made by Mr Hague relating to the area of operation of his company and refers to exhibit SRN13 which consists of copies of 2 invoices dating from April and November 1998 for the supply of concrete to Barking and Romford which he believes to be some 45 and 25 miles respectively from his company's Boreham plant. He says that his company's trucks regularly go further afield to supply concrete and scree, and refers to exhibit SRN14 which consists of delivery notes for concrete supplied in March 1997 to a number of London sites.

Mr Nicklen next refers to the number plates of his company's vehicles which are personalised to

relate to the word MIX, for example M1XUR, M1XAR, etc. He says that an article in a newspaper (date and name not given) has helped to spread his company's reputation. He goes on to refer to exhibit SRN16 which consists of copies of conveyance notes showing the company name Euromix Concrete Limited and the personalised registration numbers. Mr Nicklen refers to the delivery addresses which he says support the statement in his earlier Declaration that his company has operated as far as the Midlands. He says that his company has customers throughout the United Kingdom who engage local suppliers, and consequently, their reputation extends beyond the locality where deliveries are made. He concludes saying that the use of EUROMIX by the registered proprietors is prejudicing his company's ability to expand their existing business activities in a manner which is natural and consistent with the concrete business, and is causing harm to their established goodwill

Registered Proprietors' evidence (Rule 13(8)

The applicants requested and were granted leave to file further evidence under Rule 13(8), and which consists of 5 Statutory Declarations, the first of which is a second Declaration from John Hague who begins by confirming that he is the same person who made the Statutory Declaration dated 22 December 1998 referred to earlier.

Mr Hague refers to the Statutory Declaration of Susan Mary Rust and to the transcript of a telephone conversation that she had with Richard Cassells-Smith, and gives details of a conversation that he in turn had with Mr Cassells-Smith. He refers to exhibit JH5 which consists of a copy of a letter sent by Mr Hague to Mr Cassells-Smith requesting details relating to his prior knowledge of the Euromix Silo System, the enquiries he made to locate the provider of this system and his thoughts on contacting Euromix Concrete Limited.

The exhibit also includes a copy of the reply from Mr Cassells-Smith in which he confirms the accuracy of the taped telephone conversation which he says was made without his knowledge or agreement. He says that had Geoff Gibson (Euromix Concrete Limited) not said yes in answer to his question enquiring whether they produce dry mortar mixing systems he would not have been misled and which in turn would have influenced the course of the conversation. Mr Cassells-Smith confirms that he was aware of EuroMix Silo systems having been told by his company's Buying Department on 14 October 1998 and in a fax received from Baker Consultancy Limited on the same date. He says that being unable to contact Baker Consultancy Limited he used Directory Enquiries but cannot recall whether he asked for CPI Euromix Mortar or a derivative of that name. He says that he did not try to contact Euromix Concrete Limited and surmises that he was given their number in error and until that conversation he was unaware of their existence. Mr Cassells-Smith states that his objective was to contact CPI Euromix Mortar, that there was no uncertainty and had he been advised of Euromix Concrete Limited's name at the outset he would have ended the conversation. The exhibit includes a copy of the fax sent by Baker Consultancy Limited to Mr Cassells-Smith. This clearly refers to CPI Mortars (Scotland) Limited and refers to EUROMIX and to the EUROMIX Dry Mortar System.

Mr Hague draws the conclusion that the correspondence shows that if there was any confusion it was caused by Euromix Concrete Limited and that the telephone conversation is not an example of confusion.

Mr Hague next comments on the likely market area of the opponents' business, referring to the comment made by Susan Rust that the opponents "just operate down here in Essex in exhibit SMR4. He also says that it is misleading for Ms Rust to say that the World of Concrete Exhibition was only for the concrete industry as the exhibition covered all masonry products and equipment and that Ms Rust overlooks the difference between wet and dry products.

Mr Hague next goes to the Declaration of Stephen Nicklen. He suggests that the amount of screed Mr Nicklen says has been supplied by Euromix Concrete Limited is insignificant, and that wet and dry screed are different goods. He denies the claim that there will be confusion because the respective products are for flooring, and says that technical reasons make it impracticable for the opponents to provide mortar from their concrete plant. Mr Hague comments on the feasibility of his company's equipment being used for the manufacture of concrete and states that the advertisement referred to by Mr Nicklen refer to his company's operations in Ireland and not to the use of the EUROMIX trade mark. Mr Hague concludes this Declaration by saying that exhibits SRN14 and SRN16 only show that the opponents have hired vehicles and does not substantiate that they have delivered concrete from their plant.

The next Statutory Declaration comes from Martin Dawes, General Manager of CPI Mortars Limited, who confirms that the evidence he gives comes from his own personal knowledge.

Mr Dawes begins by referring to Susan Rust's Declaration, and in particular, to exhibit SMR1, which consists of a letter from David Smith of Costain which Ms Rust considers to be an example of confusion. Mr Dawes says that he has spoken with Mr Smith, following which Mr Smith made a statement which is shown as exhibit MD1. The statement refers to a business enquiry sent out by Costain which Mr Smith says was sent out to company's on their supplier database, which included the applicants as they had previously supplied his company with ready mix concrete. Mr Smith says that he is aware of Euromix Concrete Limited and would not be considered as a supplier of ready mixed mortar and would only be used for supplies of products within the Essex area. He says that the enquiry has been misinterpreted by the opponents as having been made about CPI's Euromix system, which is not the case, and he concludes his statement saying that he has no difficulty in distinguishing between Euromix Concrete Limited and CPI Mortars products. Mr Dawes refers to aspects of the statement saying that his company did not receive a copy of the enquiry because they had not previously supplied Costain, and consequently, he says that there was no confusion.

Mr Dawes next refers to exhibit SMR2 which records a conversation between Ms Rust and McCarthy and Stone. He says that from a subsequent conversation with that company it has become clear that the company are not involved directly in ordering concrete which is done by sub-contractors. Mr Dawes says that his company has had no dealings with McCarthy and Stone and therefore that company would have no direct knowledge of his company's product, and had they made enquiries they would have discovered that the Euromix Dry Mortar system is supplied by his company.

Mr Dawes next refers to Danny Cooper of Bellway Homes. He says that Mr Cooper confirmed that he has no difficulty in distinguishing between the registered proprietors' and the applicants goods and that he believes the telephone conversation with Ms Rust has been misinterpreted and there has not been any confusion. A statement from Mr Cooper is shown as exhibit MD2.

Mr Dawes goes on to comment on Mr Nicklen's assertion that the respective products are similar and are commonly supplied by the same undertaking, saying that the goods are supplied in a different form (wet or dry) and by a different means (silo or mixer vehicle) and to those in the industry are as different as chalk and cheese. Mr Dawes goes on to set out the process of making, the advantages and uses of dry mortar, and to give his view of the information provided in the brochure shown as exhibit SRN10, drawing distinctions between the dry and wet mortar market. He refers to exhibit SRN11 which he says shows that his company only supplies concrete blocks, ready-mixed concrete and Euromix dry mortars and that the operations in the rest of the United Kingdom is exclusively dry mortar systems and for which the EUROMIX trade mark is used.

Mr Dawes next goes on to set out the reasons why in his view that it is impossible for potential purchasers to place an order with the wrong company. An on- site survey is required prior to the supply of the silo, staff must be trained in its use by a technician from his company and refills of mortar can only be provided by his company. He says that the decision making process whether to use wet or dry mortar is different and taken early in the contract and is supplied by the tonne, whereas ready-mixed concrete is ordered by telephone from a local supplier and is supplied by the cubic metre. Mr Dawes refers to Mr Nicklen's suggestion that the products of the respective parties could overlap in the sale of screed, which he says does not take into account that the applicants would only supply the material in dry form, whereas the opponents would supply it wet, and which when taken in conjunction with his earlier comments means that there is no likelihood of confusion.

Mr Dawes concludes his Declaration saying that his company does not, and has never called itself Euromix Mortars, and cites a number of examples where he believes Ms Rust is generating confusion. He says that his company has never received a telephone call intended for Euromix Concrete Limited, or had any customer mention that company.

The next Statutory Declaration is dated 25 November 1999 and comes from Howard Braybrook, a buyer for the building division of McNicholas Plc. Mr Braybrook says that he is responsible for the purchasing decisions and that the information contained in the Declaration comes from his personal knowledge.

Mr Braybrook begins by saying that his is a large company involved in building projects throughout the country. He says that since the beginning of 1999 they have been using the applicants' mortar silo system on a number of projects, and that he discovered the system was called EUROMIX when the silos were delivered. Prior to this all he had known is that he was purchasing dry mortar from the applicants' company. Mr Braybrook categorically states that he knows the company he is dealing with is CPI Mortars Limited, that EUROMIX is the name of their system and that he can see no possibility of being confused with Euromix Concrete Limited. He gives his view that the dry mortar supplied by the applicants is an entirely different product from that provided by the opponents, is provided by different means and in different forms and would not be confused. He repeats the points made by Mr Dawes about the decision making process being different and that there is no possibility of confusion, and if someone telephoned the wrong company it would be immediately apparent that they were talking to the wrong company. Mr Braybrook concludes saying that the EUROMIX Dry Mortar system is new and is being discussed within the industry.

The next Statutory Declaration is dated 24 November 1999 and comes from Wayne Such who says he is a buyer covering the Southern region including London for Galliford Hodgson. He confirms that he has 22 years experience in the building industry and that the evidence he gives comes from his own personal knowledge.

Mr Such confirms that his company purchased the EUROMIX Dry Mortar system from CPI Mortars Limited, and although he now knows the system as the EUROMIX system, he initially only knew that he was purchasing a dry mortar from CPI Mortars Limited. He says that his company is using the system on a number of projects, and on each occasion has had to contact the company to arrange a survey. He says that the system provided is entirely different and distinguishable from wet products.

Mr Such says he knows the applicants to be a small ready-mix company and that he had used them some 7 to 8 years ago on a site in the Chelmsford area. He says he has not been confused and cannot see anyone being confused because of the difference in the respective products, and that it would be immediately apparent should the wrong company be contacted, particularly when asked to discuss the location of the silo.

The final Statutory Declaration is dated 24 November 1999 and comes from Walter Dodsworth, a Masonry Co-ordinator for Carillion Building (previously Tarmac). Mr Dodsworth says that he is responsible for all decisions concerning masonry products used on his company's sites. He confirms that he has over 40 years experience in the building industry and that the evidence he gives comes from his own personal knowledge.

Mr Dodsworth says that he was first introduced to CPI Mortars Limited's EUROMIX system when a sub-contractor on a construction project at Dartford Hospital asked for approval to use the system. He says that he contacted CPI Mortars and obtained information, and that it has always been made clear to him that it is this company providing the EUROMIX system and that this is the name of the product not the company.

Mr Dodsworth makes similar comments relating to the ordering, supply and use of the system, and that having used the product on a number of projects he knows exactly which company to speak to. He gives his view that should a person contact the opponents or any other ready-mix company for the EUROMIX Dry Mortar system it would be immediately apparent that they were in contact with the wrong company and he cannot see that there could be any misplaced orders. He concludes his Declaration saying that he has not heard of the opponents, but given the nature of the decision making processes involved and the differences in dry mortar systems and wet products, that he can see no risk of confusion..

That concludes my review of the written evidence insofar as it is relevant to these proceedings. At the hearing Mr John Hague was cross-examined on the basis of his second Statutory Declaration dated 28 November 1999, and Mr Martin Dawes was cross-examined on the basis of his Statutory Declaration of 26 November 1999.

Decision

With all of the evidence in mind I now turn to consider the grounds on which a revocation may

be based, and which are found in Section 47(1) and Section 47(2) of the Act, which read as follows:

> **47.- (1)** The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).
>
> Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.
>
> **(2)** The registration of a trade mark may be declared invalid on the ground -
>
> **(a)** that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
>
> **(b)** that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,
>
> unless the proprietor of that earlier trade mark or other earlier right has consented to the registration

The grounds of the application based upon Section 3(3)(b), Section 3(4) and Section 3(6) I dismiss as being without foundation. In relation to Section 3(3)(b) the applicants say that two similar marks in the same market place would deceive the public. In the particulars of their objection under Section 3(4) they state that "use of the trade mark would be prohibited by the law of passing off". These sections relate to absolute grounds which in my view are intended to prevent the registration of trade marks of some intrinsic or inherent feature of the trade mark, and in respect of the common law tort of "passing off" the Act has a specific provision under Section 5(4)(a). The question of the other parties rights in the mark is a matter to be dealt with in considering relative grounds for refusal to which I will come later in this decision. In relation to the objection founded under Section 3(6) the applicants say that the registered proprietors must have been aware of their common law rights and acted in bad faith in registering their mark. There is, however, no evidence to substantiate this claim.

This leaves the objection founded under Section 5(4)(a), which reads as follows:

> **5.(4)** A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
>
> **(a)** by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

The opponents contend that they would succeed in an action for passing off against the applicants should their mark be used in the United Kingdom. A helpful summary of the elements

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

> The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:
>
> (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
>
> (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
>
> (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.
>
> The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of "passing off", and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.

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

> To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:
>
> (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
>
> (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.
>
> While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

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

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances."

There is evidence to show that the applicants first used EUROMIX as part of their company name in June 1983, and, accepting the date given for the insertion in Yellow Pages, in a trade mark sense since 1985. They are unable to supply sales figures for any of the years prior to 1989 so it is not possible to gauge the extent of the reputation likely to have been acquired prior to that year but in my view the years leading up to the relevant date show trade on a significant enough level for them to have become known. Although they say that they have used the mark on building materials at large the evidence only establishes use in respect of ready mixed concrete, any other trade such as in screed being de-minimis.

Much has been made about the limited geographical area of the applicants' trade, and therefore, the area to which their reputation extends. The registered proprietors seek to limit this to the area around the applicants' Boreham plant, but in my view this makes little difference as it is clear from case law that a reputation can be taken to extend beyond the immediate locality of a business (see Chelsea Man Menswear Ltd v Chelsea Girl Ltd (1987 RPC 10). What is clearly relevant is that the registration is not limited to any particular geographical area and that the registered proprietors appear to currently trade in the same locality as the applicants. The applicants also point to their contracts with building companies located in various parts of the country who have used them to supply projects in the area around their plant.

Taking the above into account, I am satisfied that the evidence establishes that the applicants have a long standing reputation in respect of ready mixed concrete, and that this reputation extends to a significant area of the country.

Another well trodden area of discussion is the similarity or otherwise of the respective fields of activity. Clearly both operate in the same industry and as can be seen from the evidence may fulfil contracts on the same construction projects. Much of the registered proprietors' evidence is directed at establishing the supply of dry mortar mixes as a discrete trade from that of ready mixed concrete. In their Declarations and during cross examination Mr Dawes and Mr Hague gave cogent reasons why the respective goods should be considered as separate areas of trade

based mostly upon differences in their mode of supply. It is relevant to note that the registration is not limited to dry mix mortars and specifically mentions concrete, the self same goods in which the applicants trade and have a reputation. That aside, given that both trade in a cementitious product which is used in the same industry, on the same projects and the case of screed, on the same part of a building, I have no problem in concluding that the applicants and the registered proprietors are in the same area of trade.

The registered proprietors have their trade mark registered in two form; EUROMIX and EuroMix. They appear mostly to use the second version which is prominently displayed on their mortar silos, company vehicles and literature. The applicants in turn use the trade mark EUROMIX in plain block capitals on the livery of their vehicles and in advertisements etc, and there can be little argument that the respective marks are the same. The evidence also shows that the trade mark is used in very similar colours by both parties.

Evidence has been put forward to show that the goods are different in terms of how they are ordered, supplied and used, and acknowledging the area of interest to the applicants as being a wet mixed product, the registered proprietors have indicated that they are prepared to limit the extent of their claim to being in dry form. The applicants' say that they have traded in screed, the same goods as the registered proprietors, and that in any case, a dry mix mortar is not that different from a wet mix of concrete. The approach suggested by the registered proprietors does not, in my view change the scope of the specification to any great extent and I would have to say that by most standards a product in dry form would at the very least be considered to be similar to the same product in wet form.

The registered proprietors say that as their dry mix mortar cannot be obtained without forethought and preparation and is supplied in tonnes rather than cubic metres it is unlikely to be obtained in mistake for the applicants' goods. I accept that the dry mix mortar system is specialised and unlikely to be used other than by those in the construction industry who will be well informed and unlikely to confuse the two products. There is, however, the question of whether on seeing the registered proprietors mark they will mistakenly infer that their goods are those of the applicants or are in some way connected with them. The instances of confusion cited by the applicants, namely, the record of telephone conversations which Susan Rust had with employees of Costain, McCarthy & Stone and Bellway Homes are inconclusive and have been rebutted in statements given by the respective employees.

The registered proprietors' dry mix mortar system does not appear to be an innovation brought to the market by them. The applicants have indicated that the activities of the registered proprietors have affected their planned expansion of their business into dry mix products, although there is no evidence to show that they have ever had, or indeed have such an intention. However, I have accepted that the applicants have a long standing reputation and goodwill in relation to ready mixed concrete. The registered proprietors are using the same mark in similar colours on products that I have found to be similar. They are operating in the same locations and it seems to me that misrepresentation is almost inevitable with consequential damage to the applicants. In my view the applicants have established their case and the objection under Section 5(4)(a) succeeds.

The application having been successful I order the registered proprietors to pay the applicants the sum of £835 as a contribution towards their costs. This sum to be paid within one month of the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 25 Day of February 2000

M Foley
For the registrar
The Comptroller-General