

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2168547
BY ORGANICALLY COATED STEELS LIMITED
TO REGISTER THE MARK OCS IN
CLASSES 6 AND 40**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No 49147 BY OCS GROUP LIMITED**

AND

**IN THE MATTER OF APPLICATION No 2168657
BY ORGANICALLY COATED STEELS LIMITED
TO REGISTER A SERIES OF MARKS IN
CLASSES 6 AND 40**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No 50000 BY OCS GROUP LIMITED**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 2168547
by Organically Coated Steels Limited to register
the mark OCS in Classes 6 and 40**

and

**IN THE MATTER OF Opposition thereto under
No 49147 by OCS Group Limited**

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**IN THE MATTER OF Application No 2168657
by Organically Coated Steels Limited to register
a series of marks in Classes 6 and 40**

and

**IN THE MATTER OF Opposition thereto under
No 50000 by OCS Group Limited**

DECISION

1. On 4 June 1998 Organically Coated Steels Limited applied to register the mark OCS. The application is numbered 2168547.
2. On 5 June 1998 the same company applied to register the following series of two marks



3. There is an accompanying statement to the effect that “the applicant claims the colours yellow, blue, green, red and grey, in various shades, as an element of the first mark in the series”.
4. This application is numbered 2168657.

5. Both applications have the following specification of goods and services:

Class 6 - coated steels; steel sheets

Class 40 - treatment of materials; cutting of coated steels

6. On 4 November 1998 OCS Group Ltd filed notice of opposition to the first of these applications and on 20 July 1999 they also filed opposition to the second application. The grounds and evidence are substantially the same in each case (save as noted below). Although the second application involves a composite mark neither side has suggested that the letters OCS are other than a distinctive and dominant component or that a different outcome is likely. I am therefore issuing a composite decision and will draw out the few points of difference between the cases where necessary. I should also confirm for the benefit of the parties that it is recognised that the cases have not been formally consolidated and that it would be open to either side to appeal against part of the decision if they were so minded.

7. With those preliminary observations I go on to record the grounds of objection. The opponents are the proprietors of the registered trade marks details of which appear in Annex A to this decision. They claim use of, and a reputation in, the mark OCS. As a result objection is said to arise under Section 5(2)(a), 5(2)(b), 5(3) and 5(4). The Section 5(2)(a) objection relates only to application No 2168547, the series of marks of No 2168657 being only similar to the opponents' earlier trade marks.

8. The applicants filed counterstatements denying the above grounds. The counterstatements appear to have been filed by different agents following, it would seem, a change of professional representatives. Nothing turns on the point save that the applicants' own use is referred to in the later filed case as a result of which the applicants claim to be entitled to registration by virtue of Section 7 of the Act.

9. Both sides ask for an award of costs in their favour.

10. Both sides filed evidence which is in substance the same in each case. The parties subsequently indicated that they wished to have the matter decided on the basis of the papers and without recourse to a hearing. Acting on behalf of the Registrar and after a careful study of the papers I give this decision. In doing so I also take into account the written submissions received under cover of letters dated 7 August 2001 from fj Cleveland on behalf of the opponents and D Young & Co on behalf of the applicants.

Opponents' evidence

11. The opponents' main evidence comes in the form of a statutory declaration by Frank Slater, Legal and Insurance Administrator with OCS Group Ltd. He describes the Group's business as follows:

“The name OCS was first used in the United Kingdom in 1975 and has been continuously used since that date. The OCS Group Limited is the largest privately owned property maintenance service company in the United Kingdom with a turnover

exceeding £328 million. Through its network of over 30 trading subsidiaries operating from some 250 offices, it provides services which include office, industrial and window cleaning, laundry, security, hygienic, catering and property maintenance, facilities management and support services.”

12. He goes on to say:

“There are also a number of other subsidiaries which whilst not using the actual mark OCS in their title are known and recognised as being part of the OCS Group of companies. There is now produced and shown to me Exhibit FS2 which I recognise as a sample bundle of literature about OCS Group subsidiaries. I note that in this literature, reference is made to the fact that the subsidiaries are part of the OCS Group. Personally I know that the group provides a broad range of services.

There is now produced and shown to me Exhibit FS3, which I recognise as a brochure of one of my company’s subsidiaries Whitbys. This subsidiary is part of my company’s Property and Facilities Management Division. Whitbys was incorporated within the New Century Group Limited on 3 July 1997. Whitbys is predominantly concerned with building maintenance and refurbishment.

There is now produced and shown to me Exhibit FS4 which I recognise as a brochure on another subsidiary R. Fox & Sons, part of the New Century Group Ltd. I note, not only that there are clear references to the company being part of the OCS Group but also that they provide a wide range of services relating to the treatment of architectural materials including maintenance of metal work.”

13. Turnover for the Group is given as follows:

Year	Total turnover £ Sterling
1999	328,400,000 (estimate)
1998	315,577,000
1997	297,226,000
1996	278,876,000
1995	248,762,000
1994	227,488,000
1993	208,808,000
1992	199,728,000

14. Turnover is also given for subsidiaries incorporating the OCS mark in their operating name. The figures given are for 1998 and 1999. The latter is after the material dates in these

proceedings and no breakdown is given for 1998 for the period up to 4/5 June. The subsidiaries involved appear with two exceptions to be OCS cleaning companies. The other two being OCS Access Ltd and OCS Smarts Group Ltd.

15. Mr Slater goes on to give information on promotion and advertising of the mark. He exhibits:

- FS5 - examples of promotion and sponsorship including an Amateur Golf Championship in May 1998
- FS6 - photographs of advertising hoardings at Cricket Test Match grounds

16. Expenditure on promotion by OCS Group Limited for the years 1994-1999 is said to be as follows:

Year	£
1999	847,715
1998	748,670
1997	700,775
1996	781,941
1995	750,060
1994	753,000

17. Mr Slater concludes with observations on the basis for the opposition as follows:

“Owing to the wide range of interests of the OCS Group Limited, the mark OCS has, in my opinion, become associated with my company. The association between the OCS Group and its subsidiaries is well-known. The breadth of companies and variety in service means that the different companies can support each other and it is common for different subsidiaries to draw on the resources of the OCS Group as a whole. It is possible therefore that someone seeing the mark OCS used in a field identical or similar to the many currently operated in by the group, would associate this with our company.”

18. The opponents have also filed a statutory declaration by Atul Kale of the Goldsmith Kale Partnership, a firm of Chartered Architects. Mr Kale is a partner in the firm. The substance of his declaration is as follows:

“My company has been a client of Whitby’s since 1984. I know that Whitby’s is part of the OCS Group Limited, who have a large number of subsidiary companies active in a number of different fields.

In 1998, I saw an advertisement in a publication for a company called Organically Coated Steels Ltd. The advertisement clearly showed the mark OCS. I can not recall the name of the publication. There is now produced and shown to me Exhibit AK1 which I recognise as a photocopy of the advertisement.

From my relationship with Whitby's and my knowledge of their association with the OCS Group, I believed that this advertisement had been placed by another subsidiary of the OCS Group Limited. I contacted Whitby's and was informed that the company using the OCS mark was not part of their group."

Applicants' evidence

19. The applicants filed a statutory declaration by Martin Joyce who is one of their Directors and Company Secretary. He says:

"My Company has been trading within the United Kingdom since August 1990, and has been using the mark OCS since that time. The products produced and sold by my company under the mark are steel sheets which have been coated with laminates, paints, plastisols, PVF2 or with a metallic coating at the manufacturing stage. There is now produced and shown to me marked Exhibit "MJ1" promotional materials produced by my Company, which will further illustrate the goods produced by my Company and sold under the mark.

My Company's products were initially sold to the manufacturers of commercial refrigeration equipment, heating and ventilation equipment and garage door manufacturers. My Company continues to supply a wide range of pre-coated steels to these industries; in addition, however, my Company now supplies coated sheet steel products to, for example, the manufacturers of portable buildings.

The sales figures for my company since 1991 are as follows:

Year	£
1991	371,000
1992	1,220,000
1993	2,325,000
1994	3,491,000
1995	5,079,000
1996	7,485,000
1997	8,074,000
1998	10,130,000
1999	9,024,000"

20. Most of the remainder of his declaration is in essence submissions in relation to the grounds of opposition and the position put forward by the opponents. He comments particularly on the opponents' subsidiaries (Whitby's and R. Fox & Sons) and suggests that their business is in building refurbishment, renovation and restoration. These services are, he suggests, quite distinct from the goods and services of his company's applications.

21. In relation to Mr Kale's evidence he says he finds it difficult to understand why he came to the conclusion that the applicants were associated with OCS Group Ltd as the

advertisement clearly indicates that the applicant company is “part of the well respected Richardsons Westgarth plc”.

Opponents’ evidence in reply

22. The opponents filed evidence in reply in the form of a statutory declaration by Michael Goodliffe, a Divisional Director of Plafonds, a company dealing with specialist surface renovation coating systems. Plafonds was acquired by the OCS Group in September 2000 where it is a wholly owned division of New Century Group Ltd. Mr Goodliffe himself has been with the OCS Group for over 17 years. His declaration in the main draws together points that emerge from the evidence previously filed and offers observations in relation thereto. The main points are:

- the OCS Group brings together a wide range of property support services
- the connection between the various operating companies and their overall parentage within the OCS Group is known to many if not all the clients of the Group’s companies
- thus it is suggested the R. Fox and Whitby’s businesses would be associated with the OCS Group
- the R. Fox business offers a wide range of surface treatments for all types of building finishes. These services can be offered on site in maintaining or treating the building or off site ie metal sections taken away for treatment
- R. Fox & Sons works extensively with metal fabricators in providing protective and decorative coatings either on site or in a spray shop
- the nature and breadth of interest of the OCS Group is likely to result in associations being made between the applicants and themselves as evidenced by Mr Kale’s declaration.

23. That completes my review of the evidence.

24. The relevant parts of the Act read:

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

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

(3) A trade mark which -

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

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, 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.

(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
- (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

25. I will take the opponents’ objections in order starting with Section 5(2).

26. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

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*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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.* paragraph 27;
- (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*, paragraph 23;

- (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*, paragraph 23;
- (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*, paragraph 17;
- (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*, paragraph 24;
- (g) 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*, paragraph 26;
- (h) 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*, paragraph 41;
- (i) 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*, paragraph 29.

27. Although the applicants may not have made any admission as to the similarity of the marks applied for to those of the opponents the main thrust of their case is directed towards what they perceive as dissimilarities in the respective goods and services. I infer that they acknowledge the similarities in the marks themselves. The mark of application No. 2168547 is clearly identical to the opponents' earlier trade marks. The series of marks that are the subject of No. 2168657 have the letters OCS as their central and dominant feature and would not in my view place the applicants in a significantly stronger position by way of offering a point of differentiation. In short the main area of dispute is the similarity or otherwise of the respective goods and services.

28. I start from the standpoint that the respective goods and services can at most only be similar because there is no overlap in terms of Classes. I also take it as a matter of record that the opponents have their origins in office cleaning services and that these services still form a core part of their business. It is after all reasonable to assume that this is where the initials OCS came from. Nevertheless they have diversified over the years and, in as much as a short description can capture the essence of their current business they can perhaps best be described as a property support services company though I do not pretend that such a

description fully does them justice. What is also apparent is that the opponents' trade mark registrations (judged on the basis of the marks relied on in their statement of grounds) have not kept pace with the diversification of the underlying business. Their earlier trade mark registrations reflect in the main the opponents' long standing cleaning business in its various forms, that is cleaning of buildings inside and out, curtain and carpet cleaning, laundry services etc. But even allowing for the fact that the opponents are likely to enjoy a substantial reputation in cleaning services I would require some persuasion that such services can be considered even remotely similar to the applicants' goods and services.

29. The opponents have, I think, recognised that this is likely to be the case and for this reason place particular reliance on the part of their specifications in Class 37 covering "maintenance and refurbishment of buildings (interior and exterior)". As part of the composite test I must also consider the characteristics of the mark OCS and whether the opponents can claim any enhanced level of distinctive character for their mark in relation to the services of maintenance and refurbishment of buildings such that there is or may be a greater likelihood of confusion.

30. For Section 3 purposes the Registry generally accepts three letter combinations in the prima facie case unless they are objectionable as descriptive words or acronyms. But that is not to say that they necessarily have strong inherent characteristics as marks (though some unusual combinations may). Letters are often used as abbreviations of personal names and are sometimes a convenient shorthand for product/service descriptions. The latter point is amply borne out by the goods and services of the parties to this action (office cleaning services/organically coated steels). With these points in mind I do not regard OCS as being possessed of a particularly strong distinctive character in terms of its inherent attributes. That position can, of course, change as a result of use so I go on to consider whether the opponents' have any claim in this respect.

31. It is clear from the opponents' evidence that they have a business of significant size. Attached as Annex B is an extract from the OCS Group Service Directory (taken from Exhibit FS2). This gives some idea of the range of goods and services offered and the number of companies within the Group engaged in their provision. Many but by no means all have OCS in their title and that position is reflected in the other trade brochures exhibited when it comes to the marks used in the course of their particular activities. Mr Slater's evidence gives turnover figures for the Group. The particular difficulty this gives rise to is that in the absence of trading information for particular activities/operating subsidiaries within the Group I have no means of assessing their size, relative importance, recognition in the marketplace, marks by which they are known etc. The closest the opponents get to providing disaggregated information are the turnover figures for subsidiaries incorporating the OCS mark in their operating name. For the reasons given earlier I do not find this information to be of particular assistance or relevance.

32. Nevertheless brochures have been supplied in respect of two operating subsidiaries (Whitbys and R Fox & Sons) whose activities are said to include services closer to those of the applicants. In their written submissions the opponents say "The connection with the OCS Group in for example Whitby's and R Fox & Sons and the support network and residual reputation that association with the OCS Group will bring to these subsidiaries is evident in

the literature and known to existing and future customers. The link with the goodwill and reputation enjoyed by the name OCS Group will not go unnoticed by prospective customers of for example R Fox & Sons." I do not find the position so clear cut. The overwhelming impression left by these brochures is that Whitbys and R Fox trade under their own names (and in the latter case device) albeit with some passing acknowledgment that they are ultimately owned by the OCS Group. Their activities cover a range of services but no trading information is given. I am unable therefore to accept that any broader protection is available to the opponents in respect of the mark OCS on the basis of the Whitbys and R Fox businesses.

33. With those preliminary observations in mind I turn to a consideration of the similarity between the applicants' goods and services and the opponents' most relevant services namely maintenance and refurbishment of buildings. In doing so I have regard to the decision by Jacob J. in *British Sugar Plc v James Robertson & Sons* ["TREAT" 1996 RPC 281]. In that case the court stated:

"The following factors must be relevant in considering whether there is or is not similarity:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in the trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors".

34. Whilst I acknowledge that in view of the *CANON* case the *TREAT* case may no longer be wholly relied upon, the ECJ said that the factors identified by the UK government in its submissions (which are the factors listed in *TREAT*) are still relevant in determining the degree of similarity of the goods for the purposes of applying the composite test set out in paragraphs 23 and 24 of the ECJ's decision in *Sabel v Puma*.

35. I also bear in mind Jacob J's remarks in *Avnet Incorporated v Isoact Limited*, 1998 FSR 16, to the effect that

"..... definitions of services are inherently less precise than specifications of goods. The

latter can be, and generally are, rather precise, such as "boots and shoes".

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."

36. It also seems to me that simply because a particular service may be offered as an adjunct to another does not mean that the two are similar. To take a perhaps extreme example, train operators usually offer refreshment and even restaurant facilities on their trains but no one would suggest that that makes the provision of food and drink similar to a transport service. Similarly housebuilding might be said to encompass ancillary services such as plumbing, electrical installation work, decorating etc. but these would be considered discrete trades. To put the matter another way if a plumber was required I doubt that many people would call a housebuilder.

37. It is the opponents' view that the Whitbys and R Fox & Sons subsidiaries are engaged in providing services which come within the term maintenance and refurbishment of buildings and therefore that their activities can be regarded as examples of what the term means. I accept that Whitbys main business is described as building refurbishment and maintenance. I do not accept that all the things they do come under this head given that they also offer, for instance, 24 hour emergency services, state of the art surveying techniques and facilities management. It simply serves to emphasise the point made by Jacob J that descriptions of services must not be given an overly wide construction.

38. Taking the TREAT criteria in turn the uses for the applicants' goods and services (a) are quite distinct from the opponents' services unless a wide interpretation is placed on the latter. That is not to say that building refurbishments and maintenance cannot itself bring into play a wide range of auxiliary services but the fundamental nature of that service is quite different in my view to the applicants' goods and services. Save at a high level of generality the users (b) too are likely to be different. The physical nature of the goods and acts of service (c) seem to me to be quite distinct if building refurbishments and maintenance is confined in Jacob J's words to 'the core of the possible meanings' attributable to the phrase.

39. In terms of channels of trade (d) the applicants say that their goods and services were initially provided to manufacturers of commercial refrigeration, heating and ventilation equipment and garage door manufacturers. In addition coated steel sheet is now sold to manufacturers of portable buildings. The opponents have not said how their building refurbishments and maintenance services are advertised and reach the market. It seems probable that they are advertised directly to end users but also perhaps offered through architects and other related professional disciplines particularly where major projects are concerned. Mr Kale's evidence rather supports that view of the matter. Unfortunately he does not recollect the name of the publication where he saw the applicants' advertisements so it is not possible to say whether advertising channels will commonly meet. Given the applicants' use since 1991 it is a little surprising that more specific information on potential conflicts in terms of channels of trade have not been identified if they exist. My own view is that they will generally be well separated.

40. Criteria (e) is not applicable and the goods and services cannot be said to be in competition with one another (f). They may be complementary to the extent that the process of building refurbishment and maintenance may involve treatment of materials but looking at the matter in a business sense I do not regard that as a significant point of overlap.

41. Overall, I have come to the view that the applicants' goods and services are not similar to the opponents' services. In reaching that view and in assessing the likelihood of confusion I have not lost sight of Mr Kale's evidence. I note firstly that he does not say he was confused though it might be inferred from his evidence that he was. He was familiar with Whitbys and aware also of their association with the OCS Group. It seems therefore to have been something of a deductive process. Given that the advertisements which led to his declaration clearly identified the applicants as belonging to Richardson Westgarth Plc I do not know whether Mr Kale's reaction can be considered at all typical. Taken on its own it is not sufficient to persuade me that, contrary to my above assessment of the position, there is a likelihood of confusion. The opposition fails under Section 5(2).

42. Section 5(3) requires consideration of:

- (i) whether the trade mark opposed is identical with or similar to the earlier trade mark
- (ii) whether the trade mark opposed is sought to be registered for goods or services which are not similar to those for which the earlier trade mark is protected
- (iii) whether, and to what extent, the earlier trade mark has a reputation in the United Kingdom
- (iv) whether the use of the later trade mark is “without due cause”
- (v) whether the use of the later trade mark
 - (a) takes unfair advantage of; and/or
 - (b) is detrimental to

the distinctive character or the repute of the earlier mark.

43. I have accepted that the respective marks are identical and/or similar and that the goods and services are dissimilar (points (i) and (ii)).

44. Guidance on the correct approach to determining whether an earlier trade mark can be said to enjoy a reputation was given in *General Motors Corporation v Yplon SA*, 1999 ETMR 950, as follows:

“23. Insofar as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a

certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

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

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

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

45. The opponents’ position is a complex one. They have a broadly based business. They operate through a large number of subsidiary companies some of which bear, or operate under, the OCS mark as a primary indicator whilst others do not. Collectively they offer a wide range of goods and services having it seems diversified extensively from office cleaning. The earlier trade marks fall some way short of reflecting the totality of the business.

46. I can only base my consideration of the opponents’ position under Section 5(3) on that part of their reputation accruing in respect of services covered by their earlier trade marks and then only to the extent that a reputation has been substantiated. The opponents’ registrations cover the services in Classes 37, 39 and 42 as set out in Annex A.

47. Even within the narrower field of activity that is reflected in those specifications it can be seen that a broad range of activities are covered ranging from interior and exterior cleaning of buildings, plumbing, painting and decorating, dust control, laundry services, building maintenance and refurbishment, catering services, security services, hygiene services etc.

48. The scale of the business, with an annual turnover of c£300 per annum suggests that the opponents are likely to have a considerable reputation in their mainstream activities at least. However the global turnover figure is not broken down (save to a small extent) between operating companies or between operating activities. I have found that to be a significant difficulty in determining the extent and nature of the reputation, a problem that has been further compounded by the fact that even within the core areas of activity a number of different marks are given prominence. Thus OCS is the main mark used for cleaning services

but New Century is used for window and facade cleaning and Artel for industrial and public amenity cleaning. Exhibit FS2 is of some assistance but generally deals with the range of activities rather than nature, duration and extent of use of particular subsidiaries.

49. It is also apparent from Exhibit FS2 that the trading activities of the subsidiaries are conducted primarily under their own company names and/or trade marks. However the opponents' evidence and submissions place some reliance on the fact that the operating subsidiaries are known to be members of the OCS Group and that their individual trade brochures and corporate literature bears witness to their ultimate ownership. I accept in principle that awareness of a housemark can be generated through use by subsidiaries even though those subsidiaries may also use brands of their own. Whether such awareness is in fact achieved will depend on the nature, extent and circumstances of use in each case.

50. Contrary to the opponents' assertions the operating company brochures (those for Spacepower, New Century Group in FS2 and the Whitbys and R Fox & Sons brochures at FS3 and FS4) do not give a high degree of prominence to matters of corporate ownership by the OCS Group though I acknowledge that a careful reader would find references to the subsidiaries being members of the OCS Group. Whether or to what extent the operating companies are known to customers by reference to the OCS name or mark has not in my view been clearly established in evidence. The opponents make the point that the Group companies work closely together and there are referrals between them. But the extent of consumer recognition of the OCS mark and the reputation attaching to it cannot easily be deduced from the evidence.

51. What does all this mean for Section 5(3) purposes? I consider that there is sufficient in the material provided for me to be satisfied that the mark OCS has an extensive reputation in the cleaning field. The OCS Group brochure within FS2 indicates that "cleaning is the single largest service provided by the OCS Group. The Companies that carry out these services are known collectively as OCS Cleaning". That is consistent with the only information given on trading subsidiaries (paragraph 9 of Mr Slater's declaration) where various (regional) OCS Cleaning companies alone account for something like £100 million of turnover. Even within the core cleaning services area the matter is not straightforward as other companies/names are used within the Group for specialist activities. Thus New Century deals with window and facade cleaning and Artel with industrial and public amenity cleaning. However I accept that OCS has a significant reputation for cleaning services. I am unable to determine with any confidence from the evidence before me what the extent of the opponents' reputation is under the mark OCS in relation to the wider range of services.

52. The question, therefore, arises as to whether use of the applicants' mark in relation to the goods and services tendered for registration would take unfair advantage of, or cause detriment to, the distinctive character or repute of the earlier trade marks bearing in mind my above findings in relation to that reputation.

53. In their written submission the opponents have referred me to Laddie J's comments in *Barclays Bank v Advanta*, 1996 RPC 307, on the construction of Section 5(3);

"At the most these words emphasise that the use of the mark must take unfair

advantage of it or be detrimental to it. In other words the use must either give some advantage to the defendant or inflict some harm on the character or repute of the registered mark which is above the level of de minimis.”

54. They put their case on two main bases. Firstly it is said that:

“..., given the nature of the OCS Group business and the fact that there are a large number of subsidiary companies which have the advantage of the OCS Groups’ overall protection and brand identity, use by the Applicants of the name OCS may take advantage of an implied OCS connection and suggest wrongly to some that the Applicants come within the OCS Group. This in itself may give some benefit to the Applicants who would be seen to be part of the large and long standing OCS Group. This may likewise harm the Opponents if the Applicants’ business were in some way inferior to the services offered by the Opponents’ companies and which would reflect badly on the OCS brand.”

55. Mr Goodliffe’s evidence is cited in support of this claim. However his claim that “the connection and overall parentage with the OCS Group is known to many if not all of the clients of the Group’s companies” has not in my view been substantiated and is by no means an obvious connection save on closer inspection of much of the trade literature.

56. It is of course possible that someone encountering the applicants’ mark would be reminded of the opponents’ mark used in relation to the cleaning services for which they have an undoubted reputation. In Oasis Stores Ltd’s Trade Mark Application, 1998 RPC 631, the Hearing Officer said:

“I do not consider that simply being reminded of a similar trade mark with a reputation for dissimilar goods necessarily amounts to taking unfair advantage of the repute of that mark. The opponents chances of success may have been better if they were able to point to some specific aspect of their reputation for batteries etc sold under their mark which was likely, through (non-origin) association, to benefit the applicants’ mark to some significant extent. However, in my judgement, the opponents have not established any such conceptual connection between their reputation for batteries etc, and the goods in respect of which the applicants’ mark is to be used.”

57. For my part I cannot see that the applicants’ goods and services have gained or are likely to gain any obvious unfair advantage from whatever association may or may not take place with the opponents’ business. The sort of connection that the Hearing Officer was unable to identify as a basis for objection in the Oasis Stores’ case is simply not present here either. The opponents have sought to rely on the generality of their business and an association of the activities of their disparate trading subsidiaries with the OCS brand. Whilst I note the claims made and the close interrelationship that is said to exist between Group companies (through referrals and such like) I do not find the position to be substantiated in the evidence. In relation to the range of services for which the opponents can justifiably claim a reputation in the mark OCS I reject the unfair advantage objection.

58. The second leg of the Section 5(3) case is based on the concept of inhibition of future trade. In the context of an already diversified business I consider this to be a potentially stronger case. The opponents' evidence indicates that they already have subsidiaries operating in areas such as building refurbishment (Whitbys), architectural restoration (R. Fox & Sons), structural investigations and materials testing (Quest Technical Services). However not all of these fall within the ambit of the specifications of the earlier trade marks and even when they do (the Whitbys business for instance) the scale and extent of the business is not clear. I am also of the view that these businesses primarily trade under, and are likely to be known by, their own names or marks. Their connection with the OCS Group may or may not be generally known. The opponents rely principally on assertion to establish this point. The position would be clearer to someone reading the Group-wide brochures but there is no evidence that the average customer does this.

59. In the LOADED case, (2001) 24(2) I.P.D. 24012, to which I have been referred Mr Thorley concluded:

“I regard this as a borderline case and have hesitated in reaching a conclusion. The evidence is not strong. There is however expert evidence on which I can place some weight for the reasons given above and there are the undoubted facts that the trade marks are the same, that LOADED is not a natural term to use as a trade mark in relation either to magazines or clothing and that the reputation which I have found to be established in the word LOADED in relation to a magazine is in relation to a magazine a significant proportion of which is devoted to the fashion industry. It is I believe inescapable that some of the kudos of LOADED magazine will accrue to any clothing sold under the LOADED trade mark. Equally the possibility that the widespread use of the trade mark on clothing could materially affect the ability of LOADED magazine to obtain advertisements from others for their clothing in the magazine is real not fanciful for the reasons not given by Mr Paul.”

60. I am not persuaded that any such connection has been established between the goods and services applied for and those for which the opponents have a reputation under the mark OCS such that there is likely to be any tangible effect on the latter's future trading possibilities. In these circumstances I do not need to go on and consider whether the applicants' trading activities since 1991 (which are on a not insignificant scale) might result in a finding that their use was not “without due cause”. The Section 5(3) ground fails.

61. Turning finally to Section 5(4)(a) the conventional test for determining whether the opponents have succeeded under this section has been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC sitting as the Appointed Person, in *WILD CHILD Trade Mark* 1998 RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

- (1) that the opponents' 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 applicants (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicants are goods or services of the opponents; and
- (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicants' misrepresentation.

62. The opponents are, potentially at least, in a somewhat different position under Section 5(4) in that my consideration of their case is not restricted to the reputation arising in respect of services covered by their earlier trade mark registrations.

63. In their written submissions they say:

"Goodwill is often described as the attractive force which brings in custom. The goodwill that subsists in the name OCS does this by telling prospective customers that the business is part of the OCS Group and that as such it benefits from the long standing reputation and operation of the Group as a whole. Customers are likely to rely on this in selecting, for example, their property or maintenance/refurbishment/treatment services."

64. In practice the opponents face much the same difficulty as I have dealt with above. I do not propose to reiterate the points already made but it seems to me that where operating subsidiaries trade primarily under names other than the Group identifier it is not enough to simply assert that there exists a general understanding amongst customers of the corporate ownership position. Customers do not always concern themselves with issues of ownership.

65. Nevertheless I would have been rather more willing to accept the opponents' claim if their operating subsidiaries through their trade literature or by other means had made greater play of the OCS connection. As matters stand I do not accept that the average customer would devote the degree of detailed consideration to the trade brochures that would be necessary to establish the link with OCS (other than the primary OCS cleaning and other services commented on below). If the trade brochures are not a fair reflection of the prominence given to the OCS brand and by implication the degree of recognition amongst customers I can only say that evidence should have been adduced to substantiate the point.

66. The opponents' reputation and goodwill in the mark/sign OCS must be considered to rest largely on the core cleaning services which make up a substantial proportion of the Group turnover. The only non cleaning subsidiaries for which turnover figures are given and which operate under the OCS mark are OCS Access Ltd and OCS Smarts Group Ltd. I infer from the OCS Company Profile document (in FS2) that the first of these businesses is that described in the following terms "OCS design and build their own access equipment and rigs for use on our contracts". I take it this refers to cradles and such like equipment used in cleaning (particularly exterior cleaning) contracts. If I am right in that it is an adjunct to the core business. OCS Smarts Group is said to be the Laundry Division. In fact its activities go wider than this and embrace washroom services, workwear, dust control services and personalised workplace and washroom requirements. Taken collectively the OCS cleaning business, OCS Access and OCS Smarts represent the part of the business that I can safely say trades

prominently under the OCS name and in respect of which goodwill can be said to exist. Beyond that the evidence as to recognition and awareness of the OCS brand is inconclusive and heavily reliant on assertions.

67. In relation to misrepresentation the opponents say:

“Kerly (13th edition) at page 444 Chapter 14 paragraph 75 says that “There is no rule that the defendant must operate in the same field of activity as the claimant.” Kerly then goes on to comment that the more remote the fields, the stronger is the evidence needed to establish the various heads of the passing off claim. There has also been some authority to the effect that goodwill may extend to natural extensions of a business. This is to say that given the nature of the Opponent company, it is not unreasonable to see that the goods and services of the applications are not outside the ambit of either the Opponents’ current business or indeed the area where their business and goodwill is likely to further develop and extend in the future.”

68. The guidance in Halsbury’s Laws of England (referred to in WILD CHILD) in relation to whether deception or confusion is likely indicates that regard should be had 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.”

69. I have dealt with (a) above. I regard the applicants as being in a quite different field of activity (b) to the services in respect of which the opponents’ mark OCS has been shown to be a distinguishing feature. The respective marks are either identical or, in the case of the applicants’ mark incorporating a device of stars, closely similar (c). In relation to (d) the evidence suggests that the applicants use both forms of their mark sometimes also in association with their company name and sometimes too with a reference to their parent company. I take such usage to be not untypical of how they intend to continue to use their marks. I find nothing in that usage that suggests grounds for complaint. On (e) the respective businesses are for the most part aimed at professional markets but generally different ones. There is some slight scope for the company’s paths to cross at the periphery of the opponents’ trade. In this latter respect I note Mr Goodliffe’s comments on the R. Fox and (after the material date) Plafonds businesses. But as I have said before the R. Fox business, which incorporates architectural restoration (including metal restoration), is likely to be known under its own name.

70. I do not ignore Mr Kale's evidence in all this. The opponents say he was misled. The applicants have not sought a hearing at which to cross-examine him. However for the reasons given earlier I do not find his evidence entirely persuasive. In short I am unable to find any misrepresentation on the part of the applicants. Nor can I identify that any discernible damage is likely to result if the mark at issue is registered. I draw some support for this view from the fact that there has been concurrent trading since 1991 without any damage being identified. The Section 5(4) ground also fails.

71. The opposition as a whole has failed. The applicants are entitled to a contribution towards their costs. Although the cases have not been formally consolidated substantially the same evidence has been filed in each. I order the opponents to pay the applicants £800 as a combined costs award in respect of the two cases. 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 28 day of August 2001

M REYNOLDS
For the Registrar
the Comptroller-General

Annex B: Available as order a copy

Opponents' earlier trade marks

No	Mark	Class	Specification
1556283	OCS	37	Maintenance and refurbishment of buildings, (interior and exterior); maintenance and installation of washroom apparatus and equipment; plumbing; painting and decorating; provision of laundry facilities; laundry services; cleaning of curtains, carpets and furnishings; industrial cleaning, dust control and protection against dust ingress to buildings; all included in Class 37
1556284	OCS	39	Delivery of laundry items, nappies, diapers, hygiene articles and waste receptacles; removal of soiled and waste personal and washroom products; all included in Class 39
1556285	OCS	37	Maintenance and refurbishment of buildings, (interior and exterior); maintenance and installation of washroom apparatus and equipment; plumbing; painting and decorating; provision of laundry facilities; laundry services; cleaning of curtains, carpets and furnishings; industrial cleaning, dust control and protection against dust ingress to buildings; all included in Class 37
		39	Delivery of laundry items, nappies, diapers, hygiene articles and waste receptacles; removal of soiled and waste personal and washroom products; all included in Class 39
		42	Catering services; security services; personal hygiene services, disposal and destruction of soiled and waste personal and washroom products; all included in Class 42
1279178		37	Interior cleaning of buildings; cleaning of windows, all included in Class 37


 The logo consists of the letters 'OCS' in a bold, black, sans-serif font. The 'O' and 'C' are connected, and the 'S' is slightly offset to the right.