

O-130-07

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2384974
BY DCC ENERGY LIMITED
TO REGISTER THE TRADE MARKS (A SERIES OF TWO):**

NORGAS

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IN CLASSES 4 AND 39

AND

**THE OPPOSITION THERETO
UNDER NO 94045
BY NORTH WEST GASES LTD**

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under no 94045
by North West Gases Ltd**

BACKGROUND

1) On 19 February 2005 DCC Energy Limited, which I will refer to as DCC, applied to register the trade marks (a series of two):

NORGAS
NORGAS

(the trade marks). The application was published for opposition purposes in the *Trade Marks Journal* on 25 November 2005 with the following specification:

gaseous fuels; gases included in Class 04; bottled gases;

arranging of transportation and delivery by road of gas and gaseous fuels; storage of gas and gaseous fuels; all included in Class 39.

2) On 10 January 2006 North West Gases Ltd, which I will refer to as North West, filed a notice of opposition to the registration of the application. North West states that it has earlier user rights in respect of the trade mark NORGAS for bottled gas ie propane and butane and mixtures thereof. It claims that it has traded as Norgas in respect of liquefied petroleum gas cylinders/bottles since 1996. North West claims that it trades in the North West of England under the name NORGAS, has established the Internet name www.norgas.co.uk and formed a United Kingdom Limited company with the name Norgas Limited. It states that use of the trade marks of DCC is liable to be prevented by the law of passing-off, consequently, registration of the trade marks would be contrary to section 5(4)(a) of the Trade Marks Act 1994. North West attached copies of photographs of butane and propane cylinders bearing the name norgas. On the form of opposition North West identifies the goods to which it objects in the following terms:

“Bottled gas i.e. propane and mixtures thereof.”

However, in the statement of grounds it requests that the application be refused. North West seeks an award of costs.

3) DCC filed a counterstatement. It denies that North West has used the trade mark NORGAS since 1996 in relation to refillable bottles for holding propane and butane. It then requests proof of use of the trade mark NORGAS in respect of such goods. DCC claims that its predecessor in business, Norgas Limited, used the trade mark NORGAS in Northern Ireland from 1989. DCC claims that it acquired Norgas Limited in 1999 and has continued to sell propane and butane bottle gas since that date in Northern Ireland. It claims that sales under the trade mark NORGAS since 1999 have amounted to approximately £1.75 million. DCC states that a Google® search has failed to disclose any reference to the use by North West of the trade mark NORGAS. It states that the website www.norgas.co.uk directs one to www.northwestgases.com where there is no reference to the trade mark NORGAS. DCC denies that North West has any reputation under the trade mark NORGAS and that North West could prevent the use of its trade mark under the law of passing-off.

4) DCC did not supply any evidence. Evidence on behalf of North West was supplied by Ian Wilson of Air Products PLC, Clive Bowyer of Abacus Accounting NW Limited, Geoffrey Percy, Patrick Ardis of Cambrian Gas Limited, Dennis Jones, John Noel Webster of North West and David Ian Webster of North West.

5) The sides were advised that they had a right to a hearing and that if neither side requested a hearing a decision would be made from the papers and any written submissions that were received. Neither side requested a hearing, nor were any written submissions received.

DECISION

6) Section 5(4)(a) of the Act states:

“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,”

7) To succeed in relation to the law of passing-off North West must establish that it has a goodwill or reputation in relation to a business and that use of the trade marks by DCC would give rise to both confusion/deception and damage. If North West fails on any one count its case fails.

8) It is necessary to decide what the material date for this case is. All issues must be considered in relation to this date. It is well established that the material date for passing-off is the date of the behaviour complained of¹. Section 5(4)(a) is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1988 which states:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark”.

Consequently, the material date cannot be after the date of application. In this case, despite the claims of DCC in its counterstatement, there is no evidence of use of its trade marks. Consequently, the behaviour complained of arises from the application and the date of application is the material date ie 19 February 2005.

9) The story of North West begins with a company called Mesas Limited. Mesas began in the liquid petroleum gas (LPG) in 1986 as a distributor for Prestogas. The business expanded and in 1990 Mesas launched its own brand, Mesas. The business continued to grow, however, owing to legal problems with a foreign gas company, Mesas Limited ceased to trade and North West Gases Limited was incorporated. North West commenced re-branding its cylinders with the name Norgas; the process took some years and old Mesas cylinders still turn up. Batches of cylinders were purchased from Mersey Pressings, PHA and Rawgas, the cylinders were all branded Norgas. Cylinders were transported by North West’s own trucks and were filled by Merseygas and Prestogas, latterly Shell Gas. Camgas also did some filling on an occasional basis. As the business grew it was sometimes necessary to sell the Shell brand. Messrs John and David Webster state that it has never been North West’s intention to be a national player but that the company is a major force in the North West. Mr Bowyer, who has acted as accountant for North West for ten years, in his evidence gives a breakdown of the turnover of North West from 1996 to 2005, the total for this period is £6,720,063, in the four years directly before the filing of the application, 2001 to 2004, the turnover was respectively £838,564, £784,934, £810,954 and £683,700. Copies of photographs of North West’s cylinders have been supplied. These show a variety of cylinders which bear the name norgas prominently and also advise that the cylinder is the property of North West. Messrs Wilson, Percy, Ardis and Jones all give evidence of their knowledge of the use of norgas on gas cylinders by North West.

10) North West has shown that it has used norgas in relation to the supply of LPG, which is supplied in cylinders bearing the sign norgas and North West’s name. The cylinders are indispensable to the gas, it is difficult to affix a sign to a gas; the cylinders and the gas are of the nature conflated; the packaging is essential to the commercialisation of the goods. I find that at the material date North West had a goodwill in relation to the business of supplying LPG.

11) In paragraph 2 I noted that the statement of grounds attacked all goods and services whilst the opposition form only attacked some goods. The distribution and storage of the gas are a key part of the commercialisation of the gas. The evidence shows that part of North West’s business is the distribution of the gas cylinders which contain the gas it is supplying. There is no clear line between the goods and services of North West and those of the application. Taking into account the facts and evidence of this case, I consider that logic dictates that the attack is against all goods and services of the application, and so as

per the statement of grounds. Any other view would, in my view, give rise to a nonsensical result.

12) North West's sign is effectively identical to the trade marks of DCC. The goods are identical or highly similar and the services are inextricably linked. I consider that use of the trade marks of DCC will inevitably cause confusion and deception.

13) Owing to the proximity of the earlier sign and the trade marks and of the respective goods and services, damage is inevitable if the trade marks are used. Such damage would arise from diverting trade from North West to DCC, potentially injuring the trade reputation of North West if there are any failings in the goods or services of DCC, by the injury which is inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers with a business owned by another proprietor or is wrongly regarded as being connected with that businessⁱⁱ.

14) North West has stated that its business is limited to the North West of England. The application is a United Kingdom application with no limitation in rights; so notional and fair use would include use in the North West of England and adjoining areas and so the geographical limit of North West's goodwill is not relevant. I note that DCC has claimed use in Northern Ireland but no evidence has been furnished to substantiate this nor has it limited its rights to Northern Ireland, so the claim is not relevant.

15) The application is to be refused in its entirety.

Costs

16) North West Gases Ltd having been successful is entitled to a contribution towards its costs. I award costs upon the following basis (based upon the scale):

Opposition fee:	£200
Statement of case:	£300
Considering statement of case in reply:	£200
Preparing and filing of evidence:	£750
Total	£1450

17) I order DCC Energy Limited to pay North West Gases Ltd the sum of £1450. 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 15th day of May 2007

**David Landau
For the Registrar
the Comptroller-General**

ⁱ *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9

ⁱⁱ see *Habib Bank Limited v Habib Bank AG Zurich* [1982] RPC 1