

O-049-13

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 2487570 IN THE NAME OF
HABINTEG HOUSING ASSOCIATION LIMITED IN RESPECT OF THE TRADE
MARK**

LIFETIME HOMES

IN CLASSES 36, 37 AND 42

**AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO. 84261 BY MEARS GROUP PLC**

BACKGROUND

1) Habinteg Housing Association Limited (“Habinteg”) is the proprietor of the above mark (“the registration”). It applied for the registration on 15 May 2008 and the registration procedure was completed on 14 May 2010. The registration covers the following services:

Class 36

Provision of housing accommodation; management of housing accommodation.

Class 37

Advisory services relating to building construction and repair.

Class 42

Advisory services relating to building design, building technology, construction and repair of buildings; construction draughting; materials testing; inspection of buildings; preparation of reports relating to materials testing and inspection of buildings; technological research, project studies and inspection services all relating to building construction; quality control and checking services for building materials and completed buildings and preparation of reports relating thereto; administration of certification schemes and provision of association services to members of such schemes; all relating to the construction, maintenance and repair of buildings.

2) The registration is recorded as “Proceeding because of distinctiveness acquired through use”.

3) On 3 January 2012, Mears Group Plc (“Mears”) applied for the whole registration to be declared invalid. The grounds of the application are that the mark offends under Section 3(1)(b) and Section 3(1)(c) of the Trade Marks Act 1994 (“the Act”) because it consists exclusively of a sign which may serve, in trade, to designate a characteristic of the services and cannot operate as a badge of origin to indicate trade source of the services in question. For example, it states that the mark designates the provision and management of housing accommodation that will last a lifetime and/or complies with the LIFETIME HOMES standard or advisory services relating to building design that will last a lifetime and/or will comply with the LIFETIME HOMES standard.

4) Habinteg subsequently filed a counterstatement denying the opponent’s claims and counterclaims that the Registry was correct to accept the mark for registration on the basis of acquired distinctive character through use. It also claims that its mark has become more distinctive still, in the period since its mark was applied for. It does not dispute that its mark is prima facie open to objection under Section 3(1)(b) and Section 3(1)(c) of the Act.

5) Both sides filed evidence in these proceedings and both sides ask for an award of costs. The matter came to be heard on 18 January 2013 when Habinteg was represented by Mr Thomas St Quintin of Counsel, instructed by D Young & Co.LLP and Mears was represented by Mr Carl Steele of Ashfords LLP.

EVIDENCE

Applicant's Evidence

6) This takes the form of a witness statement by Mr Carl Bryan Steele, a Partner in Ashfords LLP, Mears' representative in these proceedings. Mr Steele recounts the history of Habinteg's application in the Registry and how it proceeded to publication in the Trade Marks Journal for the list of goods and services shown at paragraph 1 above. At Exhibit CBS1 he provides a copy of the evidence submitted by Habinteg during the examination of its mark in order to prove that its mark had acquired distinctiveness through use. The evidence has accepted by the Registry as demonstrating this in respect to the list of goods and services listed in paragraph 1, but Mr Steele submits that this was done in error as the evidence only demonstrates use of the mark in respect to a set of measures and standards relating to housing design.

7) At Exhibit CBS2, Mr Steele provides printouts (all printed on 5 January 2012) from the website www.lifetimehomes.org.uk to demonstrate that Habinteg (as part of the Lifetime Homes Foundation) "promotes the Lifetime Homes Standard" and that the term "Lifetime Homes" descriptively refers to a set of measures and criteria relating to housing design. On the first page the following text appears:

"The concept of Lifetime Homes was developed in the early 1990s by a group of housing experts, including Habinteg [...]. The principles of Lifetime Homes have supported the growing demand for choice, flexibility and independence among disabled people of all ages, as well as promoting high quality and thoughtful housing design for the general population.

Lifetime Homes are ordinary homes incorporating 16 Design Criteria [...] and supports the changing needs of individuals and families at different stages of life."

8) And in respect of the "Lifetime Homes Principles", the following text appears on the second page:

"The Lifetime Homes Standard was established in the mid-1990s to incorporate a set of principles that should be implicit in good housing design. [...]

The Lifetime Homes Standard seeks to enable 'general needs' housing to provide, either from the outset or through simple and cost-effective adaptation, design solutions that meet the existing and changing needs of diverse households. [...]

Housing that is designed to the Lifetime Homes Standard will be convenient for most occupants, [...] without the necessity for substantial alterations. [...]"

9) The text goes on to explain about the "Lifetime Homes Standard" is a set of design criteria that provides a model for accessible and adaptable homes.

10) On page eight it is stated that The Lifetime Homes Foundation (of which Habinteg is one of the three members) "continue to promote the Lifetime Homes Standard and provide resources to other organisations seeking to implement the Standard whether through direct property development or through the formulation of policy and practice." Habinteg is identified as providing the administration and technical support on Lifetime Homes since 2008.

11) The remaining 36 pages of the exhibit provide detailed information the Lifetime Homes criteria.

12) Mr Steele also puts forward numerous other submissions and a detailed critique of Habinteg's evidence used to demonstrate acquired distinctiveness prior to registration. I will not detail this here but I will bear it in mind.

Registered Proprietor's Evidence

13) This takes the form of a witness statement by Mr Paul Gamble, Chief Executive of Habinteg. He states that the mark LIFETIME HOMES has been used in the UK since the early 1990s and was developed for a set of measures and standards relating to housing design. The first definitive guide to "the now titled LIFETIME HOMES standards was published in 1997. At Exhibit PG2, Mr Gamble produces a copy of a document produced by Shropshire Council that records that "[t]he Lifetimes [sic] Homes Standards is a set of criteria developed [...] in 1991 to help house builders produce more flexible housing." Confirmation that Habinteg was part of a group of three organisations that developed LIFETIME HOMES and that it "owns and manages the Lifetime Homes standard" is provided in a second document entitled "Code for Sustainable Homes", published by the government department, Communities and Local Government.

14) Mr Gamble states that Habinteg "had been building LIFETIME HOMES properties since 1994, as the process of the development of the standards and research was being undertaken. [Habinteg] has continued to build LIFETIME HOMES properties and to manage those properties since the 1990s"

15) Mr Gamble states that the goodwill in the mark was transferred to Habinteg in 2008 and a copy of a letter confirming that the goodwill was transferred in connection with the "joint project for the promotion, development and refinement of industry standards concerning housing quality [...]" is provided at Exhibit PG4. He goes on to state that Habinteg has been the key promoter of the LIFETIME HOMES standards and properties.

16) Mr Gamble explains that Habinteg undertook a technical review of the standards in 2008/9 supported by the Department of Communities and Local Government leading to the publication of revised standards in 2011 and the standard is now

widely accepted by the building industry. He further states that Habinteg has always provided guidance and consultancy services to customers using the LIFETIME HOMES standards or building properties to those standards. At Exhibit PG6, Mr Gamble provides details of income earned from the provision of this advice and consultancy between March 2010 and May 2012 that totals in the region of £80,000. He says that he is unable to provide figures in respect to provision and management of housing accommodation as Habinteg’s management accounts do not account for specific types of property separately. At Exhibit PG7 is a selection of invoices dated between January 2011 and May 2012 all in respect of “Lifetime Homes Compliance Assessment Reports”. All these invoices carry the following mark at the top of the page:



17) Income figures for 2005 – 2008 were provided in Mr Gamble’s witness statement dated 25 September 2009 (originally submitted in support of its claim to acquired distinctiveness prior to the mark being accepted for publication by the Registry). In that statement he says that:

“The approximate value of the services supplied under the LIFETIME HOMES mark in the United Kingdom by Habinteg in relation to the activities described herein are as follows:

Year	£
2005-06	1,611,113.91
2006-07	1,664,628.87
2007-08	1,827,881.79”

18) At Exhibit PG8, Mr Gamble provides a selection of pages from the websites www.habinteg.org.uk and www.lifetimehomes.org.uk and includes a document entitled “From Integration To Universal Design: The Habinteg Story”. The document

contains a chapter entitled “Lifetime Homes”. This chapter begins with the following text:

“During the 1990s Habinteg continued to build new schemes (adding nearly 700 units to its total stock), but the key themes of this period were the Association’s role in the development of “Lifetime Homes” [...]

And on page 53 of the exhibit, under the title of “Lifetime Homes”, the following text appears:

“The term Lifetime Homes was first used in connection with a project launched by the Helen Hamlyn Foundation. [It was seen] that the concept had wider application, and considerable relevance to the Habinteg approach [...] The objective was to devise a set of standards that would make the dwelling accessible to and usable by people with disabilities from the start and adaptable to increasing infirmity over time. [...]

[...] a set of 16 criteria was finally agreed [...] These criteria were then worked up into house plans by the architect Edwin Trotter, whose long experience of designing Habinteg schemes for disabled people made him a leader in the field.”

19) On page 59 of the same exhibit is a copy of a page from the website www.habinteg.org.uk where the mark shown in paragraph 16, above appears prominently at the top. The page is entitled “Lifetime Homes Design Guide” and includes the text:

“The guide describes the design requirements for accessible homes [...]

The Lifetime Homes Design Guide [...] written by Chris Goodman [of Habinteg]. The design guide is £35.00, [...] and can be ordered from the website [...]

Applicant’s Evidence-in-reply

20) This takes the form of a witness statement by Mr David Ronald Cutler, Managing Director of Haydon mechanical & Electrical Limited (“Haydon”). He explains that Haydon is one of the leading mechanical and electrical contractors in the UK and is owned by Mears. He makes his statement in reply to Mr Gamble’s statement on behalf of Habinteg and in particular, takes issue with Mr Gamble’s assertion that housing designers, developers, providers, advisors and/or managers cannot use the expression LIFETIME HOMES in connection with housing developments unless Habinteg has consented to the use of the expression.

21) Mr Cutler states that Habinteg are not the only organisation that provides advice to the building industry regarding compliance with LIFETIME HOMES standards. At Exhibit DRC1, Mr Cutler provides copies of extracts from various third party websites illustrating that others provide advice, audit and/or consultancy services to those involved in the design and build of houses so as to ensure they comply with the

LIFETIME HOMES standards. These pages were all printed in June or July 2012. These extracts include the following:

- A service offered by Direct Access Consultancy Ltd on the website www.accessaudits.com promotes its “Lifetime Homes consultancy”, describing it as “a service [...] to ensure that your floor plans are designed appropriately before you build [...] to ensure that your house is built to fully accessible, space maximizing designs.” It goes on to identify the Lifetime Homes standards as being a set of 16 criteria that provides a model for building accessible and adaptable homes and that its service “will ensure that your designs meet the Lifetime Homes Standards”;
- A service offered by Michael Dyson Associates Ltd through the website www.mdyson.co.uk that includes “Lifetime Homes Assessments”. It credits Habinteg as being one of a group of housing experts who developed the concept of Lifetime Homes and states that “[w]herever appropriate and feasible we adopt and apply the Lifetime Homes Design Criteria throughout the design process [...]”;
- A service offered by Saddler Energy and Environmental Services Ltd through its website www.saddlerenergy.co.uk whereby it provides the service of “Lifetime Homes compliance reports” (and cites the “Lifetime Homes Standards”) as one service under the heading of “Code for Sustainable Homes”;
- A company called CodeAssessors.net provides information on “Lifetime Homes and the Code for Sustainable Homes” on its website www.code4sustainablehomesassessor.com and explains that the Lifetime Homes concept consists of 16 criteria that “can be universally applied to new homes” and is “mandatory for Code level 6”. It claims to have “working experience of the LTH [Lifetime Homes] Regulations and can assist with their integration”;
- On the website www.homebuilding.co.uk are two articles about LIFETIME HOMES, noting that the standards are due to change in 2013 and that “the idea of lifetime home design has already entered the Building Regulations”.

22) It is Mr Cutler’s understanding that when submitting a planning application for a housing development to a local authority the only assessment as to whether the plans meet the LIFETIME HOMES standard is carried out by the authority’s planning officers and not by, on behalf of or under licence from Habinteg. He states that a party submitting a planning application, in effect, self-certifies that the designs comply with the standard. To support this, Mr Cutler provides, at Exhibit DRC2, printouts from Leicester City Council’s website that provides guidance to planning applicants and designers regarding “Lifetime Homes Standards”. A link is provided to Habinteg’s website www.lifetimehomes.org.uk for those wanting more information about the standards. The Council provides a checklist (exhibited) for the developer to complete to illustrate its “Lifetime Homes Compliance”. It also states, on page 46, that “there is no formal checking procedure or regime attached directly to the LTH [Lifetime Homes] Standard”. A document obtained from the website of the Royal Borough of Kingston upon Thames is also exhibited confirming that an applicant for

planning permission has to make a positive statement to confirm that the plans comply with the LIFETIME HOMES standards.

23) At Exhibit DRC3, Mr Cutler provides extracts from other third party websites to illustrate that others design, engineer and construct housing in accordance with the LIFETIME HOMES standards. He is not aware that any of these third parties have been licensed, approved or authorised by Habinteg to use the term LIFETIME HOMES. These exhibits illustrate the following:

- a company called Lovell promoting homes being “designed to Lifetime Homes standards” and referring to the 16 criteria that make up the standard;
- a company called Wormald Burrows Partnership, a firm of civil engineering consultants, commenting that “Lifetime Homes are becoming more the norm, with many local authorities requiring a percentage of new dwellings to achieve the 16 design criteria”;
- a company called Potton that claims to be the market leader in self-build and timber framed housing, states that it has built the Lifetime Homes standards into its “new Wickhambrook Show Barn”. It goes on to describe that Lifetime Homes are homes that incorporate the 16 criteria. It also states, under the heading “Lifetime Homes for your own build”, that “the design principles are easily incorporated into your project using the expertise of the Potton Technical Team”;

24) At Exhibit DRC4, Mr Cutler provides a copy of a document, published in 2008, entitled “Lifetime Homes, Lifetime Neighbourhoods: A National Strategy for Housing in an Ageing Society” published by the Department for Communities and Local Government. In the document the government encourages the building industry to adopt the standards and makes their compliance mandatory in the Code for Sustainable Homes so that “all public sector funded housing is built to Lifetime Homes Standards from 2011”. At page 159, it states that “[o]ur aspiration is that by 2013 all new homes will be being built to Lifetime Homes Standards”

Registered Proprietor’s further evidence

25) This takes the form of a second witness statement by Mr Gamble and is filed to address Mr Cutler’s submission that a number of third parties use the phrase LIFETIME HOMES to refer to property designed to the standards or to services related to advising about the standards (see paragraph 21 and 23 above). He states that Habinteg consents to third parties making use of the mark LIFETIME HOMES “so long as they properly follow and apply the standards and consequently consents to such use”. He adds that Habinteg does not require a third party to actively seek consent to use the mark LIFETIME HOMES, but that it does actively monitor use and takes action should the mark be used incorrectly i.e. in connection with properties or services that do not meet the standards and the criteria.

26) Mr Gamble states that Habinteg are fully aware of the various uses of the mark made by third parties (referred to in paragraph 21 above) stating that “[t]his is good for the promotion of the LIFETIME HOMES criteria and ensuring developers, local

authorities and customers are aware what the LIFETIME HOMES trade mark stands for”.

DECISION

The Law

27) The case has proceeded to final determination on the basis of Section 3(1)(b) and Section 3(1)(c) of the Act, with such grounds being relevant in the invalidation proceedings in view of the provisions of Section 47(1) of the Act, that reads 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.

28) The relevant parts of Section 3(1) of the Act are as follows:

3. - (1) The following shall not be registered –

(a) [...],

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) [...]

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

29) Section 1(1) of the Act reads:

1. - (1) In this Act a “trade mark” means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.

The dispute between the parties

30) Mears contends that the marks are open to objection under Section 3(1)(b) and Section 3(1)(c) of the Act. Further, it claims that the evidence submitted by Habinteg to overcome the *prima facie* objections taken by the Registry was accepted in error and does not demonstrate that the mark LIFETIME HOMES an acquired distinctiveness through use and that the evidence submitted, by Habinteg, in the current proceedings also fails to demonstrate this. Habinteg does not dispute that, *prima facie*, its mark falls foul of Section 3(1)(b) and Section 3(1)(c) of the Act. However, it claims that its evidence filed to overcome the *prima facie* objections and its evidence filed in the current proceedings demonstrates that it has acquired distinctive character.

31) In light of the position taken by Habinteg, it is not necessary for me to consider whether its mark complies with the requirements set out in Section 3(1)(b) and Section 3(1)(c) of the Act. The issue before me is whether Habinteg's mark complies with the proviso to Section 3(1) of the Act in that that it acquired a distinctive character as a result of the use made of it before its date of application, or the proviso to Section 47(1) that it acquired a distinctive character as a result of the use made of it after registration.

32) It is necessary to consider the leading case law in respect to Section 3 to ascertain what Habinteg evidence was required to achieve, at examination stage, and what the evidence, filed in support of Habinteg in the current proceedings, is required to achieve. As explained by the Court of Justice of the European Union ("the CJEU") in *Wm. Wrigley Jr. Company v. Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case C-191/01 P ("*Doublemint*"), at paragraphs 30 and 31, the purpose of the proviso to Article 7(1) (provided in Article 7(3) of the Community Trade Mark Registration and equivalent to the proviso to Section 3(1) of the UK Act) is the public interest in precluding any individual trader from obtaining a monopoly in a sign which other traders might legitimately wish to use because of its descriptiveness. Further, it is clear from the guidance provided by Anna Carboni, sitting as the Appointed Person in O-363-09 *COMBI STEAM Trade Mark*, that if a mark is entirely descriptive of characteristics of goods or services, it will also be devoid of any distinctive character under section 3(1)(b).

33) The proviso to section 3(1) of the Act provides an exception to this exclusion. If a trader can demonstrate that through the use made of it his mark has become sufficiently distinctive so that it does in fact serve as an indication of origin in the minds of the relevant public or a significant proportion thereof (see *Windsurfing Chiemsee* C-108/97) then registration may be granted. Therefore the evidence submitted by Habinteg during the examination of its mark and in respect of these proceedings must show that the mark LIFETIME HOMES has become sufficiently distinctive so that it does indicate origin to the relevant consumer.

34) It is common ground between the parties that Habinteg was one of the main organisations responsible for the development and promotion of the LIFETIME HOMES standards relating to housing design and that it may provide and manage housing that complies with the standard. What Mears does dispute is that only Habinteg should be able to monopolise use of the expression LIFETIME HOMES in

connection with the services listed in its registration and to indicate that its housing accommodation complies with the standard.

35) At the hearing, Mr Steele submitted that Habinteg does not have a monopoly on the provision of housing accommodation that complies to the LIFETIME HOMES standard or to advice services relating to how to comply with the standard. Consequently, for the services listed in Habinteg's registration, the mark cannot identify origin, let alone Habinteg and that anyone should be free to use the sign when indicating that their homes comply with, or their services relate to the LIFETIME HOMES standards.

36) In assessing the evidence filed by Habinteg, there is nothing provided beyond assertions by Mr Gamble, in his witness statements, that the mark LIFETIME HOMES serves to identify the origin of all the services listed in its registration. The exhibits filed fail to support these assertions. Exclusively they illustrate the term LIFETIME HOMES STANDARDS being used to identify the industry standard developed by Habinteg and its partner organisations and the term LIFETIME HOMES to identify properties that comply with these standards.

37) Evidence submitted by Mears also illustrates that third parties provide properties that comply to the LIFETIME HOMES standards and offer services relating to how to design and build properties that comply to these standards. In doing so, they all use the term LIFETIME HOMES to identify the standard, but crucially not to identify the origin of their services. Habinteg's own evidence also illustrates the same. In particular are the invoices provided by Habinteg at Mr Gamble's Exhibit PG7. These all prominently carry the "Habinteg" mark (shown in paragraph 16 above) and under the heading "Description" is the text "Lifetime Homes Compliance Assessment Reports". Such assessment reports can be provided by third parties not related to Habinteg and consequently it is difficult for me to see how the "description" of the service provided serves to indicate origin. At the hearing, I offered Mr St Quintin an opportunity to address this point and he maintained that such use was trade mark use. I do not agree that, in respect of "compliance assessment reports" (being the subject of the invoices), that the term LIFETIME HOMES serves to indicate origin. In all of these invoices, the origin of the service is indicated by Habinteg's mark at the top of the invoice and not by the use of LIFETIME MOMES.

38) At paragraph 25 of his second witness statement, Mr Gamble effectively concedes that the term LIFETIME HOMES is used to indicate quality and not origin. He states that Habinteg "consent" to anyone using the mark who correctly applies the standards. In taking such a position, Habinteg are implicitly recognising that the term LIFETIME HOMES performs the function of denoting compliance with the standards and not to performing the essential function of a trade mark, namely, identifying trade origin of the services provided by itself or these third parties.

39) The term LIFETIME HOMES may identify the trade origin of the standards themselves, but not the provider of, for example, advice services relating to the standards. This is because any third party in the field of construction or provision of accommodation (and who will identify itself by its own mark) may use the term to identify the standards.

40) All of the services covered by Habinteg's registration may also be provided by other third parties, all of which are, by Mr Gamble's own admission, free to use the term LIFETIME HOMES (providing they comply with the design and other requirements for doing so). Consequently, the term does not identify only Habinteg's services.

41) Taking all of this into account, I conclude that all the evidence before me fails to establish that the term LIFETIME HOMES has acquired distinctive character in respect of the services listed in Habinteg's registration as a result of the use made of it by Habinteg. Consequently, the application for invalidation is successful in its entirety and the whole of Habinteg's registration is invalidated.

COSTS

42) The application for invalidation having been successful, Mears is entitled to a contribution towards its costs. I take account that both parties filed evidence and that a hearing has taken place. I award costs on the following basis:

Preparing Application and considering Habinteg's counterstatement (including official fee)	£500
Preparing and filing evidence & considering Habinteg's evidence	£1000
Preparing for and attending the hearing	£700
TOTAL	£2200

43) I order Habinteg Housing Association Limited to pay Mears Group Plc the sum of £2200. 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 31st day of January 2013

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