

O/0407/23

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION NO. 3269882

IN THE NAME OF 'A1' ARBORISTS LTD

IN RESPECT OF THE FOLLOWING TRADE MARK

ECC

AND

AN APPLICATION FOR A DECLARATION OF THE INVALIDITY

THEREOF UNDER NO. 503507

BY

EUROPEAN FORESTRY AND ENVIRONMENTAL SKILLS COUNCIL

BACKGROUND AND PLEADINGS

1. Trade mark No. 3269882 shown on the cover page of this decision stands registered in the name of 'A1' Arborists Ltd ("A1") ("the proprietor"). It was applied for on 10 November 2017 and completed its registration procedure on 23 February 2018. The goods and services for which it stands registered are as follows:

Class 9

Training manuals in electronic format; Training guides in electronic format.

Class 16

Printed certificates; Printed award certificates; instructional and teaching material.

Class 41

Awarding of educational certificates; Training; Education services relating to vocational training; Training and education services; Publication of training manuals; Educational examination services; Setting of educational standards; Setting of training standards; Educational assessment services; instruction; vocational skills training; vocational skills training in the fields of chainsaw operation, arboriculture and forestry.

2. On 18 December 2020, the European Forestry and Environmental Skills Council ("EFESC") ("the applicant") filed an application to have this trade mark declared invalid under section 3(6) of the Trade Marks Act 1994 ("the Act") which is relevant in invalidation proceedings under section 47 of the Act. The application concerns all the goods and services listed above.

3. This is not the first time that the parties have been joined in action before this tribunal. On 11 April 2019, a decision was issued finding for the current applicant in its oppositions under section 3(6) of the Act to the applications by the current proprietor

to register a number of marks, including the following two, made on 16 May 2017 and 26 May 2017 respectively:¹



ECC EUROPEAN CHAINSAW CERTIFICATE

4. The relevant facts were recorded as follows:

- i. Both A1 and an organisation called Inverde, which was the predecessor in title of EFESC, had been involved in a project funded by the EU's Leonardo Programme of the Lifelong Learning Programme to evaluate and implement European certification for chainsaw operators ("the Leonardo project");²
- ii. In February 2009, A1 submitted an application for funding, which was successful;
- iii. The objectives of the project included the setting up of a recognised chainsaw standard to be used in Europe and the establishment of a certification body to develop and manage the standard and qualification in the future;
- iv. During the course of the project, the name "EUROPEAN CHAINSAW CERTIFICATE – ECC" was chosen for the certificate and "EUROPEAN FORESTRY AND ENVIRONMENTAL SKILLS COUNCIL (EFESC)" for the organisation;
- v. Although the grant agreement relied upon by A1 referred to the grant recipient being the owner of any IP generated within the project, this was in contrast to other evidence, notably the contracting form and an agreement made at a meeting in London on 24/25 August 2011 to "*open, transparent communication and sharing of all intellectual property developed as part of the Leonardo project and subsequently on behalf of EFESC*". This was filed in the form of handwritten notes which were marked as "Agreed" and signed by attendees;

¹ BL O/195/19.

² In this summary, I shall, to avoid any confusion, refer to the parties in the earlier proceedings by their names.

- vi. Prior to this, Inverde had applied for an EU Trade Mark (“EUTM”) in July 2011;³
- vii. There was a breakdown in the relationship between the directors of A1 and Inverde (William Robb and Thomas Embo, respectively) which appeared to have had its roots in a disagreement over the planned organisational structure; and
- viii. Mr Robb then established the awarding body, ABA International, to perform the function of a certification body. Although Mr Robb claimed that EFESC ceased functioning, evidence was filed by EFESC showing that it was still active during the period running up to A1’s applications for the trade marks.⁴

5. The Hearing Officer found that:

- i. A1 in the person of its director, Mr William Robb, is very likely to have known that it was the intention that EFESC would hold the IPR generated by the project;
- ii. At the least, the contradiction between the position in the grant agreement (the basis for his belief that the IPR belonged to him) and the other evidence should have caused Mr Robb to challenge any view that EFESC would hold the IPR and not to have signed a document confirming a contrary position;
- iii. Mr Robb was aware of the trade mark that had been applied for in July 2011 and should have investigated its continued validity as part of any due diligence before making his own applications; and
- iv. The trade marks shown in paragraph 3 above, along with two others, were applied for in bad faith.

6. The Hearing Officer’s decision was upheld on appeal by the Appointed Person.⁵

7. In these proceedings, the applicant claims that the proprietor has registered the sign **ECC**, which it alleges is the dominant and distinctive component of the marks in paragraph 3, for the same goods and services as those in the refused applications,

³ Application No. 10109122.

⁴ This particular evidence has not been filed in the present proceedings as it was originally adduced to support EFESC’s defence against an application for its mark to be revoked on the grounds of non-use.

⁵ BL O/677/19.

when it had no right to do so. It makes this claim on the basis of the finding that the refused marks had been applied for in bad faith.

8. On 23 February 2021, the proprietor filed a defence and counterstatement denying the claims made.

EVIDENCE & SUBMISSIONS

9. The applicant's evidence in chief comes from Robin Philip Webster, a Trade Mark Attorney at Stevens Hewlett & Perkins. His witness statement, dated 12 August 2021, summarises the evidence filed in the earlier proceedings and is accompanied by the decisions of the Hearing Officer and the Appointed Person at Exhibits RPW1 and RPW2 respectively.

10. The proprietor's evidence comes from William Hugh Robb, Managing Director of A1, and is dated 12 October 2021. It is accompanied by 49 exhibits. His witness statement is structured as a series of criticisms of the decisions in the earlier proceedings, and the evidence on which those were based. The witness statement also contains matters that are irrelevant to these proceedings, notably the findings in the application for revocation of EFESC's UK trade mark on the grounds of non-use that was also part of those earlier proceedings. He also makes a large number of submissions intended to persuade me that it was actually EFESC who had acted in bad faith in the period leading up to the relevant date of the earlier proceedings. It is important to keep in mind that it was not required of EFESC that it showed it was acting in good faith. Rather, it had to establish that A1 had acted in bad faith.

11. The applicant sought, and was granted, leave to file a larger volume of evidence than is usual at this stage in the evidence rounds. This included the evidence filed during the earlier proceedings in so far as it related to the claim under section 3(6), and eight new exhibits. The witness statement from Mr Tom Embo, Chairman of the Board of EFESC and prior to this General Director of Inverde, is dated 10 February 2022.

12. The proprietor sought, and was granted, leave to file a second witness statement. In an email to the Tribunal dated 15 June 2022, it submitted that it was only at the reply stage that the applicant had filed comprehensive documentary evidence to support its claims. It stated that it wished to file evidence addressing some of the assertions made in Mr Embo's witness statement and would have been able to do so, had this evidence been filed as part of the evidence in chief. It contended that, if it could not do so, its position would have been prejudiced. On 13 July 2022, the Registry gave a preliminary view to grant permission to file further evidence, and this preliminary view was unchallenged.

13. Mr Robb filed a second witness statement on 15 August 2022. It is accompanied by 27 exhibits. Some of this evidence repeats what had already been filed in, or with, the first witness statement.

14. The applicant filed evidence in response in the form of a second witness statement from Mr Embo dated 18 October 2022. It is accompanied by 3 exhibits.

15. On 29 December 2022, both parties filed written submissions in lieu of a hearing.

16. The proprietor urged me to consider the evidence "*with objectivity and with fresh eyes*".⁶ I confirm that I have read all the evidence and submissions that have been filed and have based my decision on a careful consideration of that material, to which I will refer as appropriate during the course of my decision.

REPRESENTATION

17. In these proceedings, the applicant is represented by Stevens Hewlett & Perkins. The proprietor is represented by Abel + Imray, having previously been represented by Keystone Law.

⁶ Written submissions, paragraph 19.

DECISION

18. The relevant parts of section 47 of the Act are as follows:

“(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).

...

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

...

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.

19. Section 3(6) of the Act is as follows:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

20. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121, the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, *Hasbro, Inc. v European Union Intellectual Property Office (EUIPO)*, Case T-663/19, *pelicantravel.com s.r.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case

T-136/11, and *Psytech International Ltd v OHIM*, Case T-507/08.⁷ Floyd LJ summarised the law as follows:

“The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

⁷ Section 6(3)(a) of the European (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts, although the UK has left the EU.

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]”.⁸

11. According to Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

“(1) what, in concrete terms, was the objective that CKL had been accused of pursuing? (2) was that an objective for the purposes of which the contested application could not properly be filed? (3) was it established that the contested application was filed in pursuit of that objective? The first question serves to ensure procedural fairness and clarity of analysis. The second question requires the decision taker to apply a moral standard which, in the absence of any direct ruling on the point from the CJEU, is taken to condemn not only dishonesty but also ‘*some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined*’: see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 (Lindsay J). The third question requires the decision taker to give effect to the principle that innocence must be presumed in the absence of evidence sufficient to show that the applicant has acted improperly as alleged.”⁹

12. The objective that the proprietor has been accused of pursuing is of registering a mark to which it knew (or ought to have known) it had no proprietary entitlement and that the mark, along with other IP outputs of the Leonardo project, was to be collectively for the use of the project partners. I consider that such an objective would be one for the purposes of which an application could not properly be filed.

13. To answer Mr Hobbs’s third question, I must ascertain what the applicant knew at the relevant date: see *Red Bull GmbH v Sun Mark Limited & Anor* [2012] EWHC 1929 (Ch), paragraph 137. Evidence about subsequent events may be relevant, if it casts

⁸ Paragraph 67.

⁹ Paragraph 8.

light backwards on the position at the relevant date: see *Hotel Cipriani SRL & Ors v Cipriani (Grosvenor Street) Limited & Ors*, [2008] EWHC 3032 (Ch), paragraph 167.¹⁰

I also remind myself that an allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull*, paragraph 133.

14. The parties are in dispute about many of the details of the events leading up to the setting up of the Leonardo project, its work, and what happened afterwards. However, it is not disputed that the project existed and that there was a set of documents governing the project that have a bearing on the matters that I must decide. I shall therefore begin my analysis with those documents.

15. As in the previous proceedings, the proprietor relies on its status as the beneficiary under the Grant Agreement to support its claim to be the rightful owner of any intellectual property associated with the Leonardo project. The Grant Agreement consists of the following sections: Special Conditions, General Conditions, and Annexes. The terms in the Special Conditions take precedence over the terms in the General Conditions, which in turn take precedence over the contents of the Annexes. A letter from the National Agency to Mr Robb dated 11 March 2010 states that the agreement has the following annexes:

“Annex 1: Sections B4-E1 of the Application Form of the project as selected by the Commission and the Contracting Form, duly filled in and accepted by the National Agency;

Annex 2: Consolidated project budget;

Annex 3: Guide for Applicants: Guidelines for administrative and financial management;

Annex 4: List of partners and budget by partner.”¹¹

¹⁰ Approved by the Court of Appeal in *Hotel Cipriani Srl & Ors v Cipriani (Grosvenor Street) Limited & Ors* [2010] EWCA Civ 110.

¹¹ Exhibit WHR31, page 1.

16. Mr Robb relies on Article 3.1 which comes under the heading of General Conditions and reads as follows:

“Unless stipulated otherwise in this agreement, ownership of the results of the action, including industrial and intellectual property rights, and of the reports and other documents relating to it shall be vested in the beneficiary.”¹²

17. The proprietor submits that it is Article 3.1 that takes precedence over all other agreements and provisions and that, as named beneficiary, the IP rights were vested in itself. The applicant, on the other hand, submits that Article 3.1 “*is solely applicable to the relation between Proprietor (as applicant for the grant) and the UK national agency through which the application was being co-ordinated*”¹³ and states that the proprietor had applied for funding on behalf of all the project partners.¹⁴

18. I find myself in disagreement with the construction that the proprietor places on Article 3.1, which expressly states that the Grant Agreement may make other provision for the ownership of the intellectual property rights. The words “*Unless stipulated otherwise in this agreement*” would not be necessary if it were not envisaged that there might be another General Condition, or even a provision in the Annex, vesting the intellectual property rights in an entity or entities other than the beneficiary. A Special Condition to that effect would not need the quoted proviso, as these automatically take precedence over the General Conditions. As I can see no other General Condition that is relevant, I will therefore proceed to consider whether there are any provisions in the Annexes that have a bearing on the ownership of intellectual property rights associated with the project.

19. The sections of the Application Form in Annex 1 set out information such as the scope of the project, its objectives and detailed work packages. Mr Robb says that the earlier decision had been based on an incorrect version of the application form filed by

¹² Exhibit WHR33.

¹³ First witness statement of Tom Embo, paragraph 31.

¹⁴ *Ibid*, paragraph 17.

EFESC.¹⁵ This contained the following text in Section C3.6 in answer to the question *Please present the consortium as a whole and describe its structure, functioning and experience in transnational cooperation and the rational [sic] behind the distribution of activities in the consortium.* I have underlined the words that Mr Robb says were not in the original Application Form.

“The partnership consists of a combination of training centres already offering a chainsaw operating course, though it be on different levels and with different standards, there are two partners within the UK who are familiar with the English certification system and a European organisation of forestry entrepreneurs. Partners in this consortium have all attended previous forestry conferences where the necessity to develop this Chainsaw Certification/Licence was discussed and agreed upon. In this way the involvement of all partners in this project is assured.

Furthermore, they are members of a large, unofficial network of training centres and entrepreneurs in the forestry sector through which all relevant stakeholders can be addressed and an optimal transfer of experience and knowledge is assured. The umbrella organisation of European forestry entrepreneurs, ENFE, cooperates in this project as a partner to coordinate the consultation of this industry. This way, a good contact is assured with the national forestry organisations. The acceptance of this certification tool by all target groups is an important factor to assure an efficient and operational certificate. KWF as an experienced quality assessor will supervise that every outcome of this project meets the minimum quality standards in association with A1 Arborists.

All the partners have a history of cooperating in European projects or coordinating them. Also certification is a European (and even international) sector and leads to a safer working environment. This emphasizes the need for a European approach, but also the opportunities for a European harmonization in chainsaw operating standards. The recognition of a

¹⁵ Paragraph 29.

chainsaw certificate by industry i.e. employers of operators and customers of services is of major importance for market penetration. This is also a core objective for the certification body; European Forestry and Environmental Skills Council (EFESC), that will be in place to further develop and manage the qualifications in the future beyond the project deadline.”¹⁶

20. At Exhibit WHR27, Mr Robb files an extract from the application form containing what he states was submitted in February 2009 in answer to the question. It is identical to the text above, save for the omission of the underlined words.

21. The deadline for submitting the application form was 27 February 2009. The name “European Forestry and Environmental Skills Council (EFESC)” was not decided upon until a meeting in Gehren, Germany, on 15-16 June 2009. The minutes record that the meeting also decided that the name for the first “product” from the project would be “European Chainsaw Certificate – ECC”.¹⁷ I therefore accept that it is probable that the underlined words are amendments made at a later date. However, the proprietor alleges that the amendments were made for the purposes of bolstering the applicant’s case in this and the earlier proceedings. It says that “*Mr Embo has doctored evidence to support his allegations of bad faith*”.¹⁸ The first point at which this allegation is expressly made is the written submissions in lieu of a hearing. While Mr Robb had made similar allegations in his second witness statement, these concerned a Powerpoint presentation setting out the history of the Leonardo project and Mr Embo rebutted those allegations in his second witness statement by providing the embedded details of the Powerpoint presentation.¹⁹

22. Neither side requested cross-examination. I remind myself of the comments of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *MUDRUNNER Trade Mark*, BL O/327/22:

¹⁶ The application form as filed in evidence in the earlier proceedings was also filed in evidence in these proceedings at Exhibit TE(C)1 (Exhibit TE19).

¹⁷ Exhibit TE22, page 151.

¹⁸ Written submissions in lieu of a hearing, paragraph 40.

¹⁹ Paragraph 12 and Exhibit TE(C)13.

“94. As too often happens in Registry proceedings involving allegations of bad faith filing, neither side attempted to test the reliability of the other side’s account of events by way of cross-examination or by means of any application for disclosure. Their written and oral submissions required the Hearing Officer to assess the correctness of their respective positions in the light of the witness statements and exhibits they provided. That involved an acceptance on their part that the Hearing Officer was entitled to consider whether or how far the evidence presented on one side of the case had in significant respects been disproved or displaced or outweighed by evidence presented on the other side of the case: Williams v Canaries Seaschool SLU (CLUB SAIL Trade Marks) [2010] RPC 32; BL O/074/10; at paragraphs [37] to [41].

...

105. The methodology envisaged by the CJEU case law relating to objective assessment of subjective intention does not permit or require wholesale departure from: ‘The basic principle ... that until there has been ... cross-examination, it is ordinarily not possible for the court to disbelieve the word of the witness in his affidavit and it will not do so. This is not an inflexible principle: it may in certain circumstances be open to the court to reject an untested piece of such evidence on the basis that it is manifestly incredible, either because it is inherently so or because it is shown to be so by other facts that are admitted or by reliable documents. ... these principles apply equally to the case in which the evidence is given by witness statement rather than by affidavit ...’: Coyne v DRC Distribution Ltd [2008] EWCA Civ 488 at paragraph [58] (per Rimer LJ, with whom Ward and Jacob LJJ agreed); ‘The general rule is that the evidence of a witness is accepted unless ... there is undisputed objective evidence inconsistent with that of the witness that cannot sensibly be explained away so that the witness’s testimony is manifestly wrong’: R (on the application of the Good Law Project) v Minister for the Cabinet Office [2022] EWCA Civ 21 at paragraph [86] (Lord Burnett of Maldon LCJ, Coulson and Carr LJJ).”

23. The specific allegation that Mr Embo doctored the application form was not made in a witness statement, but in submissions. I am therefore not bound by the rule cited by Mr Hobbs. I shall consider this allegation in the light of the evidence that has been admitted.

24. A further form (the “Contracting Form”) was also relied on in the earlier proceedings, this time by EFESC. The form contained the words underlined in paragraph 19 above, marked as an amendment to be made.²⁰ Mr Robb states that this form was simply used to make a change to the composition of the partnership and record a redistribution of tasks.²¹ However, this statement appears to be inconsistent with the evidence of the Contracting Form itself which contains a list of comments and minor changes.²² There is also evidence to suggest that amendments may have been required to the information about the project. Letters from the Leonardo National Agency to Mr Robb dated 26 July 2010 and 16 March 2011 state that the assessor’s comments following the Progress Report and Interim Report respectively were attached to the letters and that appropriate changes and improvements should be made, where necessary.²³ Neither the comments nor the reports have been filed in evidence. Exhibit TE(C)15 shows that the additional text that was added to the information in the Application Form appears under the section for a response to assessor comments.²⁴ I consider that the proprietor has not provided evidence to support its particular allegation that Mr Embo has doctored the application form for the purposes of showing that the proprietor has acted in bad faith. Rather, there is evidence to suggest that some amendments may have been required.

25. Even if I am wrong on this point, I note that in the original text of the Application Form submitted to the National Agency in February 2009, it was envisaged that there would be a certification body. Mr Robb’s Exhibit WHR20, which the proprietor claims is new evidence, also shows that Result 14 of the project was “*To establish an assessor/verifier bank, the QA body and the ECS certification system*”.²⁵ The

²⁰ The Contracting Form as filed in evidence in the earlier proceedings was also filed in evidence in these proceedings at Exhibit TE20.

²¹ First witness statement of Mr Robb, paragraph 11(iii) and (iv).

²² A complete form can be found in Exhibit TE(C)15.

²³ Exhibit WHR31, pages 3-5.

²⁴ Page 23.

²⁵ Page 9.

Contracting Form also includes the following text that appears in the section for response to the assessor comments:

“6. Quality of Valorisation: It is a requirement within WP7 to produce a detailed dissemination and exploitation plan this has been amended and the date brought forward under aims p.40. IPR where relevant will be owned through the formation of the certification body referred to in the WP’s and linked to long term sustainability of the project which will be reported to the NA.”²⁶

26. I will come back to the identity of the certification body later in my decision.

27. I now turn to the Model Contracts which were signed between the beneficiary and each of the parties. Article 1.5 of the Contract states that:

“This contract shall regulate relations between the parties, and their respective rights and obligations with regard to their participation in the project n° – 2009-1-GB2-LEO05-01413 under the Agreement n° 2009-UK/09/LLP-LdV/TOI-163_210 passed between the National Agency and the Contractor.”

28. The contract also provided that:

“The contractor shall undertake:

...

4. to define in conjunction with the Partner the role and rights and obligations of the two parties, including those concerning the attribution of the intellectual property rights.”²⁷

²⁶ Exhibit TE(C)15, page 24. “NA” means the “National Agency”.

²⁷ Exhibit RPW1, paragraph 26.

29. Mr Robb states that these were not annexed to the Grant Agreement.²⁸ However, on the first page it states that:

“A contract between the Contractor and each Partner has to be signed before the beginning of the activities of the partnership as described in this contract; it shall be annexed to the Agreement no. 2009-UK/09/LLP-LdV/TOI-163_210”.²⁹

30. I therefore disagree with Mr Robb’s assertion that the statement of the Hearing Officer in the previous proceedings that these contracts were annexed to the Grant Agreement was “*false and misleading*”. Mr Robb goes on to state that “*There is no evidence and never has been for such a statement whatsoever submitted by the Cancellation Application.*”³⁰ However, the Model Contract was filed during the previous proceedings as Exhibit TE23 and I can draw no other conclusion than that the Model Contract was annexed to the Grant Agreement. It follows from my interpretation of Article 3.1 of that Agreement that this cannot simply be ignored. I consider that it shows that it was not automatic that the intellectual property rights associated with the Leonardo Project should be vested in Mr Robb, as the beneficiary.

31. The final document that I need to take into account is what Mr Robb describes as “*the London flipchart paper document*”³¹ to which I have already referred in paragraph 4(v) above. This appears to include an agreement to “*open, transparent communication and sharing of all intellectual property developed as part of the Leonardo project and subsequently on behalf of EFESC*”.

32. The proprietor submits that the document is not enforceable as it is not a contract and is too vague, and that, in any case, “sharing” of intellectual property rights is not the same as “ownership”.³² In the absence of any definition of the word “sharing”, I shall proceed on the basis of the meaning of the word in ordinary English usage. In my view, the word means that the parties sharing something all have rights to the use of

²⁸ First witness statement of Mr Robb, paragraph 27.

²⁹ Exhibit TE23, page 156.

³⁰ First witness statement of Mr Robb, paragraph 27.

³¹ *Ibid*, paragraph 14.

³² *Ibid*, paragraph 17.

whatever it is that is being shared. I accept that this may not necessarily mean that ownership is shared: for example, I could share my umbrella with another person and, while they would benefit from protection from the rain, the umbrella would still remain mine. Ultimately, however, I do not think that this argument takes the proprietor any further. I have already disagreed with the assertion that the intellectual property rights associated with the Leonardo project were vested in the proprietor as the beneficiary of the Grant Agreement. From the documents I have before me, I conclude that IP developed as part of the project, which would, in my view, include the **ECC** mark as the abbreviation of the name of the qualification agreed in June 2009, belonged, or was intended to belong, to the certification body referred to in the Work Packages which would manage the qualification.

33. I shall deal briefly with the proprietor's claims that, as it was largely or wholly responsible for the authorship of the draft European Chainsaw Standards, which formed the basis of the ECC, it was entirely reasonable that it believed that it was the true owner of the mark. Even if I accept Mr Robb's statement about his personal responsibility for the Standards, my findings on the project documentation point to the opposite conclusion. The proprietor knew, or should have known, that the IP rights, including the trade mark, were to be owned by the certification body.

34. The proprietor claims that the applicant is not in fact the certification body and that it was ABA International that performed the function envisaged in the project. It submits that EFESC was established as a separate and independent entity from the Leonardo project, against the rules of the Leonardo project and against the wishes of other project partners and itself as the Beneficiary.³³ In his first witness statement, Mr Robb refers to an unscheduled founding meeting of EFESC "*which was not in accordance with the Approved Application*".³⁴ This was the meeting that took place in Ossiach, Austria, in June 2011. Mr Robb does not explain how this meeting was not in accordance with the application. He also does not provide a reference to the particular rule that was supposed to have been breached.³⁵ It is the case that a number of project

³³ Written submissions in lieu of a hearing, paragraph 48.

³⁴ Paragraph 24.

³⁵ Mr Robb states that project meetings had to be held in one of the partner's countries. This would not include Austria. However, he does not state which rule stipulates this condition.

partners expressed concern about the Ossiach meeting. There appears to have been a difference of opinion about its purpose, but the response to many of the emails has not been provided so the context of the discussion is not always clear.³⁶

35. In his second witness statement, Mr Robb says that the Ossiach meeting “was literally the ‘final nail in the coffin’ for the partnership”.³⁷ Yet there is other evidence that suggests this was not the case. Exhibit TE29 contains a screenshot from the website www.europeanchainsaw.eu:80/ dated 30 November 2011 which contains the following news item which is credited to Mr Robb and Mr Embo “on behalf of the EFESC team” (the emphasis is mine). It sheds further light on the intentions and outcome of the agreement made in London:

“Agreements on EFESC operations and preparatory meeting in Scotland, 22-23 Sept. 2011

The Leonardo da Vinci project which supports the development of the European Chainsaw Certificate and the setup of the European Forestry and Environmental Skills Council will be completed by the end of September 2011. To conclude the project with mutually agreed and approved results, and to ensure that the ECC and the EFESC can be implemented successfully, a management meeting of the project partners was held on 24-25th August in London.

Following our mutual development work and an extensive debate about the organisational structure of the EFESC and the implementation of ECC this meeting resulted in a full agreement about the following:

- The legal statutes & structure of EFESC is based on and will be further developed according to the statutes of the registered legal entity INPO under Belgium law.

³⁶ Exhibits WHR45 and WHR46.

³⁷ Paragraph 54.

- The decisions taken in Ossiach on 6 June 2011 will soon be implemented.
- Executive Board and elected Committee Members will have the full support of the LdV project partnership.
- To ensure an effective transfer of the project results the EFESC Board has agreed that it shall be supported by the LdV project partners as co-opted non-voting members to the Executive Board.
- Since it is expected that the tasks and workload of EFESC soon will increase, the project partnership will propose to expand the size of the Executive Body at the next EFESC General Assembly.
- Operations will be based on the prescriptions of the EFESC Handbook, which will be further elaborated by the Accreditation Committee.
- Intellectual property and copy rights of the LdV Project results will be transferred to the legal entity EFESC after the end of the project duration.

...”

36. Neither party refers to this planned meeting in Scotland. The EFESC General Assembly took place on 1-2 March 2012 in Brussels. The report of this meeting states that Mr Robb sought election to the Executive Board but did not secure enough votes to be successful. It also states that he gave a presentation on ECC Standards, is recorded as organising a Trainers Week in April 2012 and was listed as a member of several working groups.³⁸ This does not suggest to me that the impact of the Ossiach meeting was as described by Mr Robb, who in early 2012 was seeking a position of influence and responsibility in EFESC.

37. ABA International was set up in September 2012. In his second witness statement Mr Robb says that:

³⁸ Exhibit TE28.

“It is important to mention that following attendees of this Gehren meeting decided to distance from EFESC and become ABA International members, such as

National Forestry School Postojna – Slovenia

National Forest School Skovskolen – University of Copenhagen – Denmark

National Forest Centre – Slovakia

Mendel University – Czech Republic

NPTC (City and Guilds) – UK (for the year 2015-2016)

A1 Arborists – UK

The same partners listed above decided to use the ECC logo which Mr Embo in this action tries to deny from them.”³⁹

38. Here, and later in the same witness statement, Mr Robb presents this as a conscious choice to set up an organisation separate from EFESC. There is only Mr Robb’s word, and those of people he informed, that EFESC had ceased to function,⁴⁰ but, even if it had, the evidence indicates that the ownership of the intellectual property would lie with EFESC and that this was the intention of the project.

39. Furthermore, events preceding the application for the contested mark should have given the proprietor pause to consider whether EFESC had in fact stopped functioning. Mr Robb states that some Slovakian chainsaw operators were prevented from taking up employment in Germany in February 2017 as their ABA-ECC certificates were not recognised by the German EFESC national agency.⁴¹ Following this, the proprietor applied for the 8 UKTMs that were the subject of the earlier proceedings. Mr Robb states that, “*EFESC did not show up on any search as owning an ECS or ECC trademark at that time*”.⁴² The mark at the time was owned by OC-ANB, a company owned by Inverde, and transferred in July 2017. Any effective due diligence search

³⁹ Paragraph 33.

⁴⁰ See Exhibits WHR22 and WHR26.

⁴¹ First witness statement, paragraph 18(ii).

⁴² Second witness statement, paragraph 47.

should have revealed the ownership of the mark. The relationship between these two companies was known to the proprietor.⁴³ In October 2017, a training centre in The Netherlands, which had applied to become an ABA International qualification centre, received what Mr Robb describes as “*a threatening letter*” from the Dutch EFESC national agency.⁴⁴ This letter challenges the use of the term “ECC”. The training centre withdrew from ABA and joined EFESC. The application for the contested mark was filed on 10 November 2017. All these events should have caused the proprietor to make further investigations as to the continued validity of the mark.

40. The proprietor submits that it had acquired goodwill in the contested mark prior to the date of filing as a result of its use of the contested mark in the UK. It directs my attention to social media printouts in Exhibits WHR25 and WHR76. The Facebook pages for ABA International and A1 Arborists were created in 2013 while the International/European Chainsaw Certificate page was created in 2014. Mr Robb submits that it is significant that all the pages were liked in either 2013 or 2014 by an individual (HK) who was a member of the EFESC Standards Committee.⁴⁵ However, it is not clear how those pages appeared to the user before the relevant date or how active they were. Exhibit WHR24 contains a printout from the ABA International website showing the range of courses and certificates that are offered, but again there is no date for the page. However, I do note that there are news articles dated between 12 December 2012 and 20 November 2013. While some mention the ECC, there is no indication of use in the UK. In my view, the evidence does not show use to support a claim to goodwill.

41. In the light of all this evidence, I come to the same conclusion as the Hearing Officer in the earlier proceedings. I find that the ECC mark would be considered an output of the Leonardo project, being the abbreviation for the qualification, and that as such it was the property of the certification body created by the project, which was EFESC. The proprietor distanced itself from EFESC, set up a new organisation and decided to use the ECC logo and refer to the new organisation’s certification by the

⁴³ First witness statement, paragraph 11(vi).

⁴⁴ First witness statement, paragraph 18(iv) and Exhibit WHR37.

⁴⁵ First witness statement, paragraph 10(i).

letters “ECC”. Following challenge from EFESC, the proprietor applied for trade marks to which he was not entitled. I find that the contested mark was applied for in bad faith.

OUTCOME

42. The application for a declaration of invalidity succeeds. Under section 47(6) of the Act, the registration is deemed never to have been made.

COSTS

43. The applicant has been successful and is entitled to a contribution towards the cost of these proceedings. It submits that:

“... given the protracted proceedings and the unnecessary time and cost burden that has been placed on the Applicant in this matter (having regard to the prior corresponding opposition decisions) the Applicant asks for an award of costs to be made ‘off-the-scale’ in the event of a decision in its favour.”⁴⁶

44. Section 68 of the Act provides that:

“(1) Provision may be made by rules empowering the registrar, in any proceedings before him under this Act-

(a) to award any party such costs as he may consider reasonable, and

(b) to direct how and by what parties they are to be paid.”

45. Rule 67 of the Trade Marks Rules 2008 is as follows:

⁴⁶ Written submissions in lieu of a hearing, paragraph 15.

“The registrar may, in any proceedings under the Act or these Rules, by order award to any party such costs as the registrar may consider reasonable, and direct how and by what parties they are to be paid.”

46. Tribunal Practice Notice (“TPN”) 2/2000, having referred to the leading case, *Rizla Ltd’s Application* [1993] RPC 365, states:

“In the light of *Rizla*, the Office considers that the existing legislation provides the power to operate a nominal cost regime or a full cost recovery regime – or anything in between – and that no legislative change is necessary to put in hand any revision of that sort.”⁴⁷

47. TPN 1/2023 has the following to say about off-scale costs:

“5. Notwithstanding the published scale, the Tribunal retains the discretion to award costs ‘off the scale’ to deal proportionately with unreasonable behaviour. It is not possible to set out all the circumstances in which a Hearing Officer might depart from the scale. It is worth clarifying through that just because a party has lost, this in itself is not indicative of unreasonable behaviour. Some examples of what might constitute unreasonable behaviour include a party seeking an (avoidable) amendment to its statement of case which, if granted, would cause the other party to have to amend its statement or would lead to the filing of further evidence. Other examples include behaviour designed to delay, frustrate or unreasonably increase the cost/burden on the other party and/or repeated breaches of procedural rules. Off-scale costs may also be awarded if a losing party unreasonably rejected efforts to settle a dispute before an action was launched or a hearing held, or unreasonably declined the opportunity of an appropriate form of Alternative Dispute Resolution.

6. The level of off-scale costs will, generally speaking, be commensurate with the extra expenditure a party has incurred as a result of the

⁴⁷ Paragraph 5.

unreasonable behaviour. Any claim for costs approaching full compensation or for 'extra costs' will need to be supported by a bill itemising the actual costs incurred. There may be some circumstances where costs below the minimum indicated by the published scale are awarded. For example, a party who does not follow a suggestion from the Hearing Officer as to the most efficient means of managing the case, may only be entitled to whatever award they would have received if they had followed the Hearing Officer's suggestion."

48. These proceedings have involved a larger number of evidence rounds than is usual. To a great extent, this has been a result of the applicant's choosing to rely solely on the decisions in the previous proceedings as its evidence-in-chief. I am satisfied that in so doing it was seeking to minimise the costs of the proceedings. The proprietor, however, was within its rights to defend the case, although I consider that there was a good deal of irrelevant evidence and the structure of Mr Robb's first witness statement in particular made it challenging to piece together the proprietor's account of events in a chronological fashion. In addition, it was apparent that the proprietor was in effect trying to re-litigate the earlier proceedings. A large part of the first witness statement set out where, in the proprietor's view, the previous Hearing Officer or the Appointed Person, had erred. The Registry granted permission for the proprietor to file further evidence to respond to the large volume of evidence-in-reply that had been filed by the applicant. However, a good deal of this evidence-in-reply repeated points that had already been made in the first witness statement. Nevertheless, all of this evidence had to be considered.

49. Consequently, I consider that this is a case in which an award of costs at the top of the published scale are appropriate for the evidence rounds and so I award the applicant the sum of £3150 as a contribution towards its costs. The award is calculated as follows:

<i>Preparing a statement and considering the other side's statement:</i>	<i>£300</i>
<i>Preparing evidence and considering and commenting on the other side's evidence:</i>	<i>£2200</i>
<i>Preparation of submissions in lieu of a hearing:</i>	<i>£450</i>

Official fees:

£200

TOTAL:

£3150

50. I therefore order A1 Arborists Ltd to pay European Forestry and Environmental Skills Council the sum of £3150. This sum should be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 2nd day of May 2023

Clare Boucher

For the Registrar,

Comptroller-General