

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 2068123  
BY MARK DOMINIC COOPER  
TO REGISTER A TRADE MARK  
**THE B-SAFE PROGRAMME & DEVICE**  
IN CLASS 35

AND IN THE MATTER OF OPPOSITION THERETO  
UNDER No 45740  
by AUBREY DANIELS & ASSOCIATES INC.

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AND IN THE MATTER OF OPPOSITION THERETO  
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10 **DECISION**

BACKGROUND

15 On 4 April 1996, Mark Dominic Cooper of 1060 Holderness Road, Hull, HU9 4AH applied under the Trade Marks Act 1994 for registration of the trade mark **THE B-SAFE PROGRAMME & device** (as shown below) in respect of the following goods in Class 35:

20 “Business management assistance; business management and organisation consulting; personnel management consulting; writing of business reports; professional business consultations; efficiency experts services; preparation of project studies relating to business managers; employment counselling; advisory services relating to the aforesaid services.”

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**THE B-SAFE PROGRAMME**

40 On the 22 October 1996 Aubrey Daniels & Associates Inc. filed notice of opposition to the application. The grounds of opposition are in summary:

45 i) The opponents are the registered proprietors of the mark B-SAFE in the USA in respect of educational training and consultations in the field of safety. The mark has been used under licence in the UK in respect of the same services.

ii) The trade mark applied for is incapable of distinguishing the services of the

applicant from those of the opponents, and is devoid of distinctive character the mark offends against Sections 1(1) and 3(1)(a) & (b) of the Trade Mark Act 1994.

5 iii) The opponents' mark is entitled to protection under the Paris Convention as a well-known trade mark. The opponents' mark therefore constitutes an earlier trade mark and the applicant should be refused under Section 5(2)(b) and 5(4) of the Trade Marks Act 1994

10 iv) The applicant's mark is similar to the opponents' registered trade mark and is for similar goods. It therefore contravenes Sections 5(2) and, by virtue of the opponents' reputation it also offends against Section 5(4) of the Trade Marks Act 1994.

15 v) the applicant has not shown satisfactory honest concurrent use of the mark applied for and accordingly offends against Section 7 of the Trade Marks Act 1994.

20 The opponents also requested the Registrar to exercise his discretion in their favour. However, under the Trade Marks Act 1994 the Registrar does not have a discretion to refuse trade marks as he did under the old law. A mark can only be refused if it is shown to offend against the requirements of the Act and Rules in one or more aspects. The applicant subsequently filed a counterstatement denying all of the grounds of opposition. Both sides ask for an award of costs. Both sides filed evidence in these proceedings and the matter came to be heard on 11 May 1999 when the applicant was represented by Mr Mitcheson of counsel, instructed by the trade mark agents Forrester Ketley, and the opponents by Mr St. Ville of counsel, instructed by the trade mark agents Swindell & Pearson.

#### OPPONENTS' EVIDENCE

30 This takes the form of two statutory declarations. The first of which is by Mr John Domenick, dated 7 April 1997, who is a director of Aubrey Daniels & Associates Inc., the opponents in these proceedings. Mr Domenick has been associated with the opponents since March 1991. He states that the opponents and Baker Davis Management Consultants (BDMC):

35 "had a somewhat informal business association, and that, from around 1987, BDMC had been using the opponents' concepts in the UK. In October 1994, the opponents granted BDMC an exclusive licence to market the opponents' wide range of behaviour based services in the UK, including the exclusive rights to the B-SAFE programme."

40 He also confirms that Mr Robert Vernon Baker is authorised to include in his declaration information concerning the opponents, in his capacity as Managing Director of the opponents' exclusive UK licensee, BDMC.

45 The second statutory declaration is by Mr Robert Vernon Baker, dated 7 April 1997, who is the Managing Director of Baker Davis Management Consultants Ltd (BDMC). Mr Baker has held an executive position in this firm since 1979. He confirms that BDMC has had an exclusive licence in the UK since October 1994 from Aubrey Daniels & Associates (ADA).

Mr Baker states that ADA was formed in the USA in 1972 by Dr Aubrey C Daniels, a former clinical psychologist. ADA is a firm of management consultants offering applied behaviour analysis solutions to industrial and commercial problems, specifically problems relating to employee behaviour. He claims that Dr Daniels “has a high reputation in this field of specialism.”

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Mr Baker claims that in 1988 / 89 ADA designed and developed a process, known as B-SAFE, relating to providing industrial undertakings with a methodology for improving employee safety in the workplace. He states that the methodologies were developed from a branch of psychology called Applied Behaviour Analysis, and hence the “B” in B-SAFE is an abbreviation of Behaviour. A copy of an ADA 1989 US brochure is provided at exhibit RVB1 and clearly shows the B-SAFE trade mark.

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According to Mr Baker the success of the methodology has lead to it receiving a great deal of recognition and publicity. He states that “in weighing the relative market awareness of ADA and their B-SAFE programme, it needs to be recognised that these programmes operate in a specialised niche market and not in the broader public domain”. He further claims that major corporations such as Chrysler, Dow Chemicals, Dupont, GTE, Nippon Industries and Shell Oil have implemented the B-SAFE programme. It is claimed that these corporations operate across international boundaries and have adopted the management systems throughout their subsidiaries. Turnover and advertising figures for the B-SAFE mark in the USA are provided by ADA at exhibit RVB2. These show the following:

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YEAR	SALES \$	ADVERTISING \$
1989		3,000
1990		2,500
1991		2,000
1992	60,000	2,300
1993	72,000	3,000
1994	127,000	3,000
1995	800,000	15,000
1996	750,000	34,000

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Sales figures for the years 1989 - 1991 were not provided. It is stated that advertising and promotion in the USA has been carried out via magazines and exhibitions. Two magazine articles about the system are attached, at exhibit RVB4, as are brochures produced by ADA.

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Mr Baker claims that “ADA therefore have a long-standing involvement with the name B-SAFE, having established it within a specialist market sector across the United States and in the UK and Europe through the implementation of the methodology in major corporations having overseas subsidiaries. I believe B-SAFE is internationally well known as a brand name used by ADA.”

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An application to register the mark B-SAFE was made by ADA in the USA on 6 September 1996, and is still pending. An application for the mark and also the mark and logo has been filed in the UK, (no date is provided).

5 Mr Baker comments on the relationship between ADA and BDMC:

10 “Prior to October 1994 ADA and BDMC had what could be termed an informal association. From around 1987, BDMC had been using ADA’s concepts in the UK. As early as 1991 /2, BDMC had been testing existing clients’ reactions to B-SAFE concepts, most notably with the chemical company Laport Industries PLC. In October 1994, ADA granted BDMC an exclusive licence to use ADA methodology and programs in the UK. This licence included the exclusive rights to the B-SAFE program as well as a wide range of other behaviour based services. On formalising the relationship with ADA in 1994, BDMC again tested market reactions to B-SAFE through a series of selective mailings and the submission of proposals to Hickson Fine Chemicals Ltd.”

20 Copies of these mailings are produced at exhibit RVB5, and show BDMC writing to clients about the B-SAFE programme. These letters are dated between 27 June 1995 and 26 September 1996. There are seven letters in total, of which only four are dated prior to the relevant date and refer to the B-SAFE program. Most of the copies are on plain paper, although some are on headed paper bearing the BDMC name and logo. It seems likely that all the originals would have been on similar headed notepaper. The letters which make up exhibit RVB5 are the subject of a confidentiality order, the copies available for inspection have therefore been masked to prevent identification of the recipients.

25 Regarding the UK market Mr Baker claims that:

30 “ The 1994 licence agreement has been particularly successful for BDMC. It has greatly increased the awareness and usage of ADA based processes in the UK, and led to the formation of an active UK user group. BDMC is committed to an ambitious five year business plan which anticipates sales turnover increasing by 600% in that period. A substantial part of those sales is based on the UK’s uptake of B-SAFE. By granting the exclusive licence to BDMC, ADA have established a reputation for goodwill for the B-SAFE name in the UK, although BDMC initial soundings from potential clients indicated that, in the short term, BDMC would be best served by concentrating on promoting ADA’s range of services other than B-SAFE. Experience of operating in this specialist consultancy field has shown that there is lag of at least seven years in the application of applied behaviour analysis techniques in the UK compared with the USA.”

40 Mr Baker comments that the applicant does not always use the bee device in pamphlets and marketing letters. He provides an instance of a letter from the applicant where the “B-Safe programme” is referred to in the text without the use of the “bee” device. He also claims that the applicant, Dr Cooper, is well read in the field of behavioural analysis, and that statements made by the applicant in his brochure show that the applicant is aware of other consulting companies offering behavioural based safety processes. Mr Baker claims that “inevitably such consulting companies are US companies or subsidiaries of US companies”.

According to Mr Baker, Dr Aubrey Daniels (the founder of the opponents) “can be regarded as a leading member of the second generation of behavioural scientists”. A form containing details of Dr Daniels confirming him as being eminent in his field has been signed on behalf of seven educational establishments in the USA. Also a copy of a seventeen-page booklet entitled “Designing and managing an organisation wide incentive pay system“ contains a reference to a book written by Dr Daniels. In view of this evidence Mr Baker claims that “it is therefore inconceivable that Dr Cooper could have completed his research and development on his B-SAFE program without encountering references to the work of Dr Daniels, ADA, and the ADA B-SAFE methodology”.

Mr Baker further states that use by the applicant of the trade mark applied for would cause confusion and could be detrimental to “the established ADA/BDMC reputation in the program name B-SAFE”.

A letter from Dr N T Byrom at the Health and Safety Executive (HSE), exhibited at RVB 10, confirms that the HSE became aware of behaviourally based safety programmes in 1989 following a visit to a Dupont company in the USA. The writer states that he first became aware of the work of the opponents through contact with a company in the UK. In October 1994 during another visit to the USA the writer was informed that the opponents were marketing a behaviourally based system for health and safety and wrote to ADA in the US. The reply, received in January 1995 from the USA, included a booklet which mentioned the B-SAFE program, this was the first time Dr Byrom became aware of the mark. The letter from ADA in the USA referred the HSE to BDMC and a meeting in the UK took place on 10 May 1995. The letter also refers to a behaviourally based safety programme devised by Behavioural Science Technology Inc. of Ojai, California which was being used by a number of US companies in August 1990. Mr Baker claims that the letter from the HSE confirms his view that “any research in this specialist field is bound to lead to the door of Dr Daniels and thence to ADA’s B-SAFE program. As the HSE are aware of the latter, they can be expected to raise further awareness of this methodology in the UK, impartially and without prejudice, through their advisory services”. The letter from Dr Byrom does not state that the HSE promoted the scheme.

The letter from the HSE is unsworn and therefore the weight given to this evidence has to reflect this fact.

Finally, Mr Baker asserts that the registration should not be allowed as “I do not believe Dr Cooper can claim to have derived the brand name. His research would inevitably have come across the B-SAFE program of ADA, in the same way as did the similar research of HSE”.

#### APPLICANT’S EVIDENCE

This consists of a statutory declaration by Dr Mark Dominic Cooper, dated 11 November 1997.

Dr Cooper states that he is a doctor of Philosophy and a chartered psychologist, specialising in the field of behavioural safety. He states that he began working in the field of behavioural safety in November 1989 as part of a research team at the University of Manchester Institute of Science and Technology (UMIST). This work continued until March 1992 and resulted in fifteen joint authored scientific publications. He was involved in phase II of the work funded by the HSE from

December 1992 to July 1993. This second phase resulted in a further five joint authored scientific publications.

5 He claims that from May 1992 to January 1993 he undertook behavioural safety consultancy work for Courtaulds Cellophane. The system installed was called TABS (Thinking and Behaving Safely). Dr Cooper claims that B-Safe is imbedded within this (as underlined). He also developed a Safety Management System Audit and a measure of Safety Climate within the offshore industry. In July 1994 he states he was approached by Courtaulds Chemicals to measure safety climates within three plants and to install a behavioural safety system. Dr Cooper says that in September 10 1995 he presented a paper to the North East Regions Chemical Industries Association meeting. This meeting was attended by more than forty different chemical companies and was the first public launch of the B-Safe programme system at an industry event.

15 Dr Cooper provides a list of eight well-known federations, institutes and societies that he has made presentations to regarding the B-Safe programme. He claims to have given presentations to senior management teams in “blue chip” companies during 1995 - 1997. As a result of advertising in the safety press Dr Cooper claims to have received over 500 enquiries from within the UK and also from overseas.

20 Dr Cooper provides a copy of his thesis at exhibit MDC1 to demonstrate that the work of Dr Daniels was not included in his references and he also states that in his subsequent work for the HSE in the field of behavioural safety he did not come across the work of the opponents.

25 Dr Cooper makes the following claims regarding the statutory declaration of Mr Baker:

a) The licence between ADA and BDMC is said to relate to the use of ADA’s methodology and concepts in relation to all the services it offers. It does not specify what the methodology is, what its concepts are or what specific services the licence is supposed to cover.

30 b) The many references to ADA are all related to work carried out by ADA in the USA and not in the UK. Also the opponents do not specify what problems relating to employee behaviour they are addressing with their methodologies and concepts.

35 c) The Opponents did not lead in the design or development of the methodologies for improving safety behaviour in the workplace. Three items of literature are produced as evidence of others working in this field who were the innovators. The literature carries no acknowledgements to Dr Daniels.

40 d) He claims that rather than operating in a niche market as claimed by the opponents, the programmes operate in the broader public domain. In support of his claim he lists two publications and numerous reports in the Safety and Health Practitioner ( which has a circulation of 25,000). He states that to the best of his knowledge ADA / BDMC have never written about or advertised their version of B-Safe in this journal or any other UK safety journal. He also gives examples of conferences / seminars on behavioural safety to show that this field is clearly in the wider public domain.

45 e) Dr Cooper claims that in December 1994 and early 1995 his work was publicised in the Safety

and Health Practitioner and that Institution of Occupational Safety & Health (IOSH) gave him an award for his work in implementing such programmes.

5 f) Dr Cooper questions the opponents claims regarding the trickle-down of systems from corporate level into subsidiaries. He claims that the two companies mentioned as corporate clients by the opponents (Shell & Dupont) operate internal safety systems. A brochure from a Shell UK safety conference dated July 1997 is exhibited at MDC6 as evidence. This brochure does not mention ADA or BDMC.

10 g) The opponents claim to have a long-standing involvement in the UK is challenged. Dr Cooper claims that ADA / BDMC are not known in the UK market or to UK researchers and as evidence provides at exhibit MDC 7 a technical data sheet (dated March 1997) on behavioural safety issued by IOSH which has no reference to the opponents.

15 I note that this document is dated after the relevant date, but in my view this does not invalidate it. The opponents claim to be still actively involved in this field, and their omission almost twelve months after the relevant date casts doubt on their claim to reputation at the earlier date.

20 h) Dr Cooper questions the lack of activity by the opponents to register the B-Safe mark and claims that exhibit RVB4 shows that ADA was aware of the US registration by Anne Pinney.

I note that exhibit RBV4 contains a US magazine "Performance Management" dated 1992 which was published by ADA and contained an article about B-safe and mentions Anne Pinney as working with the product. At the time she appears to have been an employee of ADA.

25 i) Dr Cooper claims to be acting for Laporte Industries Plc (subsequently known as SCM Chemicals which are now known as Millennium Inorganic Chemicals). He also refers to a conference in 1991 run by Dr Krause of BST. The work carried out by Dr Krause and Dr Cooper with companies subsequent to this conference was prior to the licence agreement between ADA & BDMC in October 1994. Thus, he continues, while others were implementing behavioural safety programmes, BDMC was only testing existing clients' reactions to the concept.

30 j) The reference to a UK User Group by the opponents is questioned as to its intended purpose or function. It is also claimed that its existence is not well known in the UK. Dr Cooper also questions the assertion regarding growth, and vents his doubts as to whether BDMC has effected any sales in the UK. He contrasts this with his own activities of writing articles and carrying out work for clients, recognised by his award by the IOSH.

40 k) Dr Cooper comments on the statement by the opponents in paragraph nine of Mr Bakers statutory declaration that "BDMC would be best served by concentrating on promoting ADA's range of services other than B-Safe". This he claims is an admission that BDMC has not used the B-SAFE mark in the UK.

45 l) Dr Cooper claims that the "bee-device" is an integral part of the trade mark and is used on all documentation. He states that the reason it does not appear in the letter put forward by the opponents is because the trade name appears in the body of text on an information sheet, which is an inappropriate place for a logo.

m) The opponents' assertion that consulting companies offering behavioural safety based programmes are inevitably US companies or subsidiaries of US companies is challenged. He lists four other UK companies offering services in the same field.

5 n) Whilst accepting that Dr Daniels has obviously carried out work in the behavioural safety field as witnessed by the testimonials, Dr Cooper denies that Dr Daniels is well known in the UK and reiterates his claim never to have come across his work.

10 o) Regarding the letter from Dr Byrom of the HSE, Dr Cooper claims that the HSE was first involved in the field of behavioural safety by UMIST in 1986 /87. Therefore, the HSE was aware of this area of activity sometime prior to Dr Byrom's visit to the USA in 1989.

15 p) Dr Cooper makes a number of detailed points regarding the letter from Dr Byrom, which I do not believe are particularly useful or relevant apart from the fact that a single member of the HSE being aware of the opponents does not equate to all of the HSE being aware of them. Also, the HSE whilst bringing new ideas to peoples attention is specifically barred from recommending any individual companies or programmes.

20 Finally Dr Cooper points out that he has advertised his business by way of the trade mark and has made sales in the UK and overseas markets. He also provides evidence of advertising carried out subsequent to his application.

#### OPPONENTS' EVIDENCE IN REPLY

25 This consists of a further statutory declaration by Mr Baker, dated 13 February 1998. In this declaration Mr Baker reaffirms that ADA designed and developed their process known as B-SAFE in 1988 / 89. He also claims that BDMC has been using ADA's concepts in the UK from around 1987. He claims that he first became aware of the ADA B-SAFE process in 1990 / 91.

30 Mr Baker confirms that in 1991 /92 BDMC had been testing UK clients' reactions to B-SAFE concepts. He states that the testing with Laporte Industries involved the use of exhibit RVB1 which clearly shows the B-SAFE mark, and it is from this that he justifies his claim that the ADA B-SAFE process was known to others in the UK. It is not clear whether the brochure and name B-SAFE (as opposed to "concepts") were known to any other clients of BDMC at this time.

35 A letter from ADA dated 24 June 1996 is provided at exhibit RVB11 and referred to by Mr Baker as "a copy of the agreement". In fact the letter confirms that with effect from 1 October 1994 BDMC have been granted exclusive rights to "present, market and deliver the services and products of Aubrey Daniels & Associates Inc. in the United Kingdom". The letter refers specifically to "Performance Management" and "B-SAFE". The letter is signed by Mr Domenick on the behalf of the opponents.

40 A profile of Dr Daniels, which was used as part of a recent leaflet advertising a seminar, is filed at exhibit RVB12. Also listed are four books (three of which are exhibited) which include Dr Daniels' books in the acknowledgements section.

45 Mr Baker claims that the circulation figure of 25,000 for the magazine The Safety and Health

Practitioner (provided by Dr Cooper) proves that the programmes in question operate in a niche market contrary to the claims of the applicant.

5 Regarding the applicant's comments on the question of whether major corporations adopt successful management systems throughout their subsidiary networks. Mr Baker claims his company and ADA deal with major corporation clients at corporate level and that if systems at that level are successful then subsidiaries would be ordered to adopt the systems. Mr Baker points out that if the applicant does not deal with clients at a corporate level then the applicant would be unfamiliar with such systems. As an example of the corporate approach, Mr Baker instances 10 Amoco Corporation who have recently decided to implement the ADA B-SAFE programme in its plants in 35 countries. The exhibit, at RVB14, states that "Other Amoco locations including Feluy in Belgium, Amoco Norway and Denver, USA are planning to use B-Safe".

15 Mr Baker also confirms that the management systems implemented by ADA and BDMC under the B-SAFE programme are safety based.

20 Mr Baker states that ADA has filed to cancel US Trade Mark Registration 1994519 filed by Anne Pinney as she was an employee of ADA involved in the development and implementation of the B-SAFE programme. A copy of the Petition for Cancellation is provided at exhibit RVB15. The Petition for Cancellation shows that Anne Pinney resigned from ADA on 12 March 1993, and filed for the trade mark registration on 10 November 1994. Mr Baker also states that "while the trade mark B-SAFE has obviously proved to be registrable in the USA, it was anticipated that the UK Registry would take the view that the trade mark is non-distinctive. It is possible to overcome such an anticipated objection by filing the trade mark application after the trade mark has been 25 in use for such a time that the mark has become sufficiently distinctive for registration by virtue of such use".

30 Regarding the applicant's references to Laporte Industries. Mr Baker claims that Laporte was not subsequently known as SCM Chemicals and is not now known as Millennium Inorganic Chemicals. He claims that the applicant is involved with one of Laporte's former chemical plants which was sold off.

35 Mr Baker claims that Dr Krause and his company BST are ADA's major competitor and so he is not surprised that Dr Krause should not give ADA or Dr Daniels any free publicity. To illustrate that Dr Daniels has prominence in the filed in question a copy of a press announcement of a recent conference in the USA is provided which shows Dr Daniels "billed" alongside Dr Krause and two others.

40 Referring to the "UK User Group" Mr Baker claims that this group "comprises UK representatives of twelve well known and well established BDMC UK client companies who are using a variety of the behaviour-based products and services marketed by BDMC under the ADA licence. The User Group is not limited to users of the B-Safe programme. The User Group meets regularly for exchange of information and ideas in relation to applications of behavioural science to the workplace."

45 Mr Baker points out that although the applicant claims to have been using the B-SAFE mark since May 1995, in his declaration Dr Cooper states that the first public launch took place in September

1995. Mr Baker also refutes the applicant's comments on the letter from the HSE.

Regarding direct advertising, Mr Baker confirms that the opponents have chosen not to advertise direct as they feel it is not an effective media for promoting their services. He states that they expect to obtain assignments for B-SAFE "via ADA's international reputation in the field. The appointment by Amoco is evidence of this."

Mr Baker exhibits at RBV17 a list of seminars in the USA, including one where the mark B-SAFE is used to identify a particular behavioural safety programme, as proof of use of the B-SAFE mark by ADA.

Finally, Mr Baker states that:

"It has been difficult to persuade UK companies to implement such concepts. ADA and BDMC were aware of the sluggish nature of the UK marketplace and have planned accordingly, without becoming involved. The ADA/BDMC strategy of implementing systems at corporate level does have the result that when the B-SAFE system has been successfully implemented at that level, the system is also implemented throughout the subsidiary network, thus making the system and the trade mark known to others in the UK. In view of the reputation of Dr Daniels and ADA both within and outside the USA it is clear that most people in the UK interested in the field in question would quickly become aware of ADA / BDMC and their management systems. Use by Dr Cooper of B-Safe within the trade mark of his application will not distinguish the services he markets from those of ADA / BDMC, and registration of the trade mark by Dr Cooper will lead to confusion".

That concludes my review of the evidence. I now turn to the decision.

## DECISION

The first grounds of opposition are under Section 1(1) and Section 3(1)(a) of the Trade Marks Act 1994 these state:

*"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."*

AND

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

*(a) signs which do not satisfy the requirements of section 1(1)."*

The opponents have offered no evidence as to why the mark cannot function as a trade mark. The opposition under Sections 1(1) & 3(1)(a) therefore fails.

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The next ground of opposition is under Section 3(1)(b) which states:

*3(1)(b) trade marks which are devoid of any distinctive character,*

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Jacob J has also provided some guidance on the meaning of Section 3(1)(b). In *British Sugar Plc v James Robertson and Sons Limited (TREAT)* 1996 RPC 281, he said -

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“Next is “Treat” within Section 3(1)(b). What does *devoid of any distinctive character* mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark? A meaningless word or a word inappropriate for the goods concerned (“North Pole” for bananas) can clearly do. But a common laudatory word such as “Treat” is, absent use and recognition as a trade mark, in itself (I hesitate to borrow the word *inherently* from the old Act but the idea is much the same) devoid of any distinctive character.”

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The mark in question is THE B-SAFE PROGRAMME & DEVICE. The opponents argued that in oral use the applicant’s mark would be mistaken for their own. However, this is not a relevant ground of opposition under this Section. They also put forward the proposition that the mark was a two-natured mark in that when seen in printed form the device added distinction, whereas when used orally the mark was very similar to the opponents’ mark. They therefore sought a disclaimer of the words “THE B-SAFE PROGRAMME”. The applicant declined to agree to a disclaimer.

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The Registry practice on disclaimers is clearly stated at Chapter 6, Paragraph 31 of the Trade Marks Registry’s Work Manual. This states that while disclaimers are acceptable “the offer of a disclaimer will not, in itself, influence the decision on the acceptability of a mark”. There is no provision whereby the Registrar can impose a disclaimer as a condition of registration, even if I were minded to do so. In my opinion the mark applied for is clearly fanciful and is distinctive in character. The opposition under Section 3(1)(b) of the Act fails.

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Next, I turn to the ground of opposition under Section 5(4) which states:

*“5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -*

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*(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*

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*(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.”*

In deciding whether the mark in question “THE B-SAFE PROGRAMME & DEVICE” offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the WILD CHILD case (1998 14 RPC 455). In that decision Mr Hobbs stated that:

*“The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art.4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the Applicant in accordance with the law of passing off.*

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

*‘The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:*

*(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;*

*(2) that there is a misrepresentation by the defendant ( whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and*

*(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.*

*The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of “passing off”, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.’*

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

*To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual*

*elements:*

*(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and*

*(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.*

*While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.*

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

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

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

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

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

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

*In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."*

With these considerations in mind I turn to assess the evidence filed on the behalf of the parties in the present proceedings as set out earlier in this decision, and the arguments put forward at the hearing. I will consider these under the three main headings of Goodwill, Misrepresentation and Damage.

## GOODWILL

For the opponents Mr St. Ville claimed that his clients had sold their B-SAFE product at a corporate level with various multinational companies in the USA. As a result the various subsidiaries of these corporations around the globe would, perforce, use the same product. Therefore, Mr St. Ville contended, by showing that a corporation such as Amoco had used the product at a corporate level and approved of it, if they had a subsidiary in the UK then goodwill in the UK was said to have been established. Mr St. Ville contended that whilst corporations do not order their subsidiaries to use such products, they would inform them that a product or service was the "corporate preferred tool". For the applicant, Mr Mitcheson referred to *Anheuser Busch Inc. v Budejovicky Budvar N.P.* [1984] FSR 413, otherwise known as the Budweiser case. He likened the subsidiaries to the US Airforce bases in that case and contended that the subsidiaries should not be considered as UK customers. In my opinion both these views are

5 flawed. The fact that an international company has, at corporate level, purchased and approved a product or service under a mark and refers to it as the “corporate preferred tool” does not automatically generate goodwill in every country in which it has a subsidiary or place of business. If a service has been purchased under a mark by a party (wherever that party is situated) with the intention that the services be provided to customers in the UK the transaction may generate goodwill in the UK.

10 However, the mere purchase of services under the mark by international companies who have UK subsidiaries does not, of itself, generate any goodwill in the UK. It is for the opponents to establish that such transactions produced customers in the UK who relied upon the mark. The evidence does not support such a finding.

15 This view is supported by the comments of Graham J. in the case of *Pete Waterman Ltd v CBS United Kingdom Ltd* [1993] EMLR 27, when he said:

20 “The presence of customers in this country is sufficient to constitute the carrying on of business here whether or not there is otherwise a place of business here and whether or not the services are provided here. Once it is found that there are customers, it is open to find that there is a business here to which the local goodwill is attached.”

25 Further, in *Athletes Foot Marketing Associates v Cobra Sports Ltd* [1980] RPC 343 Walton J concluded:

30 “It does not matter that the plaintiffs are not at present actually carrying on business in this country provided that they have customers here. Equally, it is of no moment, if they have no customers here, that they have a reputation in the general sense of the word in this country. It is also of no moment that that reputation may have been brought about by advertising: this can be of no moment unless (as it did in the C&A case) it brings in customers, when, of course, once again there is no need to rely upon it.”

35 Lastly, the members of the Court of Appeal in the *Budweiser* [1984] FSR 413 case regarded the presence of customers in this country as the key to the question whether the requisite goodwill had been established and Oliver LJ in particular thought Walton J’s finding helpful but pointed out that it:

40 “...needs, in the light of authorities, to be approached with the caveat that ‘customers’ must not be read restrictively as confined to persons who are in a direct contractual relationship with the plaintiff, but includes the persons who buy his goods in the market.”

45 Mr St. Ville also went on to state that BDMC had been using ADA’s concepts for a number of years and had numerous clients in the UK. These same clients were informed about the B-SAFE product as part of a range of services on offer by a series of selective mailings. Again he claimed that this established goodwill for the product amongst these existing clients. Whilst the evidence indicates that the company did market the product to existing customers the only concrete evidence of this is the copies of four letters prior to the relevant date which mention the B-SAFE product. Reference was made to *BBC v Talbot Motor Company Ltd* [1981 FSR 228] in which it was held that although no sales of a product were made a significant proportion of the relevant

population knew about the product through advertising and this generated goodwill. It is my view that the opponents have not proved that they meet this requirement. The USA and global use does not assist because there is no evidence that it generated customers in the UK who became familiar with the B-Safe name and services provided under it. The opponents are therefore reliant on the use by BDMC in the UK. Advertising alone can be sufficient in an appropriate case but the evidence here is too vague to support a finding that the B-SAFE name identified the services of ADA or BDMC at the relevant date.

The opponents have provided evidence themselves that they are not actively promoting the B-SAFE programme in the UK. In his statutory declaration Mr Baker states: "BDMC initial soundings from potential clients indicated that, in the short term, BDMC would be best served by concentrating on promoting ADA's range of services other than B-SAFE". In the absence of any sales figures or any other form of advertising or marketing it is my opinion that the opponents have not proved that they have goodwill in the UK.

The finding on goodwill is enough for the opposition under Section 5(4) to fail, as misrepresentation is only relevant if the opponent has established goodwill. However, in case I am wrong on the finding that the opponents have no goodwill under the mark in the UK I will go on to consider misrepresentation.

#### MISREPRESENTATION

The opponents have commented critically on Dr Coopers claim never to have heard of the opponents or their B-SAFE product prior to this action and cast doubt on how he arrived at his trade mark. However, Dr Cooper has provided an explanation of how he arrived at the trade mark in suit. He has also provided a copy of his thesis which shows no reference to the opponents. There is no evidence provided by the opponents to show that Dr Cooper had been sent literature by ADA or attended a lecture by Dr Daniels. Nor is there evidence that Dr Cooper encountered B-SAFE as a trade mark being used by Dr Daniels or the opponents. The opponents have in my view failed to show that Dr Cooper deliberately set out to mislead.

To succeed under this heading however the opponents only have to show that the public will believe the services offered by the applicant are services of the opponents. The relevant public in this case are companies responsible for employee safety. The customer pays for the services of a consultant who assists the company to implement behavioural analysis solutions to industrial problems specifically relating to employee behaviour and safety. Such a service is unlikely to be entered into without a number of presentations and discussions. The customers are likely to be far more discerning and sophisticated than the average member of the public. I note that the applicants' mark is a composite mark with a strong device element and the word & letter B-SAFE which are not particularly distinctive for the services at issue because they are a minor variation on the exhortation "be safe".

The established use of B-SAFE in the UK (mainly the letters in RVB5) used B-SAFE as the title of a safety programme, the BDMC name and logo appears to identify the origin of the services. The only use of B-SAFE in the UK as a trade mark which has been identified is on the brochure at RVB1 claimed to have been shown by BDMC to Laporte Industries in 1991/ 2. There is insufficient evidence that the applicants' use at the relevant date would have led to confusion and deception amongst a substantial number of persons. This is an established legal position upheld

recently in the case of Neutrogena / Neutrialia [1996] RPC 473.

#### DAMAGE

It is accepted that if there is no confusion between the products and services there can be no damage.

I am not persuaded that at the relevant date, 4 April 1996, the opponents had acquired goodwill under the B-SAFE mark in relation to services in Class 35. If I am wrong about this, I am also not convinced that members of the relevant public would have confused the services of the applicant for those of the opponents. The opposition under Section 5(4) therefore fails.

At the hearing it was argued that even if I found that the opponents had no goodwill in the UK the opponents could still win a passing off case as theirs was a famous mark under the Paris Convention. I therefore turn to the ground of opposition under Section 5(2) which is as follows:

*“5.- (2) A trade mark shall not be registered if because -  
(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 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.”*

An earlier right is defined in Section 6, the relevant parts of which state

*6.- (1) In this Act an ‘earlier trade mark’ means -*

*(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,  
(b)...  
(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention as a well known trade mark.”*

Section 55 of the Trade Marks Act 1994 states:

*The Paris Convention: supplementary provisions*

*55.-(1) In this Act-*

*(a) “the Paris Convention” means the Paris Convention for the Protection of Industrial Property of March 20<sup>th</sup> 1883, as revised or amended from time to time, and*

*(b) a “Convention country” means a country, other than the United Kingdom, which is a party to that Convention.*

Although the opponents have shown that they enjoy goodwill and reputation in the USA that reputation would appear to reside in ADA or Dr Daniels rather than in B-SAFE. I also note that the stated advertising budget for the USA is minuscule, averaging only \$4,400 per annum in the seven years prior to the relevant date. Whilst many claims were made to the effect that the opponents enjoyed world renown for their product no independent testimony was provided. The opponents have failed to prove that their trade mark B-SAFE is well known in the UK and are therefore not entitled to protection under the Paris Convention under Section 5(2)(b) and 5(4). These grounds of opposition therefore fail.

Finally I turn to the ground of opposition under Section 7 of the Act which states:

*“7. - (3) For the purposes of this section “honest concurrent use” means such use in the United Kingdom, by the applicant or with his consent, as would formerly have amounted to honest concurrent use for the purposes of section 12(2) of the Trade Marks Act 1938.”*

As I have found earlier that the opponents have no goodwill in the UK the question of honest concurrent use is not applicable. The ground of opposition under Section 7 is therefore irrelevant.

The opposition having failed the applicant is entitled to a contribution towards their costs. I order the opponents to pay them the sum of £1435

Dated this 12 day of July 1999

George W Salthouse  
For the Registrar  
The Comptroller General