

**O-199-17**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 3131845**

**BY**

**STEVEN JAMES CALLAGHAN**

**TO REGISTER THE TRADE MARK**

**The Offsite Construction Show**

**IN CLASS 35**

**AND IN THE MATTER OF OPPOSITION THERETO**

**UNDER NO 406012**

**BY COGENT CONSULTANCY LIMITED**

## **BACKGROUND**

1. On 16 October 2015 Steven James Callaghan applied to register the words “The Offsite Construction Show” as a trade mark. The application was published for opposition purposes on 13 November 2015 for the following services:

**Class 35:** Trade shows (arranging of-); Trade shows (conducting of-).

2. The application is opposed in full by Cogent Consultancy Limited (“the opponent”) who are represented by Barker Brettell LLP. The grounds of opposition were originally founded on Sections 3(1)(a), (b), (c) and (d) of the Trade Marks Act 1994 (“the Act”) but the opponent subsequently confirmed that the objection under 3(1)(a) was withdrawn. For the sake of economy, and for reasons which will become apparent, it is necessary only to set out the respective arguments relevant to the grounds under Sections 3(1)(b) and (c). In this connection, the opponent states (reproduced as written):

### **Section 3(1)(b)**

“The opponent submits that the application cannot act as an indication of origin in relation to “Trade shows (arranging of-); Trade shows (conducting of-)” as “The Offsite Construction Show” falls foul of the descriptiveness provision and therefore must be held non-distinct. It is a sign which is devoid of any distinctive character lacking in any element of stylisation and being non-distinct and so is incapable of performing the essential function of a trade mark, namely that of identifying the origin of the services provided, enabling a repeat experience”.

### **Section 3(1)(c)**

The opponent submits that the application is descriptive of the services designated, namely “Trade shows (arranging of-); Trade shows (conducting of-)” in that it designates the “kind”, “purpose” and other characteristics of the services

for which registration is sought. “The Offsite Construction Show” would be used, in normal usage from the point of view of the target public to designate, either directly or by reference to one of their essential characteristics, the services in respect of which registration is sought.”

3. Mr Callaghan filed a counterstatement in which the basis of the opposition is denied.

4. The opponent filed evidence and Mr Callaghan filed written submissions in lieu of filing evidence in reply. The evidence initially filed by the opponent exceeded the level stated in Tribunal Practice Notice (TPN) 1/2015; following a Case Management Conference (CMC) which was held on 13 October 2016, the opponent re-filed its evidence within the limits set. This will be summarised or referred to later in this decision to the extent that it is considered necessary. Neither side asked to be heard but the opponent filed written submissions in lieu of attendance at the hearing.

### **Opponent’s evidence**

5. This takes the form of a witness statement by Darren Richards, the opponent’s Director. Mr Richards has held this position since the incorporation of the opponent’s business in 2009. The witness statement contains a mixture of evidence and submissions, I will not repeat the submissions here but will bear them in mind.

6. Mr Richards’ evidence seeks to demonstrate that “offsite construction” is a term used in the construction industry. He refers to three government reports which were published in the late 1990s. These, it is said, advocated the use of prefabrication and off-site technology in construction and helped coin the term “off-site manufacturing”. The reports themselves are not in evidence.

7. In 2000 Mr Richards set up Mtech (Services) Group “a specialist offsite construction consultancy practice” which, he states, became “globally recognised as a centre of expertise in offsite construction”. Mtech’s work with clients and the UK Government

spawned a number of initiatives involving the use of what is described as “offsite construction technology” to deliver subsidised houses, education and healthcare facilities. A number of large “offsite construction” events were delivered in 2002-2005; these include the “Spotlight on Offsite” conference programme owned by Mtech, the “Offsite Solutions Zone” at Interbuild (which is describes as the UK’s largest construction show) and an “Offsite” exhibition in 2003-2007. No further details of these events are provided.

8. Mr Richards says that in 2005 a trade body for the “offsite construction” industry was established; this was named BuildOffsite and Mr Richards was a founding board member. BuildOffsite is described as “a global communication entity with over 100 member companies focused on promoting construction offsite”. Mr Richards directs me to the website [www.buildoffsite.com](http://www.buildoffsite.com) and to the Wikipedia definition of “offsite construction”, however, I have not accessed either resource. If he had wished to rely on any particular content from these websites, he should have included the relevant pages in his evidence not least so that there is no doubt that all parties have had sight of the same material. Finally, Mr Richard refers to the Offsite Construction (OSC) Magazine which, it is said, was published quarterly from 2005 to 2009, however, neither its geographical coverage nor distribution levels are given.

9. Mr Richards states (reproduced as written):

“For clarity –‘Offsite construction’ relates to the building of structure in different locations to the final location of use; hence the building is being construed in an offsite location. The term ‘offsite construction’ has been used in the construction industry since circa 2000 and it is a well-known term used in the likely of government plans and published papers.”

And

“I appreciate that this trade mark application is for THE OFFSITE CONSTRUCTION SHOW and not just the words OFFSITE CONSTRUCTION but it seems wrong that one party can monopolise a term which is purely

descriptive. As I have demonstrated through the content of my witness statement and the supporting evidence, there are many companies in the construction industry who are supportive of this opposition and who agree that 'offsite construction' is a term which should be free for use by all. I hope that I have been able to provide sufficient background information on the construction industry, on the views of the different sub-categories of the industry, to demonstrate that THE OFFSITE CONSTRUCTION SHOW is an entirely descriptive and generic term. Offsite construction is a recognised concept which has been in existence and common use in trade for at least 15 years".

10. The following exhibits are provided in support:

- At DR1, copies of 24 "letters of concern" from UK companies and associations (as inferred from the UK addresses) which Mr Richards says operate in "the offsite construction industry". Whilst there is no indication, in the letters themselves, of what the business of these companies involve, it is possible to deduce from a number of logos and/or slogans that most of them actually operate in the construction industry. These include: Elliott (world leader in modular space & secure storage solutions), Portakabin (which is shown offers "offsite construction building solutions"), McAvoy (Think Smart. Build Smart), Offsite Solutions (Factory Built Bathrooms), Offsite Build Group, B & K Structure (Structural Timber & Steelwork Engineered By Design), NG Bailey Offsite Manufacture, OSCI (offsite construction interior), Construing Excellence South West, MPBA (Modular and Portable Building Association) and Structural Timber Association. The letters (all identically drafted) incorporate the definition of "offsite construction" as formulated in Mr Richards' statement, state that the term "offsite construction" has been used in the construction industry for decades and that it is a well-known term which is in frequent use. They also contain a statement to the effect that the makers of the letters use the term "offsite construction" as part of their marketing material, within presentation to clients and in public relation activities, as well as in general day-to-day discussions. Finally

all the letters say that “offsite construction” is a generic and descriptive term and that, as such, it should not be monopolised;

- At DR2 and DR3 screenshots from various websites and extracts from publications showing third parties using the term “offsite construction”. The most relevant examples appear to show “offsite construction” being used in a descriptive manner to identify a sector of the construction industry and/or a method of building. AD2 includes:
  - i. An undated screenshot from [www.gov.uk](http://www.gov.uk) showing a press release headed “Offsite construction companies take a new approach to tackling skill shortages” from the UK Commission for Employment and Skills. Below it the following text appears “The UK Commission for Employment and Skills (UKCES) is working with leading employers to deal with skills deficiencies in offsite construction”. The report was first published in October 2014;
  - ii. An undated screenshot from [www.ukessays.co.uk](http://www.ukessays.co.uk) showing an essay headed “OFF-SITE CONSTRUCTION”;
  - iii. An undated screenshot from [www.lhc.gov.uk](http://www.lhc.gov.uk) showing an article headed “Off-site building construction - collapse and regeneration” below which the following text appears “Off-site construction is back in fashion. Despite its chequered history, social landlords are increasingly turning to the benefits offered by this method of building to help tackling the housing shortage”. The extract, it is claimed, was originally produced in May 2015;
  - iv. A screenshot from [www.gov.uk](http://www.gov.uk) showing a brief headed “UK Futures Programme Competition Brief: Addressing skills deficiencies in the Off-site construction sector” from UKCES dated April 2014;

- v. An undated screenshot from [www.rlf.co.uk](http://www.rlf.co.uk) showing a blog from July 2015 headed “The benefits of offsite construction”;
  - vi. An undated screenshot from [www.gov.uk](http://www.gov.uk) showing a report headed “Evaluation of UK Futures Programme: Final Report on Productivity Challenge 1: Offsite Construction” from UKCES. It was first published in October 2015;
  - vii. An undated screenshot from the Loughborough University website headed “OFFSITE CONSTRUCTION” below which the following text appears: “This website has been created as a resource to help people in the construction industry to make better use of offsite manufacturing, standardisation and pre-assembly techniques during the construction process”;
- DR3 includes:
    - i. Copy of a report headed “Offsite Construction: Sustainability Characteristics” from “buildoffsite” dated June 2013. It advocates the use of offsite construction;
    - ii. Copy of an undated “Offsite construction Case Study” paper from WRAP. It is titled “Waste Minimisation through Offsite Timber Frame Construction” and refers to timber frame as a type of “offsite construction” method. The paper states that in the late 1990s the government and its agencies started to implement programmes to encourage the construction industry to consider “Modern Methods of Construction” particularly for the housing sector;

- iii. Copy of an undated publication from CH2M HILL and Loughborough University headed “Offsite Construction in Infrastructure: Workshop report”. This refers to a workshop held in 2013;
- iv. Copy of a report headed “Offsite Housing Review” from Professor John Miles of the University of Cambridge and Professor Nick Whitehouse from Oxford Brookes University dated February 2013. The purpose of the report is summarised as follows:

“As requested by Ministers at the Department for Communities and Local Government and the Department for Business, Innovation and Skills, we have undertaken a review of the housing market in England and examined the potential for offsite construction methods to play a more significant role in the house-building industry in future.”

The report contains the following text:

“The definition of offsite construction:  
[...] Offsite is a construction term to describe a delivery method that adds substantial value to a product and process through factory manufacture and assembly intervention. The whole objective is to deliver to the construction site elements that are to an advanced state of completion thus removing site activity from the construction process [...]”;

- v. Copy of a paper headed “Mainstreaming Offsite Modern Methods of Construction (MMC) in House Building” commissioned by The Scottish Government. It is dated August 2015. The copy is of poor quality and the paper is difficult to read but it is possible to make out the following text “Offsite construction is an approach to construction process where the

construction value added offsite is more than 60% of the final construction value at completion”;

- vi. Copy of a publication headed “Technology and skills in the Construction Industry” from UKCES dated September 2013. The following information can be extracted:
  - o There exist no universal definition of offsite construction but it is widely recognised that it comprises four main types of assembly, i.e. i) small scale items such as light fittings; ii) large scale modules and panelised system; iii) units of fully enclosed space (i.e. individual rooms); iv) complete buildings. (emphasis added);
  - o Due to the lack of universal definition, estimating the scale and value of offsite construction is extremely challenging. The estimates available at the date of the report in 2013 put the value of offsite construction at around £1.5bn (2008) but projections for 2013 (developed in 2009) estimated that the value of offsite construction was likely to be 7% of the construction output. In total it was estimated that the construction sector contribute nearly £90bn to the UK economy (BIS 2013) so a share of 7% would equate to over £6bn.
- vii. Copy of a briefing paper headed “Evaluation of UK Futures Programme Final Report on Productivity Challenge 1: Offsite Construction” from UKCES dated October 2015;
- At DR4 extracts from online blogs referring to the term “offsite construction”. The most relevant examples include:

- i. An undated screenshot from [www.linkedin.com](http://www.linkedin.com) headed “Offsite construction within the UK house building industry...”. This, it is said, was published on 10 March 2015;
  - ii. An undated screenshot from [www.linkedin.com](http://www.linkedin.com). It refers to “The Offsite Construction Network” as a group of experts in the field of pre-fabricated construction technologies who appear to have a website at [www.offsiteconsultancynetwork.co.uk](http://www.offsiteconsultancynetwork.co.uk). This, it is said, was published on 11 June 2015;
  - iii. An undated screenshot from [www.linkedin.com](http://www.linkedin.com) headed “Offsite Construction- Delivering the Solution to the Housing Crisis” which refers to the UK. This, it is said, was published on 3 July 2015;
- At DR5 a list of company names taken from Companies House incorporating the term offsite/off site construction;
  - At DR7 copies of front pages from the Offsite Construction Magazine (OSC) dated between 2005 and 2009.

## **DECISION**

11. Section 3(1) of the Act states:

“3(1) The following shall not be registered –

(a) [...]

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

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

(d) [...]

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

12. The opponent’s objections under Section 3(1)(b) and (c) are both premised upon the mark being descriptive of a characteristic of the services. As there is no other argument put forward by the opponent as to why the mark falls foul of Section 3(1)(b), it follows that both grounds will stand or fall together<sup>1</sup>. Accordingly, there is no need to consider the Section 3(1)(b) ground independently of the Section 3(1)(c) ground.

### **The opposition under Section 3(1)(c)**

13. The case law under Section 3(1)(c) was summarised by Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch):

“91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

“33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), see, by analogy, [2004] ECR I-1699, paragraph 19; as regards Article 7 of Regulation No 40/94, see *Office for*

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<sup>1</sup> See the comments of Anna Carboni, sitting as the Appointed Person in O-363-09 *COMBI STEAM Trade Mark*.

*Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18, paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461, paragraph 24).

36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley*, paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or

serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal

set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."

92. In addition, a sign is caught by the exclusion from registration in art. 7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or

services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97].”

14. Mr Callaghan criticises Mr Richards’ argument (and evidence) that “there are many companies in the construction industry who are supportive of [the] opposition and who agree that ‘offsite construction’ is a term which should be free for use by all”. In particular, Mr Callaghan argues that the evidence at DR1 was produced on the wrong premise that the registration of the mark would prevent other companies from using the term “offsite construction” in their sales and marketing material. He goes on to say (reproduced as written):

“Mr Richards has retained an eminent firm of advisors in Barker Brettell [...]. It is fundamental in the law surrounding trademark applications that third parties cannot be prevented from using ordinary English words or laudatory words or phrases to describe their own goods and services. (emphasis added).

Baker Brettell cannot claim to be unaware of this, therefore it is astonishing that the premise that one may lift individual words out of a trade mark with the rights of a trade mark being assigned to them could have advanced to the point of deluding the IPO with hundreds of pages of “evidence” based on a totally flawed premise and then resubmitting abridged versions having been told by the Hearing Officer that the argument “won’t run”.

15. I should pause at this junction to make two observations. First, Mr Callaghan seems to refer to the CMC which was held before a fellow Hearing Officer. Whilst there are likely to have been a number of comments made at the CMC, it was convened to discuss the volume and relevance of evidence and I now have to consider the claims made in these proceedings in light of the evidence before me.

16. Secondly, the protection afforded to the mark (if registered) would allow Mr Callaghan to prevent third parties from using the same or a similar mark on identical or similar services. It would not give him the right to object any use by others of any of the individual words within the mark. Although Mr Callaghan is right in saying that the registration of his mark would not prevent third parties from using the term “offsite construction” to describe their goods and services, it seems to me that his submission implies an acceptance that “offsite construction” is, in itself, a descriptive term. In this connection, in his submission of 4 October 2016, Mr Callaghan states (reproduced as written):

“It is clear from numerous “letters of concern” supplied that the companies issuing them are reproducing a text sent to them by the Opposer.

Having checked with some, we can confirm that they have not taken professional advice prior to submitting their letters but rather have simply “cut and pasted” the text in it’s entirety.

Their motivation in so doing was their fear of losing the right to use the phrase “Offsite Construction” in their marketing [...]

17. Despite the last part of Mr Callaghan’s submission, there is no evidence to show what the motivation of the makers of the letters (exhibited at DR1) might have been. In any event, I do not think it matters. Whatever may have been their motivation for signing the letters, they are unlikely to have signed them if they disagreed with the content. In this connection, I bear in mind that these companies operate in the construction industry (a fact that is not challenged by Mr Callaghan) which means that the use referred in their evidence must be in the context of construction services, not trade shows (I say more about this below) and they consider it descriptive in that context.

18. In terms of the impact that the opponent’s approach has on its pleadings, though the statements contained in Mr Richards’ evidence and in the letters exhibited at DR1 are

misconceived (to the extent that they refer to Mr Callaghan monopolising the term “offsite construction”), this is not fatal. This is because the objection as framed in the Form TM7 (Notice of Opposition) and in the written submissions is properly directed to the mark “The Offsite Construction Show” as a whole. Further, in the letter of 20 October 2016 accompanying the revised evidence, the opponent clarifies the following:

“Being able to evidence the descriptiveness of “Offsite Construction” for trade show services aimed at the offsite construction industry is directly relevant to the opposition and the concerns over the inherent distinctiveness of the mark”.

And in its submissions:

“It is therefore submitted that the Contested Sign does nothing other than to describe to the relevant public that the contested services are intended for, or relate to, a trade show organised so that business within the offsite construction industry can showcase, promote and demonstrate their latest products and services.

In view of the above, the Opponent’s submits that the granting of a word mark registration for THE OFFSITE CONSTRUCTION SHOW would prohibit any other party legitimately using the descriptive term “the offsite construction show” to describe their own trade show about offsite construction.

By describing the subject matter of the Contested Services, the Contested Sign contains direct and specific information regarding the kind and purpose of the Contested Services. The link between Contested Sign and the Contested Services is therefore sufficiently close to fall within the scope of prohibition laid down by section 3(1)(c) of the Act.”

19. I proceed on that basis.

## The *prima facie* position

20. The Section 3(1)(c) objection is based on the premise that the words “The Offsite Construction Show” when used in the context of trade shows relating to a sector of the construction industry which is known as “offsite construction” would be understood as a descriptive reference to the services, i.e. a trade show relating to offsite construction. The specification is not limited in any way and covers arranging and conducting of trade shows at large; as such, the applied for services would encompass trade shows relating to the sector identified by the opponent, which, Mr Callaghan accepts, represents his field of activity. This is confirmed by Mr Callaghan’s own description of “The Offsite Construction Show” as “the first event of this type, i.e. national, free to enter exhibition, held at a major venue, for the relatively new offsite sector<sup>2</sup>” and as “a specialist trade show featuring solely Offsite Construction (emphasis added)<sup>3</sup>”. Accordingly, I will limit my assessment to the scenario identified by the opponent which falls within the notional use of the mark and also reflects the use Mr Callaghan claims to have made of the mark.

## The relevant public

21. In order to determine if the application is objectionable under Section 3(1)(c) of the Act, I must assess the position through the perception of the relevant public at the date that the application was filed (“the relevant date”). In *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04 the Court of Justice of the European Union (“CJEU”) stated:

“In fact, to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take into account the perception of the relevant parties, that is to say in trade and or amongst average consumers of the said goods or

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<sup>2</sup> Counterstatement. Below Mr Callaghan’s signature, the following text appears: “The OFFSITE Construction Show 2016- The showcase for the future of UK construction!”

<sup>3</sup> Submissions dated 4 October 2016 filed in relation to the CMC

services, reasonably well-informed and reasonably observant and circumspect, in the territory in respect of which registration is applied for.” (emphasis added).

22. The applied for services cover the arranging and conducting of trade shows. A trade show is an exhibition at which members of a specific industry exhibit their products to prospective customers and to each other<sup>4</sup>. In essence, the services consist in organising and running trade shows. This will involve planning and promoting the event, identifying the audience(s) within the relevant industry, organising the exhibition services, managing the logistics, i.e. venue, transport, etc. Therefore the relevant consumers are likely to be both those who participate in the trade show (businesses and associations who showcase their services and products) and those who visit it. The first group will attend in order to attract new consumers or associates, the latter with a view to e.g. establishing contacts, discovering new products or finding suppliers. Both categories of consumers are likely to be insiders from the relevant industry. In this instance, I have already explained, I will proceed on the basis that the trade shows in respect of which the objection under Section 3(1)(c) must be assessed relate to (a specific sector of) the construction industry. Accordingly, the relevant public is likely to include builders, developers, landlords, engineers, designers, architects, manufacturers, suppliers of construction materials, trade associations from the construction industry etc. These consumers are reasonably well-informed and reasonably observant and circumspect.

23. Having considered who the relevant public is, I must consider the effect and impression that the application (The Offsite Construction Show) in normal and fair use in relation to the applied for services has on them.

24. The trade mark contains the words “The Offsite Construction Show”. The word “Show” is clearly descriptive in relation to the services of arranging and conducting of trade shows; the word “The” is a common definite article, so the question is whether “Offsite Construction” is also descriptive.

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<sup>4</sup> Collins English Dictionary

25. I have no evidence that the term “offsite construction” appears in any dictionary, however, this is not fatal as the descriptiveness of a term is not a merely a matter of dictionary definition. The evidence shows that “offsite construction/off-site construction” appears on websites. The screenshots at DR4 are undated, however according to the dates provided by the opponent (which have not been challenged by the applicant), this material was published before the relevant dates; therefore this evidence is apt to demonstrate that “offsite construction” was in descriptive use at the relevant date. Likewise, most of the examples put forward by the opponent at DR2 and DR3 refer to material published before the relevant date. The literature shown demonstrates that “offsite construction” was used in a number of Government reports; in particular, that the Government commissioned a number of initiatives/studies aimed at both tackling skills deficiencies in the “offsite construction” sector and exploring the potential for “offsite construction” to play a more significant role in the housing building sector. Further, a publication, from UKCES, reports attempts made to estimate the value of the “offsite construction” sector; this was reported as being £1.5bn in 2008 with estimates of over £6bn in 2013 (corresponding to a share of 7% of the construction industry). Finally Mr Richards refers to the creation, in 2005, of a trade body for the “offsite construction industry”, i.e. buildoffsite, to which Mr Callaghan also refers as “our own associate”. Mr Callaghan has put forward no evidence or argument to invalidate this evidence.

26. Returning for a moment to the letters exhibited at DR1, they constitute hearsay evidence<sup>5</sup>. Although Mr Callaghan criticises the rationale behind these letters, it seems to me that he has not challenged the facts established by this evidence. On the contrary, as I have explained above, his argument implies an acceptance that “offsite construction” is used by the makers of the letters as a descriptive term. I bear in mind that the position must be assessed at the relevant date, i.e. 16 October 2015, and that the letters are dated September 2016. Nonetheless, I consider that, overall, these letters corroborate the rest of the evidence which supports the view that the term “offsite construction” was, at the relevant date, a recognised term within the construction

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<sup>5</sup> Hearsay evidence is admissible by virtue of section 1 of the Civil Evidence 1995 Act (TPN 1/2008 also refers).

industry used to describe a method of building and/or a specific sector of the construction industry.

27. In his defence, Mr Callaghan simply states:

“To the issue of “*Offsite Construction*” being an established, generic industry term prior to the launch of **The Offsite Construction Show**, we state that this is quite simply, untrue.

As an example, let’s take the home pages on the website of Mr Richards own exhibition vehicle, *Explore Offsite*, [...] our own associate, *buildoffsite*, and a major manufacturer of offsite producers, *Portakabin* [...].

The only mention of the phrase, “*Offsite Construction*”, alleged by the Opposer to be in constant use within the industry, is on the *buildoffsite* home page when referring to their seminars conducted at our event.

The fact that when we chose the name for the show, our associate, *buildoffsite*, suggested that the phrase “*Offsite Construction*” was not in common use and we should rather choose “The Modular Building Show” or “The Modular Building Offsite Show”. That the phrase is now gaining traction, is solely as a result of two editions of our show (2015 and 2016) and the pre and post publicity surrounding them.”

28. As Mr Callaghan has provided no evidence to support his statement I do not accept it.

29. Assessing the matter from the perspective of the average consumer of the applied for services (the participants and visitors from the construction industry referred above), it seems to be very unlikely that these consumers will not be aware of the meaning of the words “offsite construction”.

30. I therefore conclude that if used in relation to the services of trade shows relating to offsite construction, the relevant consumers will understand the words “The Offsite Construction Show” as a description of a characteristic of the services: a trade show for or about offsite construction. This is certainly the significance given to the words by Mr Callaghan himself. In this connection, I note that in his submissions of 4 October 2016 he states:

“[The Offsite Construction Show] is a specialist trade show, featuring solely Offsite Construction and is run by The Offsite Construction Show Limited. What could it be trademarked as, if not that for the phrase for which we have applied?”.

31. The mark is *prima facie* excluded from registration under Section 3(1)(c) of the Act as it describes a characteristic of the services.

32. Since I found that the applied for mark is descriptive under Section 3(1)(c), it follows that it is also devoid of any distinctive character under Section 3(1)(b). There is however, one thing that I should mention in relation to this latter objection. Mr Callaghan refers to a different mark which seems to include a device element, however, the objection must be decided on the basis of the applied for mark, which consists exclusively of the words “The Offsite Construction Show”. Whether or not Mr Callaghan has used other marks is not pertinent. Mr Callaghan has not made an argument that, notwithstanding the descriptiveness of the words, the mark is distinctive; however, for the sake of completeness I should just say that I have borne in mind the decision in *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (Postkantoor) Case C-363/99*, where the CJEU stated that:

“98. As a general rule, a mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics for the purposes of Article 3(1)(c) of the Directive. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or

meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned.

99. However, such a combination may not be descriptive within the meaning of Article 3(1)(c) of the Directive, provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word mark, which is intended to be heard as much as to be read, that condition must be satisfied as regards both the aural and the visual impression produced by the mark”.

33. I see nothing syntactically unusual about the combination “The Offsite Construction Show” which would give the mark any degree of distinctiveness. To my mind, the mark sends an immediate and clear descriptive message, i.e. a show about offsite construction. I find that the combination of words in the mark does not “create an impression which is sufficiently far removed from that produced by the simple combination of those elements”.

### **Acquired distinctive character and submissions on analogous marks**

34. Mr Callaghan refers in his submission to the mark having acquired distinctive character through use. The burden of proving acquired distinctiveness lies with Mr Callaghan<sup>6</sup>. Whilst, in his submissions, Mr Callaghan refers to “two editions of our show”, as no evidence has been put forward to support such a claim, I dismiss it.

35. Both parties, in their submissions refer to other marks. In relation to the mark referred by the opponent, suffice to say that whilst noted, it is not material to the outcome of my decision<sup>7</sup>. Mr Callaghan, for his part refers me to four marks which, he

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<sup>6</sup> *Oberbank AG & Banco Santander SA and Another v Deutscher Sparkassen- und Giroverband* (Joined cases C-217 and 218/13)

<sup>7</sup> Application for the word mark “Off Site Construction Advice” in relation to “Advisory services on the use, procurement and sale of modular and other forms of off site construction for use in buildings of all types and uses;

believes, are on a par with his application and support his view that the mark should be registered. These are<sup>8</sup>:



1. EUTM registration no. 745711 for the mark  for, inter alia, the following services in class 35: Commercial business management; organization of trade fairs and exhibitions for commercial or publicity purposes in the field of means of transportation and transport; advertising; decoration of displays and stands on trade fairs; business consultancy; public relations; advertising-, promoting- and publicity services. The mark was registered on 9 December 1999;



2. UK registration no. 3071022,  for, inter alia, the following services in class 35: Arranging or conducting trade fairs and exhibitions for business, commercial, trade or promotional purposes. The mark was registered on 5 December 2014;



3. UK registration no. 2582177  for the following services in class 35: Exhibitions and Trade Shows. The mark was registered on 26 August 2011;
4. EUTM registration no. 203588 for the mark NATIONAL HARDWARE SHOW for, inter alia, the following services in class 35: Business management; business administration; office functions; document reproduction; office machines and equipment rental; photocopying; word processing; desktop publishing. The mark was registered on 23 June 2000.

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Advisory services relating to building construction; Advisory services relating to the construction of buildings” in class 37, filed on 02 September 2016 and refused on 3 January 2017.

<sup>8</sup> Mr Callaghan refers only to the verbal elements of these marks. However, the opponent subsequently identified the marks by reference to their registration numbers (no further comments were received from Mr Callaghan on this point).

36. As a general principle, each mark has to be assessed on its own merits and the IPO is not bound by previous acceptances (though previous acceptances might, in some circumstances, provide a useful guidance). I do not know the circumstances which led to the registration of any of the marks referred to, however, it is clear that, unlike the applied for mark, the first three of them contain a device element and so will have involved different consideration as to distinctiveness in contrast to the “word only” mark the subject of these proceedings. I note that the fourth mark is not registered for services relating to shows. These previous cases do not assist Mr Callaghan.

## **Conclusion**

**37. The opposition under Sections 3(1)(b) and (c) of the Act succeeds in full. The application is therefore refused.**

## **Other grounds**

38. Given what I consider to be my clear finding under Sections 3(1)(b) and (c) of the Act, it is not necessary to consider the objection under Section 3(1)(d).

## **Costs**

39. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Tribunal Practice Notice (TPN) 4 of 2007. Accordingly, I award costs to the opponent on the following basis:

Official fees:	£200
Filing the notice of opposition and statement of grounds:	£200
Preparing evidence and considering the other party’s submissions:	£500
Filing written submissions:	£200
Total:	£1,100

40. I hereby order Steven James Callaghan to pay Cogent Consultancy Limited the sum of £1,100 as a contribution towards its costs. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case, if any appeal against this decision is unsuccessful.

**Dated this 26<sup>th</sup> day of April 2017**

**Teresa Perks**

**For the Registrar**

**The Comptroller – General**