

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 2264665  
BY THE WATERLESS VALETING COMPANY LIMITED  
TO REGISTER A SERIES OF TRADE MARKS IN CLASS 37**

**AND**

**IN THE MATTER OF OPPOSITION No. 91197  
BY WILLIAM STRUTH**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF Application No. 2264665  
by The Waterless Valeting Company Limited  
to register a Series of Trade Marks in Class 37**

**and**

**IN THE MATTER OF Opposition No. 91197  
by William Struth**

**Background**

1. On 20 March 2001 The Waterless Valeting Company Limited applied to register the series of two trade marks shown below in relation to “vehicle valeting services; vehicle cleaning services; vehicle maintenance services”:



2. The series of marks was published in the Trade Marks Journal with the following clause:

“The Applicant claims the colours pink and blue as an element of the first mark in the series. The Applicant claims the colours purple, blue and grey as an element of the second mark in the series.”

The application itself is numbered 2264665.

3. On 25 October 2002 William Struth filed notice of opposition to this application. The substance of the opponent’s case is couched in the following terms:

- “1. The opponents are the unregistered proprietors in the United Kingdom of the following mark(s) since 1995.
2. The trade mark applied for consists of the word “Waterless” in the colours pink and blue which so closely resembles the opponent’s trade mark as to be likely to deceive or cause confusion. The following goods/services in respect of which registration is sought “Class 37 – Vehicle Valeting Services” are similar goods/services to the following goods/services in respect of which the opponent’s said trade mark is used “Class 37 – Vehicle Valeting Services, Vehicle cleaning services”.

The registration of the trade mark applied for would offend the provision of section 5 – 4(a) and also section 3 – (6) of the Trade Marks Act 1994.

3. The opponent’s mark has been continuously used in the United Kingdom upon and in relation to the following goods/services since the year 1995. In 1998 we set up an agreement allowing the applicant to use this mark with certain conditions. The applicant has breached this agreement and has applied for mark in bad faith.
4. Attached documents as a formal exhibit as proof of usage of mark.  
In relation to Section 5 – 4(a)  
Specimen A – Photograph showing mark on livery with printed date on reverse.  
Specimen B – Newspaper cutting showing goods/services upon which mark is Used.  
In relation to Section 3 – (6)  
Specimen C – Agreement stating mark belonged to opponent’s and permission was granted for applicant subject to conditions.
5. The applicants have been requested to withdraw usage of mark and application but have declined to do so.”

4. In addition to the items referred to there is appended to the statement of grounds a statement setting out information in support (principally) of the Section 5(4)(a) ground. The statement is relevant to the nature of the opponent's claim and for that reason I record it verbatim and in full:

"The "Waterless" mark was first used in 1995.

William Struth was introduced to a product "Dri Wash n Guard" in 1995 from America. It was being used to clean cars without water. He brought product back to Britain and decided to start a valeting business in Scotland and hopefully the UK with the product.

At this point in 1995 the word Waterless was not associated with valeting. He put it on all livery and stationery and started to promote valeting from a mobile unit. After much hard work, determination and money spent on advertising, promotion and free samples Waterless has now become a recognised terminology use in car valeting.

Anyone who is associated or using the word waterless in respect of car valeting has either been trained by him or given permission to use the logo. There are a number of car valeting company's using the word Waterless in their own business and logo all of which have asked to use this mark and none are in conflict with our own mark.

We feel the mark is very distinctive in colour and wave like form and the mark 2264665 is too close in resemblance to our mark especially that of series 17 which he claims colours pink and blue.

We do not have any objection to the applicant using the word Waterless but feel his mark using the word Waterless in pink is too similar.

With regards section 5- 4(a) We feel strongly that the applicant is using the mark similar to ours and is by virtue of rule of law (passing off)

We would also like to note that the applicant has applied for marks in his distinctive design but does not display this mark on his livery instead he displays a mark nearly identical to the opponent.

Please refer to website [www.waterless-mobile-valeting.co.uk](http://www.waterless-mobile-valeting.co.uk) which shows pictures of his vehicles with mark which is more like ours than mark applied for.

We have also applied for trademark of our mark which we are awaiting approval for. We did contact a trademark agent back in 1997 regards trademarking our mark but was told it was impossible to do at this time therefore we did not go ahead."

5. The applicants filed a counterstatement denying the two grounds of opposition. They put the opponent to proof of his claims. I note that at several points in the counterstatement the applicants say that it is not clear what mark the opponent is referring to. Specifically, in relation to the Section 3(6) ground it is said "... it is denied that the Applicant had any knowledge of having entered into the Agreement that Specimen C attached to the Statement of Grounds

purports to be a copy of or, in any case, that the Agreement is binding upon the Applicant, or indeed that the purported Agreement has any relevance to proceedings.”

6. Both sides ask for an award of costs in their favour.

7. Only the opponent has filed evidence. The parties were invited to say whether they wished to be heard or to make written submissions. Neither side asked for a hearing. Written submissions have been received on behalf of the opponent under cover of a letter from Kennedys, his professional representatives, dated 17 November 2003. Acting on behalf of the Registrar and with the above material in mind I give this decision.

#### **Section 5(4)(a)**

8. The Section reads as follows:

“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 -

- (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
- (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.”

9. The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

- (1) that the opponent’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 applicants (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicants are goods or services of the opponent; and
- (3) that the opponent has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the applicants’ misrepresentation.

10. It is clear from Article 4(4)(b) of the Directive on which the above provision is based that the right to prohibit use of the applicants' trade mark must have been established at the date of application.

11. The applicants have repeatedly indicated in their counterstatement that they are unclear as to what mark or sign is relied on by the opponent. Before considering the opponent's evidence in detail I propose to consider the nature of the claim and the distinguishing feature or features by which Mr Struth's business is known.

12. The opening paragraph of the statement of grounds claims that the opponent is the unregistered proprietor in the United Kingdom "of the following mark(s)" since 1995. That appears to anticipate the possibility of a claim in relation to more than one mark. There is nothing inherently wrong with such a claim. A business may be known under more than one mark or sign. The statement of grounds does not itself specifically identify the mark(s) relied on at this point. Attachment A shows a vehicle which is said to display the livery. It is not possible to read all the words but I note the word WATERLESS depicted in a wave form and in pink lettering. Attachment B is a copy of a newspaper article showing, inter alia, a sign with the word WATERLESS in wave form. As the newspaper cutting is not in colour it is not possible to say whether colour forms a part of the sign. Attachment C is an agreement between the opponent and (it is said) the applicants. I will return to the Agreement itself below. Suffice to say at this point that it shows the word WATERLESS in wave form and in pink lettering.

13. The supporting explanatory note sheds further light on the nature of the underlying claim. The key passage is, it seems to me, the following:

"We feel the mark is very distinctive in colour and wave like form and the mark 2264665 is too close in resemblance to our mark especially that of series 17 which he claims colours pink and blue.

We do not have any objection to the applicant using the word Waterless but feel his mark using the word Waterless in pink is too similar."

14. I should say, parenthetically, that the reference to Series 17 is obscure in relation to the published series of two marks but relates, as I understand it, to the original application which presented additional versions of the mark. As what remains is not a divisional application I infer that the other 15 marks have been deleted. However, the important point to be drawn from the above is that it clarifies the claim. I understand the opponent to be saying that he makes no claim to the word WATERLESS per se as a distinguishing feature but rather that word in colour and wave like form. I draw the further inference that the claim relates to those two elements of colour and form in combination. There is a further possible reading of the claim that the opponent claims these elements separately but I regard that as being contrary to the main thrust of the case. The opponent's claim, therefore, falls to be tested on the basis that the distinguishing feature of the underlying business is the word WATERLESS presented in the wave like form and in pink lettering. Subsequent references in the evidence to "the WATERLESS mark (in stylised format)", "the Waterless mark" and "my mark" etc must be read in this context.

15. I should also say at this point that the underlying concept is a car cleaning system that involves spraying the product (which I take to be a chemical formulation) onto a car without the addition or aid of water. I note that the opponent's advertising refers to this feature of the system ("No Water! No mess!") and that the opponent is a Founder Member of the Guild of Waterless Valeters and Master Detailers. I infer that 'waterless' is a term of art in the trade and hence that the opponent, quite properly, makes no claim to be able to prevent the applicants or others from using that word.

16. I now turn to the opponent's evidence. This is principally a witness statement by Mr Struth. He says:

"I have traded under the names "WATERLESS CAR CARE" and its abbreviation "WATERLESS" since 1995."

and

"I began trading under the name WATERLESS (hereinafter referred to as "my Mark") in 1995. In my trade, my Mark has frequently and consistently been presented in a stylised form, with the first letters of the word being placed at a higher elevation than the last few letters of the word (ie. – conveying a sloping or wavy presentation). A representation of this form of my Mark is attached herewith at Exhibit WS1."

17. He exhibits the following in support of his claim:

- WS2 - a copy of Infogram Magazine dated October 1997 showing a photograph of his vehicle bearing the stylised version of the WATERLESS mark;
- WS3 - an invoice dated 11 April 1997 in connection with the cleaning and valeting of an Audi car. The Waterless mark in wave form is shown at the top of the invoice;
- WS4 - a further invoice made out to Volvo Truck & Bus (Scotland) again showing the WATERLESS mark in stylised format;
- WS5 - statements of account from Phase 8 Creative Web Developers relating to work undertaken including the registration of 3 domain names.

18. Turnover figures under the mark in relation to vehicle valeting and cleaning services are given as follows:

<b>Year Ending</b>	<b>Amount</b>
2001	£92,000
2000	£78,500
1999	£67,500
1998	£59,000

1997	£31,000
1996	£29,500

19. Mr Struth says he has traded under the mark and variations of a non-distinctive nature thereon (such as WATERLESS CAR CARE) continuously since 1995, and has built up goodwill and reputation in connection with the mark and variations of a non-distinctive nature thereon by means of (including but not limited to) labelling, signage, local press advertisements, national press advertisements, industry press advertisements, internet websites and various promotional items. The mark has been used in connection with the above services in numerous parts of the United Kingdom (including Edinburgh, Glasgow, Inverness, Leeds, Birmingham, Gatwick Airport, Milton Keynes, Plymouth, Cornwall) and in particular Scotland.

20. Promotional expenditure is given as follows:

<b>Year Ending</b>	<b>Amount</b>
2001	£6,000
2000	£6,500
1999	£7,000
1998	£12,000
1997	£12,000
1996	£9,500

21. In support of this Mr Struth exhibits:

- WS6 - a promotional flyer
- WS7 - promotional stickers
- WS8 - a copy of a witness statement by Timothy C Airey, former General Manager of Computacenter
- WS9 - a copy of a witness statement by Keith Manson Miller, Chief Executive of The Miller Group
- WS10 - a copy of a witness statement by JR Collins;
- WS11 - a copy of a letter from John D Foley, a former employee of Computacenter
- WS12 - a copy of a letter from Joe Capaldi, proprietor of Capaldi Financial of Edinburgh.

22. All the above individuals are put forward as customers of Mr Struth's business. Mr Struth concludes this part of his witness statement with submissions on the character of the applied for

mark and its capacity to generate the mistaken belief that the respective businesses are in some way connected.

23. In *Reef Trade Mark* [2002] RPC19. Mr Justice Pumfrey in considering an appeal from a decision of the Registrar rejecting an opposition under Section 5(4)(a) said:

“27 There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s. 11 of the 1938 Act (see *Smith Hayden & Co. Ltd’s Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C. 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28 Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case.”

24. Issues arise here both in relation to the cogency of the evidence of reputation and what that evidence establishes about the sign by which the opponent’s business is known. The latter is in my view critical to the outcome of the case.

25. If I have correctly understood the opponent’s statement accompanying his grounds of objection he may have been the first to introduce the concept of waterless valeting to the UK having come across the process whilst holidaying in the United States. It seems that other businesses now use the term (which is after all wholly descriptive of the nature of the cleaning process) and Mr Struth appears to accept that the applicants are free to use the word. What he suggests is that the manner of presentation of the word coupled with the colour pink for the lettering has become so associated with his business that the applicants’ series of marks (and particularly the first mark which employs the colours pink and blue) will constitute a misrepresentation that the applicants’ business is associated in some way with his own.

26. I am not aware of any reason why, in principle, the form in which a word is presented coupled with the colour used should not be capable of being the distinguishing feature by which a business is known. The ease with which the form and colour will come to be recognised as distinctive is likely to depend on the complexity of the form, the intensity and consistency with which it is used and the effort expended in drawing this element to consumers’ attention. In so far as the colour aspect of the claim is concerned, it has been said that combinations of colours are more likely to be distinctive than single colours (see *The Law of Passing-Off* by Christopher Wadlow – Second Edition at 6.66). The decision of the European Court of Justice in *Libertel Groep BV and Benelux Merkenbureau*, [2003] ETMR 63 provides a further indication of the difficulty of establishing distinctiveness for single colours (albeit in the context of trade mark registration). The opponent here relies on a relatively simple wave-form presentation of the

word WATERLESS and use of a single (common) colour, pink. That seems to me to be an ambitious but not impossible claim. Their success is heavily dependent on the position established by the evidence.

27. Before looking in detail at the exhibited material I note in passing that the statement accompanying the statement of grounds is on headed paper with the wave-form word WATERLESS, along with other descriptive matter, accompanied by the symbol © indicating, I assume, a copyright claim (although I accept that this does not preclude other rights being built up).

28. The opponent's case is not helped by the fact that where copy material is submitted it is of assistance in showing the form in which the mark is used but does not, of course, show colour.

29. Exhibit WS2 shows how Mr Struth and another distributor have customised their vehicles. I note that both use the words WATERLESS Technology with the word WATERLESS presented in a wave form but with the 'waves' running in opposite directions as it were. The second vehicle has signage showing the name Stephen Hedley in addition to the words WATERLESS Technology (and other matter). Neither shows colour. It is not clear whether Mr Hedley operates as part of Mr Struth's business or is an independent trader.

30. Exhibits WS3 and WS4 show the wave – form WATERLESS but not whether it is represented in colour.

31. The invoices/statement from Phase 8 at Exhibit WS5 make no reference to the form or colour of the mark. I note that each of the documents is addressed to 'Waterless Detailers'.

32. Exhibit WS6 is the only Exhibit that shows WATERLESS in wave form and in pink. It does so in conjunction with a photographic representation of a vehicle on which the word WATERLESS also appears but in a somewhat different wave form. The stickers at WS7 show the wave form but in black not pink.

33. Three witness statements (WS8-10) have been supplied in support of the opponent's case. For reasons about which I am not clear only copies of these statements have been supplied. Mr Airey refers to Mr Struth as trading under the "Waterless" identity and says "To my knowledge there were, at that time [1996] in Edinburgh no other individuals operating with the same products that William was using and certainly none were operating under the "Waterless" logo." He does not explain what he means by the Waterless logo or exhibit a copy of it. Nor does he say whether he regards colour as being a feature of the mark. Messrs Miller and Collins both refer to being customers of Mr Struth since 1995 or 1996 and say that he (Mr Struth) "is, and is known as, Waterless". They make no mention of either the wave-form presentation or colour.

34. Exhibits WS11 and 12 are "To whom it may concern" letters presumably solicited for the purpose of these proceedings. Rule 55 of the Trade Marks Rules 2000 provides that evidence is to be in the form of statutory declaration, affidavit or witness statement. Accordingly, I can give no weight to these letters. Even if I were to consider them they would not assist the opponent.

The first individual represents himself as a customer of Waterless and refers to an unspecified logo. The second refers to Mr Struth as trading under the name Waterless Car Care.

35. I find the collective force of this evidence to be at best inconclusive in supporting the opponent's claim. The exhibited material provides some support for the claim that the word WATERLESS is frequently presented in wave – like form. But it is not in my view a complex or particularly remarkable way of presenting the word. It may have some slight visual appeal but, once it is established that the word itself is directly descriptive of the services, it requires convincing evidence that such a modest degree of styling has itself come to be recognised as distinctive of the opponent. The evidence from customers might have been expected to address that point but only Mr Airey refers to a logo (and he does not exhibit an example of the logo he is referring to). The other witness statements make no mention of any feature other than the word WATERLESS which may in itself be attributable to the fact that they have been customers from the time the word was first used by Mr Struth (and he may have been the only trader using waterless methods at the time).

36. So far as any claim to colour is concerned only the counterstatement and one of the exhibited items (WS6) shows the mark in its pink lettering form.

37. During the course of the evidence the opponent's business is referred to in various ways by customers and suppliers, notably Waterless Car Care (Exhibits WS3 and 4), Waterless Detailers (Exhibit WS5). There is also the company name, Global Concepts, (see the newspaper cutting at attachment B to the counterstatement and Exhibit WS10).

38. Making the best I can of this material I am not persuaded that the opponent has shown that the word WATERLESS in wave-form lettering (and in pink) has come to be recognised as a distinguishing feature of his business. The passing-off case does not, therefore, get off the ground.

39. In the circumstances I am not in a position to assess whether the opponent has a goodwill under or in relation to the claimed sign. The opposition fails under Section 5(4)(a).

40. The other ground of opposition is under Section 3(6) which provides that “a trade mark shall not be registered if or to the extent that the application is made in bad faith”. The basis for this claim is an Agreement between William Struth/Wilma Rodgers and Brian Anderson/Lynne Anderson under which the former granted the latter the right “to use their logo “Waterless” (as below) in their business as long as they do not use the logo to franchise, pass to anyone else without prior consent and do not bring any disrepute to the name”.

41. The logo referred to is the word WATERLESS in pink wave – form lettering. That is the sum total of the Agreement. Although four individuals are mentioned only two (1 from each side) have signed the document. They appear to do so in a representative capacity for the others. Mr Struth claims that Lynne Anderson, one of the signatories to the Agreement is “a proprietor or otherwise an authorised signatory of the Applicant company, The Waterless Valeting Company Limited”. He suggests that, as registration of the mark in issue would allow the proprietors to do things that would be contrary to the Agreement (and involves a similar mark),

the application was made contrary to Section 3(6). The only additional piece of evidence in support of the claim is a letter dated 1 November 2002 (Exhibit WS14) to Wilma Struth from a Julie Foster the contents of which read:

“I would like to confirm that Brian Anderson told me twice in light conversation that when he saw your Waterless logo, he had thought what a great idea it was to start his own car Valeting business with.

When I asked him if that was illegal he answered no because the owner did not have it copy written.”

42. I note that this letter is dated shortly after the opposition was filed. It may have been solicited for the purposes of the proceedings in which case it should have been in proper evidential form. The writer appears to be confirming something that has been the subject of discussion or correspondence but the circumstances giving rise to the letter are not explained. I find little assistance in this document in the absence of explanation by, or cross-examination of, the writer.

43. The only comment offered by the applicant on the point is contained in their counterstatement where they say:

“Moreover, it is denied that the Applicant had any knowledge of having entered into the Agreement that Specimen C attached to the Statement of Grounds purports to be a copy of or, in any case, that the Agreement is binding upon the Applicant, or indeed that the purported Agreement has any relevance to proceedings.”

44. I find these exchanges between the parties to be unsatisfactory and, ultimately, inconclusive. Mr Struth clearly believes that the Andersons who were party to the Agreement are the controlling minds behind the applicant company or at least involved with that company in some significant way. But there is no proof that this is so in the form of company records or such like.

45. Equally I find the applicant’s response to be less than forthcoming. A plain answer would have been to deny that the Andersons are in any way involved with The Waterless Valeting Company Limited. They have not done so but have simply chosen to deny that the applicant company had any relevant knowledge or, alternatively, to deny that the Agreement is binding on the company.

46. A claim that an application has been filed in bad faith is a serious matter. The opponent’s written submissions rightly remind me of the following passages from two of the leading cases on the subject. In *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J stated at page 379:

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”.

and in *Royal Enfield Trade Marks* [2002] RPC 24, at paragraph 31 Mr Simon Thorley sitting as the Appointed Person said that:

“An allegation that a trade mark has been applied for in bad faith is a serious allegation. It is an allegation of a form of commercial fraud. A plea of fraud should not lightly be made (see Lord Denning M.R. in *Associated Leisure v Associated Newspapers* [1970] 2 Q.B. 450 at 456) and if made should be distinctly alleged and distinctly proved”.

47. The seed of the opponent’s difficulty lies in the last part of the above passage from *Royal Enfield Trade Marks*. The claim must be distinctly proved. I cannot see how a finding of bad faith can be made by a process of inference which is in effect what I am being asked to do.

48. However, even if I accept that Lynne Anderson and/or Brian Anderson are behind The Waterless Valeting Company Ltd there are further difficulties for the opponent. The Agreement is in the names of four people but has been signed by two of them on behalf of the other two. This case has not been the subject of a hearing. I have neither received nor been able to invite submissions on whether the Agreement is binding on the basis of the signatory position as described above. Furthermore, it is a curious document in that it appears to allow Brian and Lynne Anderson to use the subject mark in their business without restriction save that they cannot franchise it, pass it on to anyone else or bring the name into disrepute. There are no provisions (save what may be implicit) as to ownership, length of use, nature of use, licence terms or other such conditions as might usually be expected. If, as the opponent seems to imply, the applicant company is in effect the Andersons’ business, does the Agreement extend to that business? Even if there were answers to these questions there is still an issue as to whether the applicants can be said to have taken the opponent’s mark or a distinctive element thereof given that no claim is made to the word WATERLESS and the applied for series of marks contains other matter (and bearing in mind that the opponent has failed under Section 5(4)(a)).

49. The onus is on the opponent to make their case. On the limited and unexplained information available I am unable to reach a finding in their favour under Section 3(6).

## **COSTS**

50. The opposition as a whole has failed. The applicants are entitled to a contribution towards their costs. Their involvement appears to have been largely restricted to filing a counterstatement and considering the evidence filed by the opponent. I order the opponent to pay the applicants the sum of £700. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 22nd day of 2003**

**M REYNOLDS  
For the Registrar  
the Comptroller-General**