

O-433-18

TRADE MARKS ACT 1994

IN THE MATTER OF:

TRADE MARK APPLICATION No. 3173211

BY G & M SAFE DECK LIMITED

**TO REGISTER THE FOLLOWING TRADE MARK
IN CLASS 19**



AND

OPPOSITION THERETO (No. 409090)

BY J. MAC SAFETY SYSTEMS LIMITED

Background and pleadings

1) On 6 July 2016, G & M Safe Deck Limited ('applicant') applied to register the following sign as a trade mark. It includes the following description 'The mark consists of the colour Orange, Pantone 1595C':



2) The application was initially refused registration under section 3(1)(b) of the Trade Marks Act 1994 ('the Act') on the basis that 'the mark consists exclusively of the colour orange (pantone 1595C), which without education, will not immediately be perceived by the average consumer upon first impression as an indication of brand origin and given trade mark status. The mark is therefore not capable of distinguishing your goods from those of another'.

3) The applicant subsequently filed evidence (which has also been filed in these proceedings) to establish that it had acquired distinctive character by virtue of the use made of the mark. Following an ex-parte hearing, the application was deemed acceptable for the goods (see below) which the hearing officer was satisfied that it had demonstrated an acquired distinctive character.

4) The application was subsequently published in the Trade Marks Journal on 24 February 2017 in respect of the following goods:

Class 19: Safety platform decking made of High-density polyethylene (HDPE), all for use in the house building industry.

5) On 20 April 2017, J. Mac Safety Systems Limited ('the opponent') filed a notice of opposition against the application. The opposition was based on Section 3(1)(a) and/or (b) of the Act. At the hearing Mr Rundle withdrew the section 3(1)(a) claim. Therefore, the sole basis of the opposition is that the application is devoid of distinctive character. The opponent states that 'use of the mark over a period of barely five years is insufficient to educate the average consumer that the colour orange (Pantone 1595C) has acquired a secondary meaning as a trade mark'. Therefore, it is devoid of distinctive character and should be refused registration under section 3(1)(b).

6) The applicant filed a counterstatement denying the claims made. Both sides seek an award of costs.

7) A hearing took place on 16 May 2018, with the applicant represented by Ms Jones of Counsel, instructed by Withers & Rogers LLP. The opponent filed written submissions in lieu of attendance. These shall be borne in mind and referred to where necessary.

8) Both sides filed evidence which shall be summarised to the extent that it is considered appropriate/necessary. Neither side filed written submissions, apart from those referred to above.

Opponent's evidence

Witness statement of Mr Terry Roy Rundle plus exhibit TRR01

9) Mr Rundle is a trade mark attorney for Wilson Gunn, the opponent's professional representatives. His witness statement is brief and includes one exhibit. Mr Rundle states that he 'conducted a Google search for subject matter relating to 'Safety Decking' and came across RESEARCH REPORT 302 entitled 'A technical guide to the selection and use of fall prevention and arrest equipment' published in 2005 and

running to more than 300 pages'. Mr Rundle highlights page seven of the report and in particular the following picture:



'Typical PDS used in a domestic housing construction setting (courtesy of *Tarmac*)'.

Witness statement of Luis Alexander McCarthy plus exhibits LAMcC-01 and 02

10) Mr McCarthy is the managing director of the opponent, a position he has held since January 2016. Mr McCarthy states that he has been in the scaffolding industry since March 2004 and that he has gained considerable experience and qualifications in this sector. This is supported by him filing a copy of his CV¹.

11) Mr McCarthy states that safety decking is now an integral element of the scaffolding industry. He states that safety platform decking combines quick installation, with strength, allowing users to safely access, work from and load the decking with materials.

12) Exhibit LAMcC-02 to the witness statement consists of a list of various safety platform decking products which are currently on the UK market. They include the following 8 companies:

¹ Exhibit LAMcC-01

- a) The opponent: They provide the Macdeck product which incorporates orange and red panels with black rectangular shaped legs.



- b) An extract from the website sayfasystems.co.uk for its Rhino deck goods which Mr McCarthy describes as 'Colour – Panels Black with Yellow Lap Over Panels – Legs Black – Steel Type System'.



- c) Load Deck Systems Ltd: Orange legs with steel brushed coloured panels.



d) GM Safety Netting (a subsidiary of the applicant): 'Colour – Panels Orange, Legs Orange, supporting feet Orange.'



e) Tarmac: 'Colour – Orange/Red or Black Panels with Grey Circular Legs'.



f) SwaleGroup: 'Colour – Black Panels with Circular Grey or Yellow Legs, legs are supported using steel cages'.



g) Reynolds Safety: Colour –Black Panels with Yellow Supporting Legs'



h) Tradsafety Systems: Colour – Yellow with yellow legs. Mr McCarthy states that these are now only available on the second hand market.



13) The extracts are not dated but it is reasonable to assume that the internet searches were carried out shortly before the witness statement was executed but certainly after the relevant date. Mr McCarthy (in his second witness statement)

argues that the above demonstrates that third parties use coloured decking, including yellow and black as well as orange. He highlights this to counter the applicant's evidence (witness statement of Mr Seddon) which highlights certain third party use but 'has chosen to ignore' others.

14) Mr McCarthy states that he considers Trad Safety Systems Limited (number 8 above) to be the largest safety decking provider in the UK. This is based on its operational coverage and size. Further, it has an annual turnover in excess of £11.4million for the year ending August 2016, which is up from £8.78million for the previous year. He states that 'it is not easy to estimate the size of the safety platform decking market in the UK, but based upon Trad Safety Systems...my best estimate [is] in the region of £35-£40 million per annum, with the market growing year on year due to new health and safety legislation'.

15) Mr McCarthy then refers to the witness statement filed by Mr Pickles in support of the subject application (this evidence was presented before the ex-parte hearing officer and hence why Mr McCarthy has commented on it in the opponent's evidence in chief). This has been reviewed below. Mr McCarthy notes that the applicant's alleged turnover is £2.9million over a five-year period which is from the rental and sale of safety platform decking. He states that the turnover should be viewed in the context of the opponent. More specifically, he states that the opponent's 'Sales and Order book for the period between August 2017 and August 2018 is in excess of £2million in sales alone and this coupled with our Operational & Hire invoicing based on order book and current figures running at £800,000 per annum. Based on the figures of my Company and those of Trade Safety Systems Limited I would estimate G & M Safe Deck Limited's share of the UK safety platform decking market to be less than 5%.'²

² Paragraph 5 of the witness statement

Applicant's evidence

Witness statement of Mr Tony Seddon

16) Mr Seddon is the Company Secretary for FASET Ltd, which he describes as the trade association and training body for platform decking systems. He has held this position since 2007.

17) Mr Seddon believes that since the applicant began trading in 2011 it 'has established distinctive market recognition through the use of its brightly coloured orange safety decking system'.

18) He goes on to state that 'it has become an established practice within the industry for manufacturers of platform decking systems to use colour to distinguish between the various systems available on the market'. To illustrate this point, Mr Seddon submits print outs³ from the manufacturers Trad Deck and Swale Deck websites which show that the former use yellow and the latter black. The exhibit is undated.

19) Mr Seddon then contends that it is his view that if another manufacturer were to use the same colour orange as the application, the subject of the opposition, it would lead to confusion in the safety decking market since it is associated with the applicant.

Witness statement of Jayne Pickles with exhibits JP1 – JP14

20) Ms Pickles is the Company Secretary of G & M Safety Netting Limited and is an authorised representative of its subsidiary, G & M Safe Deck Limited. A position she has held since 1 February 2002.

21) Exhibit JP1 consists of a copy of the witness statement filed by Mr Mark Anthony Pickles in support of the claim to acquired distinctiveness which was taken into

³ Exhibit TS1

consideration at the ex-parte hearing stage and which led to acceptance of the application. I shall review this separately.

22) Ms Pickles states that the applicant has produced, sold and rented safety platform decking since 2011. Ms Pickles argues that the use of colour to distinguish between manufacturers has become common practice in the construction industry for the applied for goods and customers are accustomed to viewing the colour orange as its indication of origin. To support this view, Ms Pickles has submitted emails from various customers and competitors in the construction industry. None of these are in the form of witness statements and are therefore hearsay statements, a matter I shall address later in this decision:

- An email from Mr Seddon of FASET addressed 'TO WHOM IT MAY CONCERN'. It is dated 7 September 2016 which is after the relevant date. The email effectively states the same as the witness statement summarised above, i.e. that orange decking is associated with the applicant.
- A letter from Mr Daniel Ezzatvar who is the marketing manager for GGR Group. The letter is dated 18 August 2016 and states:

'I would like to confirm that G&M Safe Deck is identifiable to us and the wider construction industry due to its distinctive orange safety decking. The colour enables the products to be quickly recognised on site, which is an important factor in ensuring that we are using the correct products at all times. I recognise G&M Safe Deck as being one of three main suppliers of safety decking, each recognised by their colours as follows:

- G&M Safe Deck – Orange
 - Trad Safety Deck – Yellow
 - Swale Deck – Blue'
- An unsigned and undated letter from Allied Scaffolding Ltd (this is indicated by the letterhead). The letter states that Allied Scaffolding 'purchased and hired

G & M Safe Deck System and believe the decking is known within the construction industry by its distinctive orange colour, it is known to be tested to a high standard and has a high reputation in respect of Orange Decking amongst the consumers of Safety Decking in the UK.'

- An email from Mr Steve Emmett who is the site manager for Termrim Construction Ltd. It is dated 15 August 2016 and states 'I have worked with G&M Safe Deck Ltd for a number of years now and all the decking I have had erected is Orange Safety Deck, and Orange legs. I would say this is G&M's trademark Colour for all their decking'.
- An email from Mr Gerry Doherty who is the Project Manager for Keepmoat dated 15 August 2016. The email states that the applicant has supplied his company, with their orange safety decking system, since 2011 and are well known for their distinctive orange colour.
- An email from Mr Terry Oliver of Berkeley Group to Mr Wayne Price of NJS Group, who subsequently forwarded it to Ms Pickles. It is dated 15 August 2016 and states that 'NJS provide us and our developments with the G & M Safe Deck and have the acquired distinctive character / reputation in respect of Orange safety decking amongst the construction industry in the UK.'
- An email from Mr Wayne Price, director of NJS Group Ltd dated 16 August 2016. He states that 'G&M Safe deck LTD has provided NJS Safe deck with the orange coloured decking that has its distinctive character'. He also states that 'There are a few other systems on the market which are known by the color they trade with, i.e. Trad deck in yellow, rhino deck in black, NJS'S clients prefer the distinctive orange color that G & M provide.'

23) Ms Pickles states that the revenue generated by the applicant in the UK for sales, rental and installation of the goods are as follows:

Year	Sales Revenue	Installation Revenue
2011	-	£311,903.45
2012	£51,657.13	£340,306.68
2013	-	£450,281.62
2014	£75,113.35	£670,235.47
2015	£318,791.56	£419,639.52
2016	£891,595.18	£529,742.85
2017	£568,503.04	£231,692.58

24) Ms Pickles has filed around 40 invoices⁴ issued by the applicant. The invoices are sent to various locations including the South East, Manchester, Devon, Scotland. They include references to 'G&M Safe Deck' and some references to 'orange panels'. The invoices are dated between January 2012 and November 2017.

25) Ms Pickles claims that the applicant has approximately 8% of the market share and that this figure is based on the latest accounts filed at Companies House⁵ by the applicant's main competitors in the safety decking market. She sets out the financial details as follows:

Competitor company	Turnover 2016	Approx. Market Share
TRAD Deck	Circa £11,400,000	67%
Swaledek	Circa £1,200,000	7%
Tarmac	Accounts filed are not limited to safety platform decking therefore percentage is estimated on the basis of volume of decking held.	5%
Austin Reynolds	Accounts filed are not limited to safety platform decking therefore percentage is estimated on the basis of volume of decking held.	12%

⁴ Exhibit JP3

⁵ Exhibit JP4 (company accounts for TRAD Deck (TRAD Safety Systems Limited, Swaledek (Swale Scaffolding Hire & Sales), Tarmac and Austin Reynolds.

26) Exhibit JP5 to the witness statement is an email dated 15 August 2016 from Jim Gorman, the National Operations Director for TRAD Safety Systems Ltd to Ms Pickles. The email states that 'At present we have 3 Main Decking companies supplying their own unique Plastic system to the House building and Construction Industry'. Mr Gorman states 'Trade Safety Systems considers it to be important that all Decking suppliers retain their own unique colour and systems for purpose of Security, Safety, and Identification'. He then states the following:

'Without going into too much detail about it each company will have put a great deal of time and cost for Research and Development to get a colour that is unique to them and that its chosen individual properties that finally make up the plastic can withstand the rigour of the construction industry.'

27) Mr Gorman then lists 3 main competitors which use primary colours, these being Swale Safety Deck (black), G&M Safety Deck (orange) and Trad Safety Deck (yellow). He states that 'We would be bitterly disappointed if someone else were to be allowed to use a similar colour to what we or any of our competitors use...'

28) In terms of advertising and marketing, Ms Pickles states that the applicant predominately relies upon word of mouth recommendations, some targeted sales communications and a brochure. An example of direct marketing correspondence is an email⁶ dated 13 May 2015 from Ms Pickles to 'procurement@barrattpl.co.uk'. The body of the email effectively introduces and promotes the applicant (it can be inferred that they have not been aware of the applicant, it's services or use of the colour orange) as a Cheshire based company who provide 'a new lightweight working platform' who 'only employ FASET trained riggers and erectors'. The same email was sent to Taylor Wimpey on 13 May and 3 September 2015, Bloor Homes on 27 August 2015 and MJ Gleeson on 13 May 2015. Ms Pickles also provides an extensive list (in the few hundreds) of companies⁷ who the applicant 'sends targeted marketing'. Specific details of these targeted emails, including the dates and details of marketing, have not been provided.

⁶ Exhibit JP6

⁷ Exhibit JP7

29) With regard to the brochure, an example front cover of the brochure⁸ is reproduced below. It is noted that the first page states that 'G&M Safe Deck is a light weight working platform that has been used widely within the industry since 2011'. The brochure was produced in 2011, as indicated by the invoice⁹ addressed to G&M Safety Netting Limited dated 19 October 2011. No circulation figures for the brochure have been provided and therefore it is difficult to ascertain how many customers (prospective or otherwise) have seen the brochure.



⁸ Exhibit JP8

⁹ Exhibit JP9

30) In the top right corner, on page three of the brochure, the following statement appears¹⁰.



31) Ms Pickles also evidences pictures¹¹ of promotional items bearing the G&M Safe Deck mark and coloured orange. These include orange pens, calendars and orange mugs.

32) Exhibit JP13 consists of an extract from the applicant's website. The print out includes the date of printing (16/11/2017) and has the heading 'G&M Safe Deck – The market-leading safety platform that exceeds current safety standards'. It also includes a picture of a building site where orange safety decking is being used. Ms Pickles provides the following figures which illustrate the number of visitors to its website. In order to verify these figures, Ms Pickles has submitted a Google analytics print out¹²:

Year	Logged sessions
2012 - 2013	3,400
2013 – 2014	3,945
2014 – 2015	6,000
2015 – 2016	6,464
2016 – 2017	6,445

Witness statement of Mr Mark Anthony Pickles plus exhibits MP1 – MP11

33) Mr Pickles is a director and safety manager of G & M Safe Deck Limited. He has worked as a director since 18 April 2012.

¹⁰ Also filed under exhibit JP12

¹¹ Exhibit JP10

¹² Exhibit JP14

34) He states that his company started producing, renting and selling the goods in 2011 and has since turned over £2,900,000 up to the filing date from the rental and sale of the goods. He says that his company has sold about £450,000 worth of goods, up to the filing date, to various customers across the UK. The remaining £2,450,000 worth of sales are from the rental of the goods to the UK public. Such goods are rented to house builders who erect them within the house so that the builders can work safely at various heights.

35) Mr Pickles goes on to state that the applicant has 'not spent a vast amount of money on advertising or marketing the Goods'¹³ since it relies upon word of mouth referrals from customers in the construction industry. Therefore, he estimates that the advertising and marketing spend is for creation and maintenance of its website which he says is around £200 per annum¹⁴.

36) He then states that since the goods are cheaper and quicker to install than conventional scaffolding they are becoming increasingly popular. There are two other comparable products made from plastic that compete with the applicant. These are: 1) Trade Safety Systems Ltd, called Trad Safety Deck, and 2) Swaledek Safety Decking.

37) Mr Pickle states that the Trad Safety Deck is bright yellow and to demonstrate this he has submitted (under exhibit MP1) an internet extract from the aforementioned company website. The article itself is not dated but it does include a copyright date of 2014 and the date of printing (15/09/2016). Exhibit MP2 consists of internet print outs from Swaledek Safety Decking's website, though these do not appear to have been switched with MP3 which includes G&M Safe Deck internet extracts but are referred to as exhibit MP3.

38) Many of the exhibits filed by Mr Pickles are duplications of those filed by Ms Pickles. For example, exhibits MP4 to MP9 are the same emails/letters as exhibits JP2 and exhibit MP10 is the same as JP5. I do not, therefore, need to summarise these again.

¹³ Paragraph 7 of the witness statement

¹⁴ He filed extracts from the website under exhibit MP3

39) Exhibit MP11 comprises of the same email from Mr Seddon filed by Ms Pickles under JP2. However, the email slightly differs since at the bottom of this version it includes an email from Ms Pickles, dated 15 August 2016, which states 'Would FASET be able to do a statement stating that we have acquired distinctive character/reputation in respect of orange decking amongst the consumers of safety decking in the UK'.

OPPONENT'S EVIDENCE IN REPLY

Second witness statement of Luis Alexander McCarthy

40) Mr McCarthy's second witness statement largely contains criticisms of the applicant's evidence. For example, he states that in Mr Seddon's opening paragraph it is suggested that his company FASET Ltd is the industry trade association and body. However, Mr McCarthy believes 'this to be false since my Company is currently developing a training course alongside Simian Risk Group which is accredited through the Construction Industry Training Board ("CITB") and its National Construction College'. I note that Mr McCarthy's training course is 'currently' being developed which does not go towards the point that FACET Ltd is the industry trade association. It may be that in the future Mr McCarthy's company will become the trade body but until such time this does not mean that Mr Seddon's company is not currently the leading association and that I should not take this to be the case.

41) Mr McCarthy also states that 'In paragraph 5 Mr Seddon claims that it has become an established practice within the industry for manufacturers of platform decking systems to use colour to distinguish between the various systems available on the market. To illustrate this point he refers to the use of the colour yellow by Trad Deck and the use of black by Swale Deck'. He states that his Exhibit LAMcC-02 clearly shows that other manufacturers also use orange. A point which 'Mr Seddon seems to have ignored'.

42) Mr McCarthy also questions the veracity of the statement made by Mr Pickles (at paragraph 15) which states that the applicant's customer, NJS Group Ltd, confirmed that they purchased the goods from the applicant on the basis of their distinctive

colour orange. Mr McCarthy doubts whether this is true. To support this view he submits a LinkedIn post¹⁵ by Mr Wayne Price, a director of NJS Group Ltd, showing use of orange and black panels rather than just orange. I note that the post date was 5 days prior to the date of the witness statement, i.e. 28 February 2018, which is after the relevant date.

43) A further criticism of Mr Pickles evidence is his statement that the applicant's customer Keepmoat has stated that the applicant's goods 'are well known in the construction industry in the UK by their distinctive orange colour'. Mr McCarthy claims that 'this statement is clearly regional' and decisions to use safety decking is not based on colour. To support this view, he submits under exhibit LAMcC-03 an email Mr Martin Robson, site manager at ENGIE (formerly Keepmoat), asking whether his decision to use Mr McCarthy's company was based on colour. His response was 'No'. I should point out that the email is dated after the relevant date (26 February 2018) and Mr Robson's view was requested as part of a feedback exercise. Further, since Mr Robson has not submitted a witness statement, it is considered to be hearsay which does limit the weight given. I shall address this in further detail later in this decision.

44) Mr McCarthy also seeks to put the applicant's sales figures into context. He states that the applicant's turnover for the years 2016 and 2017 is £1,421,338.03 and £800,195.62 respectively and states that this is superseded by the opponent's turnover of £867,525 (for sales and operational) for the first quarter of 2017 running September 2017 to November 2017. In other words, the opponent's turnover for one quarter is greater than the applicant's annual turnover.

DECISION - Section 3(1)(b)

45) Section 3(1)(b) of the Act states:

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

¹⁵ Exhibit LAMcC-04

- (a) ...,
- (b) trade marks which are devoid of any distinctive character,
- (c) ...,
- (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.”

46) The matter concerning the distinctiveness of the mark must be assessed as at the date of the application, i.e. 6 July 2016 ('the relevant date').

47) It is not in that the application is prima facie excluded from registration by section 3(1)(b) of the Act. However, it is clear from the wording of the proviso to section 3(1) that if the mark had acquired a distinctive character as the applicant claims, then that would be sufficient to overcome any objections under section 3(1)(b) of the Act. Accordingly, the applicant's case is that the mark had acquired a distinctive character through use by the date of the application, i.e. the applicant has educated the public, through use, that it is a trade mark.

Case law - general principles

48) The principles to be applied under article 7(1)(b) of the CTM Regulation (which is now article 7(1)(b) of the EUTM Regulation, and is identical to article 3(1)(b) of the Trade Marks Directive and s.3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) as follows:

“29..... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Proctor & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37)."

49) Both parties sought to rely upon the CJEU's judgment in *Libertel Groep BV and Benelux-Merkenbureau*, Case C-104/01 and I take this into account. In particular, I

refer to paragraphs 64 to 67 of its judgment which refers to colour marks as follows (my emphasis added):

“64. Account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind (see, in different contexts, *Lloyd Schuhfabrik Meyer*, paragraph 26, and *Case C-291/00 LTJ Diffusion* [2003] ECR I-2799, paragraph 52).

65. The perception of the relevant public is not necessarily the same in the case of a sign consisting of a colour per se as it is in the case of a word or figurative mark consisting of a sign that bears no relation to the appearance of the goods it denotes. While the public is accustomed to perceiving word or figurative marks instantly as signs identifying the commercial origin of the goods, the same is not necessarily true where the sign forms part of the look of the goods in respect of which registration of the sign as a trade mark is sought. Consumers are not in the habit of making assumptions about the origin of goods based on their colour or the colour of their packaging, in the absence of any graphic or word element, because as a rule a colour per se is not, in current commercial practice, used as a means of identification. A colour per se is not normally inherently capable of distinguishing the goods of a particular undertaking.

66. In the case of a colour per se, distinctiveness without any prior use is inconceivable save in exceptional circumstances, and particularly where the number of goods or services for which the mark is claimed is very restricted and the relevant market very specific.

67. However, even if a colour per se does not initially have any distinctive character within the meaning of Article 3(1)(b) of the Directive, it may acquire such character in relation to the goods or services claimed following the use made of it, pursuant to Article 3(3) of the Directive. That distinctive character may be acquired, inter alia, after the normal process of familiarising the

relevant public has taken place. In such cases, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings (*Windsurfing Chiemsee...*).”

50) During the hearing Mr Rundle made particular reference to the sentences I have underlined at paragraph 65, i.e. that consumers are not in the habit of basing the origin of goods on the colour used. Ms Jones then correctly stated that whilst this general principle may be true, as stated in paragraphs 66 and 67 of the same judgment, in exceptional circumstances (which Ms Jones claims the applicant’s case to be), particularly where the goods are very restricted, colour per se may acquire such distinctive character. As correctly stated by Ms Jones, every case turns on its own facts.

51) With regard to the assessment of the acquisition of distinctive character through use, I rely upon the CJEU’s guidance provided in *Windsurfing Chiemsee*, Joined cases C-108 & C-109/97. In particular, at paragraphs 51 to 53 it states:

51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that

requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.

53. As regards the method to be used to assess the distinctive character of a mark in respect of which registration is applied for, Community law does not preclude the competent authority, where it has particular difficulty in that connection, from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment (see, to that effect, Case C-210/96 Gut Springenheide and Tusky [1998] ECR I-4657, paragraph 37).”

52) In the Registrar’s decision of BL O-432-11 *Societe des Produits Nestle v Cadbury UK*, Mr Allan James summarised the guidance above as follows:

“The net effect of this guidance appears to be that:

i) I should remember that the public’s perception of the use of a colour is not necessarily the same as it would be with a traditional word mark.

ii) However, the method of assessment of whether the mark had acquired a distinctive character remains the same, therefore:

a) The length of time and the extent of the use of the mark should be taken into account, as well as the amount spent promoting it (as a mark);

b) If a significant proportion of the relevant public have been shown to identify the goods as originating from a particular undertaking because of the trade mark, I must find that the mark had acquired a distinctive character;

c) In assessing whether the mark is distinctive as per (b) above, I may take account of statements from the trade and the results of public surveys.”

53) I see no reason not to adopt this approach though I shall sub-categorise each element which I need to take into consideration, i.e. the length of time, the extent of use (which includes the market share and how geographically widespread the use has been), the amount invested by the applicant in promoting the mark and statements from the trade. All of these factors are based on the relevant public's perception (as outlined above) and that I must assess not whether the colour is distinctive of the company, but is it distinctive for the applied for goods. With regard to the relevant public, I must firstly identify who they are. The goods in question are safety decking for builders and workers to move freely over to work on the building or for them to place materials on. They are used in the housing construction and housing repair sectors to provide a safe base to work. Therefore, as stated by Ms Jones, the relevant public is the housing construction industry.

Length of time

54) The applicant states that use of the application for the applied for goods began in 2011 which the opponent describes as 'barely five years' prior to the relevant date of 6 July 2016. The opponent claims that this is an insufficient period of time to educate the average consumer that the colour orange has acquired distinctive character.

55) The length of time that the mark has been used is a factor to be taken into account when determining whether it has acquired a distinctive character by virtue of the use made of the mark. There is no hard and fast rule about the length of time and this is merely one element of a multi factor assessment. Clearly, if the applicant could rely upon decades of use then this would be advantageous, however it is plausible for five years to be a sufficient period of time to have acquired distinctiveness. On balance, a period of five years does not greatly assist or hinder the applicant with its claim. It is most certainly not detrimental to the extent that the opponent argues.

Extent of use

56) The applicant states that its sales figures are approximately £2,900,000 for the period 2011 to 2017. The majority of this revenue is for the rental of the safety

decking (£2,450,000) with the remaining amount being for the sale of the goods (£450,000).

57) In its evidence, the opponent has sought to put these figures into context. It argues that its sales and operational turnover for 2016 and 2017 was £1,421,338.03 and £800,195.62 respectively. It states that its turnover for the period September to November is greater than the applicant's entire 2017 turnover and therefore the applicant's sales figures cannot be considered high.

58) In the applicant's evidence, it submits turnover figures for the market leader (TRAD Deck) amount to £11,400,000 and another competitor's (Swaledek) turnover was £1,200,000.

59) Clearly the applicant's sales figures demonstrate a successful operating business with the majority of its revenue originating from the rental of the safety decking rather than the sales of the goods themselves. The evidence (invoices) also demonstrate sales throughout the UK. Regardless of whether the sales are for the goods themselves or the services, they are respectable. Further, the sales do appear to be steadily increasing but they are not striking, particularly in light of competitor figures.

Market share

60) There is no independent evidence with regard to the market share that the applicant has. From the applicant's own calculations, it estimates to have 8% of the market share. This is based on its turnover compared to competitors which have been obtained from Companies House records. The opponent, based on its own calculations, estimates the figure to be closer to 5%. Therefore, it is common ground that the market share is somewhere between 5% and 8%. I do not consider anything turns on whether the market share is 5% or 8% and so for the benefit of the applicant I shall proceed with the higher figure.

61) It does not appear to be under dispute that the market leader for the goods in question has an estimated market share in the region of 67% with other competitors

also being in the 5%-12% region. It is also agreed from the evidence and submissions that since this type of safety decking is relatively new the market is not diluted with suppliers. Taking all of these factors into consideration, I consider a market share of 8% to be reasonable.

Advertising

62) The applicant states in its evidence that given the market in question (i.e. the building industry), it mainly relies upon word of mouth recommendations. It does carry out direct marketing emails to a few hundred potential customers and various other promotional activities, including the production and circulation of a brochure. Therefore, the applicant's marketing activities are very limited.

63) I note that the brochure includes the statement 'If it's orange you know it's G & M Safe Deck tested to the highest standard' which does suggest that the colour serves a technical purpose rather than to denote trade origin. Nevertheless, it does aim to show that the colour orange is associated with the applicant. However, it is not clear how many brochures were issued, to whom or where. For these reasons the brochure and statement do not greatly assist the applicant's claim to having acquired a distinctive character.

64) Mr Pickles (for the applicant) states in his witness statement that it has 'not spent a vast amount of money on advertising or marketing the Goods' and that the only real advertising spend is maintaining a website at a cost of around £200 per annum. This is very low and does not assist the applicant with its claim to having an acquired distinctive character by virtue of the use made of the mark.

Statements from the trade

65) The applicant has filed numerous emails and letters from competitors and customers regarding its use of the colour orange for its goods. None of these statements have been filed as witness statements and as previously stated, they are hearsay. Section 4 of the Civil Evidence Act 1995 permits hearsay evidence in civil

proceedings but provides the following guidance as to the weight to be accorded to such evidence:

“Considerations relevant to weighing of hearsay evidence.

(1) In estimating the weight (if any) to be given to hearsay evidence in civil proceedings the court shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence.

(2) Regard may be had, in particular, to the following -

(a) whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;

(b) whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;

(c) whether the evidence involves multiple hearsay;

(d) whether any person involved had any motive to conceal or misrepresent matters;

(e) whether the original statement was an edited account, or was made in collaboration with another or for a particular purpose;

(f) whether the circumstances in which the evidence is adduced as hearsay are such as to suggest an attempt to prevent proper evaluation of its weight.”

66) The filing of hearsay evidence inherently comes with the risk that the tribunal may assess its weight at a lower level than that which the party considers it should carry. An aspect which affects the weight of the evidence in this case is that all of the

emails and letters have been solicited for these proceedings. For example, the language used in the email from Mr Terry Oliver refers to the applicant having 'acquired distinctive character / reputation in respect of Orange safety decking' sounds like it has been provided by the applicant or its trade mark attorney rather than their own thoughts. This may be the case with other emails and letters. Nevertheless, the opponent has not sought to respond to the content though they are nevertheless hearsay. Since the applicant was able to obtain emails and letters from each person it seems equally practical for original statements to have been provided. Whilst I do not wish to give undue weight to evidence which the opponent has no opportunity to cross-examine, I do consider them to be credible. There is no suggestion that the form in which the evidence was given represented an attempt by the applicant to conceal or misrepresent matters or is such as to suggest an attempt to prevent proper evaluation of the evidence. Further, since the evidence has not been challenged, I intend to take the emails and letters into account in reaching a decision and to give them reasonable weight.

67) Mr Seddon (not a hearsay statement), on behalf of the applicant, does argue that it is common in the trade for colours to be used to distinguish one provider from another. This has been challenged by the opponent (for example, Mr McCarthy challenges the evidence of Mr Wayne Price which shows his company using orange and black panels and not just orange). Despite the criticisms made of the evidence, I do consider the statements from the trade as being the applicant's strongest evidence in favour of it acquiring distinctive character. However, as outlined above, the evidence is hearsay and has been solicited (and possibly drafted) by the applicant for its own purpose.

Public policy

68) There is one further factor I must take into account when determining whether the section 3(1)(b) claim should be upheld. This relates to the public policy provisions. I refer to the following guidance from the *Libertel* judgment, as follows:

“51. The various grounds for refusing registration in Article 3 of the Directive must therefore be interpreted in the light of the public interest underlying each of them (Case C-299/99 Philips [2002] ECR I-5475, paragraph 77).

52&53.

54. As regards the registration as trade marks of colours per se, not spatially delimited, the fact that the number of colours actually available is limited means that a small number of trade mark registrations for certain services or goods could exhaust the entire range of the colours available. Such an extensive monopoly would be incompatible with a system of undistorted competition, in particular because it could have the effect of creating an unjustified competitive advantage for a single trader. Nor would it be conducive to economic development or the fostering of the spirit of enterprise for established traders to be able to register the entire range of colours that is in fact available for their own benefit, to the detriment of new traders.

55. It must therefore be acknowledged that there is, in Community trade-mark law, a public interest in not unduly restricting the availability of colours for the other operators who offer for sale goods or services of the same type as those in respect of which registration is sought.

56. The greater the number of the goods or services for which the trade mark is sought to be registered, the more excessive the exclusive right which it may confer is likely to be, and, for that very reason, the more likely is that right to come into conflict with the maintenance of a system of undistorted competition, and with the public interest in not unduly restricting the availability of colours for the other traders who market goods or services of the same type as those in respect of which registration is sought.

57-59. –

60. Accordingly, the reply to the third question referred must be that, in assessing the potential distinctiveness of a given colour as a trade mark,

regard must be had to the general interest in not unduly restricting the availability of colours for the other traders who offer for sale goods or services of the same type as those in respect of which registration is sought.”

69) In essence the judgment of *Libertel* states that there is a general interest in not unreasonably restricting competitor’s access to the use of colours. Further, I am required to assess whether the applicant’s colour orange had acquired a distinctive character for each and every item covered by the list of goods. I remind myself of the list of goods:

Class 19: Safety platform decking made of High-density polyethylene (HDPE), all for use in the house building industry.

70) Ms Jones argues that the list of goods can be broken down into three parts. Firstly, ‘safety platform decking’ is a fairly narrow very precise list of goods which are, secondly, further limited by defining the particular materials that the decking is to be made of. Thirdly, the list defines the sector in which the goods will be used. Therefore, Ms Jones argues that ‘this is as narrow as it gets in terms of specifications’ and that is highly relevant when considering whether a colour could be perceived as an indication of goods and the overarching public policy principle that the registration of a colour could prohibit use by third parties. I agree with Ms Jones that the list of goods is very limited and this does lessen, but not completely avoid, the public policy risks.

Conclusion

71) The applicant has established that some of its customers, competitors and the current trade body recognise the colour orange to be associated with it when used on the applied for goods. Though much of this evidence appears to have been solicited for these proceedings. Moreover, whilst the evidence does carry some weight it is nevertheless hearsay. The applicant also provided evidence of respectable, but not striking, sales figures. The applicant does also refer to its decking being orange in its brochure but the circulation figures have not been provided.

72) Set against this are a number of factors which do not support the applicant's claim to having an acquired distinctiveness by virtue of the use made of it. The applicant's advertising spend is extremely low (a few hundred pounds) and apart from direct emails and brochures there is no real marketing activity. Mr Pickles does state that the only real advertising expenditure is the cost of a website which has between 3,000 and 6,000 'logged sessions' per annum. During the hearing Mr Rundle correctly stated that these figures are very low.

73) The applicant first used its mark in 2011 and the relevant date is 6 July 2016. I have already stated that I do not consider it to be a particularly long or short period of time, though I am of the view that whilst it is possible to establish sufficient use in this period, it is not a factor that particularly strengthens the applicant's claim. With regard to the sales figures, whilst these show a relatively successful business, they are not striking and even if the market share is 8%, I do not consider this to compensate the other factors which fail to demonstrate that the applicant has acquired distinctive character.

74) In view of the above, I find that the applicant has not established that it has, by virtue of the use made of the mark, acquired a distinctive character. Therefore, the objection under section 3(1)(b) of the Act is maintained.

75) For the sake of completeness, during the hearing Mr Rundle sought to rely upon a number of decisions of the UK IPO and European instances whereby colour applications have been refused. Ms Jones correctly stated that every case turns on its own facts and that whilst the overriding principles should be followed, individual cases should not. Ms Jones went on to tactfully differentiate each case from the current proceedings. Ultimately since I have found in favour of the opponent I do not see the need to detail each case relied upon.

76) Finally, I acknowledge that this decision differs to that made by a different hearing officer and appreciate that this may be frustrating for the applicant. However, I have to highlight that I have had the benefit of evidence and submissions from the opponent.

COSTS

77) The opponent has been successful and is entitled to a contribution towards its costs. In the circumstances I award the opponent the sum of £2800 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Opposition fee	£200
Preparing a statement and considering the Other side's statement	£300
Preparing evidence and considering and commenting on the other side's evidence	£1500
Preparing for and attending a hearing	£800
Total	£2800

78) I therefore order G & M Safe Deck Limited to pay J. Mac Safety Systems Limited the sum of £2800. The above sum should 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 17th day of July 2018

Mark King
For the Registrar,
The Comptroller-General