

## TRADE MARKS ACT, 1996

### Decision on Opposition

IN THE MATTER OF an application for registration of Trade Mark No. 226758 and in the matter of an Opposition thereto.

**VEOLIA WATER OPERATIONS IRELAND LIMITED**

**Applicant**

**DUBLIN CITY COUNCIL**

**Opponent**

#### **Application for registration**

1. On 17 January, 2002, Vivendi Water Operations Ireland (now called Veolia Water Operations Ireland Limited) of Arena House, Arena Road, Sandyford Industrial Estate, Dublin 18 made application (No. 2002/00115) under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register the word BIOFERT & Device in stylised form (shown below) as a trade mark in respect of a specification of goods in Class 1 that was amended in the course of the examination of the application to read “*organic and inorganic soil conditioning products; plant foods and nutrients; composts; grow-bags; fertilisers; manures (natural and artificial)*”.



2. The application was accepted for registration and advertised accordingly under No. 226758 in Journal No. 1973 on 23 July, 2003.
3. Notice of opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 22 October, 2003 by Dublin City Council of Civic Offices, Wood Quay, Dublin 8. The Applicant filed a counter-statement on 15 January, 2004 and evidence was subsequently filed by the parties under Rules 20, 21 and 22 of the Trade Marks Rules, 1996 (“the Rules”).

4. On 1 December, 2006, the parties were notified that a hearing had been appointed in the matter pursuant to Rule 25(1) for 11 January, 2007 but both parties subsequently informed the Office that they did not intend to be represented at the hearing. Acting for the Controller, I decided the opposition on 31 January, 2007. The parties were notified on that date that I had decided to dismiss the opposition and to allow the application to proceed to registration. I now state the grounds of my decision and the materials used in arriving thereat.

### **Grounds of the opposition**

5. In its notice of opposition, the Opponent states that it has for many years carried on the business of manufacturer and merchant of chemical products and, in particular, fertilisers and soil conditioners, that it is the proprietor of the trade mark BIOFERT & Device<sup>1</sup>, which is the subject of Community Trade Mark Application No. 2587236 filed on 21 February, 2002 and that the said trade mark has been extensively used for many years and has long denoted both to the trade and to the public goods manufactured by the Opponent and no other. In light of these somewhat surprising<sup>2</sup> statements, the Opponent objects to the present application on the basis of the following sections of the Act -

- *Section 8(4)(a) – use of the trade mark prohibited in the State by rule of law,*
- *Section 8(4)(b) – application for registration made in bad faith,*
- *Section 10(4)(a) – use of the trade mark liable to be prevented by virtue of any rule of law protecting an unregistered trade mark or other sign used in the course of trade,*
- *Section 10(4)(b) – use of trade mark liable to be prevented by virtue of earlier right, in particular by virtue of the law of copyright, relating to a right to a name and industrial property rights,*

---

<sup>1</sup> identical with the trade mark put forward for registration here

<sup>2</sup> given the nature of the Opponent

- *Sections 37(2) and 42(3) – trade mark not used or proposed to be used in relation to the goods specified in the application.*
6. In its counter-statement, the Applicant denies all of the grounds of opposition raised against the application.

### **The evidence<sup>3</sup>**

#### *Rule 20*

7. Evidence submitted by the Opponent under Rule 20 consisted of a statutory declaration (and Exhibits 1 and 2), dated 16 August, 2004 of Dermot Molphy, an Assistant Project Engineer in its employment. He says that,
- the Opponent has used the trade mark BIOFERT within Ireland since 1999,
  - during the years 1999 – August, 2004 the total sales value of goods sold by the Opponent under the trade mark BIOFERT & Device amounted to €1.2 million,
  - the product sold under the trade mark is supplied in bulk and spread for the customer so that there is no packaging or labelling of it,
  - it is supplied through Quinns of Baltinglass and promoted directly to potential customers through the use of brochures (sample exhibited) and by verbal communication to customers or potential customers upon enquiry or sale,
  - the trade mark appears on the packaging of the bulk product<sup>4</sup> and the spreading equipment used,
  - the Applicant previously acted as a distributor of the Opponent's products sold under the trade mark but has no current legitimate connection with the Opponent, and

---

<sup>3</sup> review of the evidence confined to matters or relevant fact or claimed fact

<sup>4</sup> apparently in contradiction of the earlier statement with regard to packaging

- to the best of Mr. Molphy's knowledge, no person other than the Applicant has asserted a claim to the BIOFERT mark.

*Rule 21*

8. Evidence submitted by the Applicant under Rule 21 consisted of a statutory declaration (and Exhibits 1 to 12) dated 17 December, 2004 of Richard Dujardin, its Managing Director. He says that,

- the trade mark BIOFERT & Device was created for the Applicant by Christelle Buono, an employee of an entity called Sede, under a consultancy agreement between Sede and General Utilities PLC, now known as Veolia Water UK PLC, the Applicant's parent company,
- the copyright in the trade mark has been assigned to the Applicant,
- the brochure exhibited with Mr. Molphy's statutory declaration filed as Opponent's evidence under Rule 20 was produced by Sede under commission from the Applicant's then parent, General Utilities PLC,
- the name and logo of Générale des Eaux Ireland which appears on the brochure is the former name of the Applicant and the Applicant circulated approximately 7500 of those brochures during the period May, 2000 to March, 2004,
- the trade mark BIOFERT & Device is used with a treated and dried sludge product generated at the Opponent's Ringsend sewage treatment plant, the re-use of which in an environmentally safe manner was the subject of a tender competition held by the Opponent in 1999, following which a contract was awarded to the Applicant's then parent company, General Utilities PLC, and
- Quinns of Baltinglass and Sede were sub-contracted by the Applicant to carry out specific tasks relevant to the contract, the latter being specifically charged with, *inter alia*, the provision of text and pictures for brochures, leaflets and prospectuses relevant to the contract.

*Rule 22*

9. Evidence in reply submitted by the Opponent under Rule 22 consisted of a further statutory declaration (and Exhibits DM1-DM4) dated 7 February, 2006 of Dermot Molphy, Exhibit DM2 of which consists of a statutory declaration also dated 7 February, 2006 of Mary Murphy, a public relations consultant.

10. Mr. Molphy says that,

- as part of the development of the disposal methodology for the performance of the contract for the disposal of bio-solids, which was awarded by the Opponent to the Applicant in 1999, the Applicant proposed producing a brochure to explain the process involved to farmers and the general public,
- the text and layout of the brochure previously exhibited were developed jointly by the Applicant and the Opponent, including through correspondence between the Opponent's public relations consultant, Mary Murphy Associates, and the Applicant's consultant, Sede,
- during that process, it was agreed that a name for the product would be desirable and the name BIOFERT was coined,
- the Opponent always intended that the name BIOFERT would be used on a single product coming from a particular source, i.e., the Ringsend treatment plant, and not on any other product,
- the Applicant no longer has a contract with the Opponent and has no access to the BIOFERT product.

11. Ms. Murphy says that,

- she was appointed by the Opponent in 1997 in her capacity as a public relations consultant to assist with the development of a waste management project known as the Dublin Bay Project,

- as part of the disposal methodology for that project, it was agreed that the Opponent should produce a brochure explaining to farmers and the general public what the process involved,
- the text and layout of the brochure concerned were developed jointly by the Applicant and the Opponent over a period of time in conjunction with Sede and Ms. Murphy's company,
- during that process, it was agreed that a name for the product would be desirable and, after much deliberation, the name BIOFERT was coined,
- the Opponent always intended that the name BIOFERT would be used on the product coming from the Ringsend treatment plant and no other and always intended to retain ownership of the name,
- the Applicant was appointed by the Opponent solely to assist with the waste disposal project and did not at the time, and still does not, produce the bio-solid marketed under the name BIOFERT independently,
- the coining of the name BIOFERT and the production of the brochure was not accomplished by the Applicant alone but was a joint effort involving many parties, including Ms. Murphy.

**Facts shown by the evidence**

12. The evidence filed in this case is less than satisfactory in a number of respects and a bare perusal of the statutory declarations alone does not disclose the full factual background to the matter. To establish that, it is necessary to look closely at the various exhibits accompanying the statutory declarations and, even, then, one has to engage in a certain amount of speculation and conjecture. The Opponent's evidence under Rule 20 is, in my opinion, particularly lacking in transparency and paints a very distorted picture of the true history of events and the nature of the relationship that previously existed between the parties. I found it somewhat surprising that the Opponent, which itself alleges bad faith on the part of the

Applicant in filing the application for registration, should present to the Controller such a skewed version of events in its main evidence and only concede in its evidence in reply under Rule 22 that the trade mark at issue and the promotional material relating thereto were, in fact, the product of a collaboration between it and the Applicant. Most surprising of all is the fact that neither party has seen fit to exhibit the contract documents, being the Proposal, Form of Tender and Conditions of Contract, underpinning the contract between them dated 9 September, 1999 for the re-use of a treated dried sludge product, from which it might be possible to discern their respective rights and entitlements as regards intellectual property rights created in the course of the performance of the contract. As it is, I have only a partial picture of the circumstances leading to this dispute, from which I draw the following conclusions as to the factual background.

13. In an effort to improve the water quality in Dublin Bay and in order to comply with the European Union's Urban Wastewater Treatment Directive (1991), the Opponent launched a project known as the Dublin Bay Project in 1994. The project involved the construction of a wastewater treatment plant at Ringsend, a pumping station at Sutton and a submarine pipeline to bring wastewater from north Dublin to Ringsend. The treatment plant at Ringsend was completed in 1999 and has been operating since. Since then, sludge, which is a by-product of the treatment process and which was formerly simply dumped at sea, has been dried and purified and converted into an organic fertiliser. The fertiliser is not suitable for use on all soil types and is only made available to farmers who have in place a soil nutrient management plan.
14. Some time before September, 1999, the Opponent held a tender competition, calling for proposals for the operation and management of the sludge re-use project, including, presumably, the logistical requirements (movement and distribution of bulk product) as well as the quality control (soil testing, etc.). The Applicant's parent company secured the contract. Thereafter, the Applicant sub-contracted aspects of the work to Quinns of Baltinglass and Sede, the former being responsible for the receipt, storage and subsequent distribution of bulk

product and the latter having charge of quality control, public relations aspects, IT support, etc..

15. In the course of the performance, or the preparations therefor, by the Applicant of its duties under the contract with the Opponent, the matter of branding and promotion of the product was discussed between the parties and their respective advisers, Sede and Mary Murphy Associates and, in all probability, Quinns of Baltinglass. The name BIOFERT was chosen by agreement following consideration of a number of options. I cannot say for certain which of the parties proposed the name BIOFERT but I note that a fax sent by Mary Murphy on 6 December, 1999 states, “*They* (which I take to mean the Applicant) *like Biofert...*”. The stylisation applied to that word to form the trade mark propounded for registration was the work of Christelle Buono, an employee of Sede. I am satisfied as to this fact on the basis of the direct evidence given by the Applicant and also because of the inclusion in the mark of the zigzag underlining, which is identical with a device that appears in the trade mark SUIVRA, which appears on the brochure exhibited by both parties and which appears to be an IT product of Sede. I surmise, finally, that no formal agreement existed between the Opponent and the Applicant as to the ownership of the name and trade mark BIOFERT, as same would surely have been produced in evidence if it existed and, if it did, then the present dispute might never have arisen.

16. In light of these findings of fact, I turn to consider each of the grounds of opposition in turn.

***Section 8(4)(a) – use of trade mark prohibited by enactment or rule of law***

17. Section 8(4)(a) of the Act provides that a trade mark shall not be registered if its use is prohibited in the State by any enactment or rule of law or by any provision of Community law. No such enactment, rule of law or provision of Community law has been identified by the Opponent and I am satisfied that its opposition under this Section is grounded on the mistaken belief that the Section embraces an objection based on the Opponent’s claimed right to prevent the use of the mark by the Applicant through an action for passing off. Such an objection arises under Section 10(4)(a) of the Act, which is addressed below. Section 8(4)(a) relates to



marks the use of which is specifically *prohibited* by law as opposed to being *liable to be prevented* by virtue of a rule of law. There is, therefore, no basis for the objection under Section 8(4)(a) of the Act.

***Section 8(4)(b) – application for registration made in bad faith***

18. Section 8(4)(b) of the Act provides that a trade mark shall not be registered if, or to the extent that, the application for registration is made in bad faith by the applicant. The Opponent's objection under this Section appears to have two aspects to it, namely, that the application is an attempt by the Applicant to take for itself a trade mark that is the property of the Opponent and that the proposed use of the mark by the Applicant is intended to appropriate the Opponent's goodwill and to lead to deception of the public. In my opinion, neither charge can be sustained. As I have already found, the name BIOFERT was invented and settled upon by the Applicant and the Opponent in collaboration and, in my opinion, the Opponent cannot claim an exclusive right in it as against the Applicant. The application for registration cannot, therefore, be characterised as an attempt by the Applicant to steal the Opponent's mark. Given that neither party appears, on the facts shown by the evidence, to have a stronger claim to the name than the other and that there appears to have been no agreement or even discussion between them as to which of them should be entitled to register the name as a trade mark, I cannot see how one can fairly say that an application for registration by the other is made in bad faith. I would have the same view on this aspect of the matter if the roles were reversed and the application for registration had been filed by Dublin City Council.

19. As to the suggestion that the application signals a proposed use of the mark that must have the aim of appropriating the Opponent's goodwill and lead to deception of the public, that turns to some extent on the question of whether the Opponent owned the goodwill in the mark, and was associated therewith in the minds of the relevant public, as of the date of filing of the application. I will return to that question in the context of the opposition under Section 10(4)(a). As far as Section 8(4)(b) is concerned, I find it sufficient to say that the evidence does not point to anything like what could be called dishonesty or sharp practice on the part of the Applicant in seeking to register the mark in its name. It was not, in the words of

Lindsay J in *Gromax Plasticulture Ltd. V Don and Low Nonwovens Ltd.* [1999] RPC 367 at 379, conduct which could be said to “*fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men*”. On the contrary, the Applicant’s role in the supply of an organic fertiliser made from dried sludge and in the creation of a brand name for that product gave it a legitimate commercial interest in the protection of that name, whatever separate legitimate interest the Opponent may have had in that same regard. In the circumstances, its application for registration was a commercially prudent act and, in my opinion, perfectly above board. The Opponent’s evidence is to the effect that it always intended that the name BIOFERT would be used on the product emanating from the Ringsend plant only and that it always intended to retain ownership of the name<sup>5</sup> but, on the facts of the case, I do not consider the Applicant to have been bound or constrained by the unfulfilled intentions of the Opponent. The application for registration can hardly be said to have been made in bad faith simply by reason of the fact that the Opponent did not contemplate it as a possibility. For these reasons, I find that the application for registration was not made in bad faith by the Applicant and that the objection under Section 8(4)(b) should be dismissed.

***Section 10(4)(a) – use of mark liable to prevented by virtue of law of passing off***

20. Section 10(4)(a) of the Act provides that a trade mark shall not be registered if, or to the extent that, its use in the State is liable to be prevented by virtue of any rule of law protecting an unregistered trade mark or other sign used in the course of trade, in particular the law of passing off. In the context of the present case, the question to be decided is whether, at the relevant date, i.e., the date of filing of the application, 17 January, 2002, the Opponent enjoyed a goodwill or reputation attached to an organic fertiliser that it supplied by association in the minds of the relevant public with the name BIOFERT. If it did, then it is clear that the sale by the Applicant of any of the goods covered by the present application under the trade mark propounded for registration would have constituted a misrepresentation as to the origin of those goods that would lead to damage to the

---

<sup>5</sup> although Ms. Murphy’s evidence on this latter point seems to constitute hearsay

Opponent and would, as a consequence, have been liable to be prevented by an action for passing off.

21. The Opponent's evidence is that it sold approximately €482,000 worth of goods under the mark in the period 1999-2001, inclusive, i.e., prior to the relevant date, but it has not provided any corroborating material in support of that claim, such as sample invoices, nor specified the nature and frequency of those sales, the number of customers for the goods or their geographic distribution. Indeed, the Opponent says that "*the product is supplied through Quinns of Baltinglass*" and I take it, therefore, that the "sales" referred to were, in fact, transactions conducted by the Applicant through its sub-contractor, Quinns, under the contract between the Applicant and the Opponent. As I have already noted, I have not been given sufficient information relating to that contract to have a proper understanding of the nature of the relationship between the parties but I do not accept the Opponent's characterisation of the Applicant as a mere distributor of its goods.
  
22. In my opinion, the overall thrust of the evidence is to the effect that the recycling on a commercial basis of treated sludge as an organic fertiliser was, in practice, a joint undertaking between the parties, albeit that the scheme was originally conceived by the Opponent. While the Opponent claims that the Applicant was no more than its distributor, it seems to me that the position of the Applicant may equally be seen as analogous with that of an undertaking that sources goods to a desired specification from a manufacturer and subsequently markets them under its own trade mark. Although the goods may have been manufactured by, or on behalf of, the Opponent, the branding, marketing and sale of them appears to have been the job of the Applicant at the relevant time. I assume that those persons who were customers for the fertiliser were informed or understood from the promotional material that it was manufactured from material extracted at the Ringsend treatment plant. It does not necessarily follow, however, that they understood the BIOFERT trade mark to signify a connection between the Opponent and the goods anymore than a trade mark used on coal necessarily identifies the mine owner. In the circumstances, I am not satisfied that the Opponent has shown, on the balance of probabilities, that any goodwill existing at the relevant time in the trade mark BIOFERT & Device by virtue of sales of

goods under that mark inured to its benefit. That being the case, the objection under Section 10(4)(a) of the Act cannot be sustained and I dismiss it accordingly.

***Section 10(4)(b) – use of mark liable to be prevented by virtue of an earlier right***

23. Section 10(4)(b) of the Act provides that a trade mark shall not be registered if, or to the extent that, its use in the State is liable to be prevented by virtue of an earlier right, in particular by virtue of the law of copyright, registered designs or any other law relating to a right to a name, a right of personal portrayal or an industrial property right. I have already indicated that I accept the Applicant's evidence with regard to the ownership of copyright in the stylisation applied to the word BIOFERT to form the trade mark propounded for registration. It will be clear also that I do not accept that the Opponent can legitimately assert any exclusive right to the word, *per se*, or certainly any earlier right than might be claimed by the Applicant. In my view, the Opponent has failed to show that it has any basis for an objection to the present application grounded on Section 10(4)(b) of the Act and I also dismiss the opposition insofar as it relates to that Section.

***Sections 37(2) and 42(3) – trade mark not used or proposed to be used***

24. Section 37(2) of the Act requires that an application for registration of a trade mark shall state that the mark is being used by, or with the consent of, the applicant in relation to the goods or services specified in the application, or that the applicant has a *bona fide* intention that it should be so used. Section 42(3) provides that, if the applicant fails to satisfy the Controller that the requirements for registration have been met, the Controller shall refuse to accept the application.

25. The application for registration in this case contained a statement that the Applicant had a *bona fide* intention that the mark should be used in relation to the specified goods and the Opponent has given no evidence tending to suggest that that statement was false. Indeed, the evidence is to the effect that the Applicant was already using the trade mark on a product that falls within the specification of goods of the application as of the filing date and there is no reason to suspect that it did not intend to continue such use and to extend it to cover other similar goods

within that specification. For that reason, I dismiss as unsubstantiated the opposition based on the claim of a lack of a *bona fide* intention to use the mark.

Tim Cleary

Acting for the Controller

20 February, 2007