

CANCELLATION No 12148 C (INVALIDITY)

Petrogas Gas-Systems B.V., Harderwijkweg 2, 2803 PW Gouda, the Netherlands (applicant), represented by **Hoyng Rokh Monegier LLP**, Rembrandt Tower, 31st Floor Amstelplein 1, 1096 HA Amsterdam, the Netherlands (professional representative)

a g a i n s t

Petrogas International E&P Coöperatief U.A., Westblaak 89, 3012 KG Rotterdam, the Netherlands (EUTM proprietor), represented by **V.O.**, Carnegieplein 5, 2517 KJ The Hague, the Netherlands (professional representative).

On 23/01/2017, the Cancellation Division takes the following

DECISION

1. The application for a declaration of invalidity is rejected in its entirety.
2. The applicant bears the costs, fixed at EUR 450.

REASONS

The applicant filed an application for a declaration of invalidity against all the services of European Union trade mark No 13 284 617:



(figurative mark) (the EUTM). The application is based on the non-registered marks, trade names and company names 'Petrogas' used in the course of trade in the European Union, Belgium, the Czech Republic, Germany, Greece, Spain, France, Ireland, Italy, Cyprus, Latvia, Lithuania, Hungary, the Netherlands, Austria, Poland, Portugal, Romania, Sweden and the United Kingdom. The applicant invoked Article 53(1)(c) EUTMR in connection with Article 8(4) EUTMR.

The applicant also claims that the EUTM has been filed in bad faith and has invoked Article 52(1)(b) EUTMR.

SUMMARY OF THE PARTIES' ARGUMENTS

The case for the applicant

The applicant states that 'Petrogas' is a well-known, globally operating engineering firm active in the oil and gas industry with over 65 years of experience and with offices in, among other countries, the Netherlands, Belgium, China and Bahrain. Its main

activities include the design and construction of customer-specific turn-key solutions. 'Petrogas' works for national and international oil and gas (distribution) companies and other large-scale users of natural gas and oil such as power station building contractors, engineering companies, gas turbine and gas motor suppliers, local and regional authorities and gas distribution organizations. 'Petrogas' has a total of more than 185 employees and an annual turnover of over 55 million euros. 'Petrogas' was incorporated in the Netherlands on 9 April 1949 under the name 'NV Petrogas Handelmaatschappij' (*trading company*).

The applicant points out that it holds various word and word/device trade marks as well as trade mark applications for the sign 'Petrogas' in relation to energy installations. The applicant recently applied for an EUTM word mark for 'Petrogas' and has filed extensive evidence of acquired distinctiveness. Finally, the Benelux Intellectual Property Office has already registered the word mark on the basis of acquired distinctiveness in the Benelux.

Regarding the EUTM proprietor, the applicant states that 'Petrogas E&P' was established on 15 August 2014 in order to enter into a share sale agreement with Chevron Netherlands Holdings B.V. to purchase the outstanding shares of 'Chevron Exploration and Production Netherlands B.V.'. Therefore, it is clear that Petrogas E&P only recently started to use the trade name and the mark 'Petrogas' in the Netherlands.

The applicant claims that it has used the trade name and unregistered trade mark 'Petrogas' extensively throughout Europe and beyond for many years, particularly in the Netherlands. The applicant has in fact used its trade name and unregistered trade mark for over 60 years and provides evidence to support this. Indeed the company was founded in 1949 as 'NV Petrogas Handelamaatschappij', as attested by the 'Dutch Government Gazette' attached as Annex 2.

The applicant files evidence of use of its sign and references to national law and case-law.

The applicant also claims that the EUTM proprietor applied to register the EUTM in bad faith. The applicant states that bad faith occurred because the EUTM proprietor filed for a highly similar sign for highly similar services. The proprietor must have known about the use of the applicant's 'Petrogas' sign, therefore the proprietor had a dishonest intention when applying for its EUTM. Furthermore, the EUTM did not have a reputation when the proprietor filed its application.

In support of its observations, the applicant filed the following evidence:

- Annex 1** Screenshot of the website of Mourik (parent company of PETROGAS);
- Annex 2** Two publications in the Dutch Government Gazette (*Bijvoegs& tot de Nederlandse Staatscouranr*) dated:
 - A. 7 June 1949 (including English translation);
 - B. 5 July 1951 (including English translation);
- Annex 3** English language extract from the Dutch Chamber of Commerce re. PETROGAS;
- Annex 4** Evidence of the online presence of PETROGAS:

A. Screenshots of the website www.petrogas.nl;
B. Domain name registration details re. [petrogas.nl](http://www.petrogas.nl) (including English translation);

- Annex 5** Trade mark registrations held by PETROGAS;
- Annex 6** Extract from the Dutch Chamber of Commerce re. Petrogas E&P (including English translation);
- Annex 7** Extract from the Dutch Chamber of Commerce re. Petrogas E&P Netherlands B.V. (including English translation; see third page for former trade name Chevron Exploration and Production Netherlands B. V.);
- Annex 8** Extract from the Dutch Chamber of Commerce re, Petrogas Transportation B.V. (including English translation; see third page for former trade name Chevron Transportation B. U);
- Annex 9** Screenshots of the website <http://petrogas.om> of Petrogas E&P;
- Annex 10** Document containing a short introduction on PETROGAS, which is sent to potential customers;
- Annex 11** PowerPoint presentation of PETROGAS dated 22 April 2015;
- Annex 12** Detailed list of worldwide projects carried out by PETROGAS since 1972 (EU Member States are highlighted);
- Annex 13** Short overview of worldwide projects carried out by PETROGAS since 1972 (EU Member States are highlighted);
- Annex 14** Overview of (potential) customers in the EU to whom PETROGAS sent offers/quotations between January 2009 and July 2015;
- Annex 15** Project reference list (containing worldwide projects between 2010-2015) which is sent to (potential) new customers. All companies in the Netherlands are highlighted in orange;
- Annex 16** Historical brochures of PETROGAS for the years 1960, 1980, 2002, 2005 and 2011;
- Annex 17** Recent brochures of PETROGAS, distributed throughout the EU (including the Netherlands) and worldwide;
- Annex 18** Several historical pages of the website www.petrogas.nl between 2001 and 2011 obtained through the Wayback machine from the Internet Archive;
- Annex 19** Quotations sent to various (potential) Dutch customers such as Nederlandse Gasunie, Kuwait Petroleum Europort B.V., Mourik Services B.V. and Coldenhove throughout 2008-2014 (including translations of Dutch quotation letters);

- Annex 20** Two invoices from PETROGAS dated 15 November 2011 and 9 February 2015 sent to Nederlandse Gasunie;
- Annex 21** Recommendation letters from various Dutch customers regarding delivered projects by PETROGAS between 1978-2000;
- Annex 22** Picture of a model plate of an installation supplied in 1967 at Gasunie in Rotterdam, the Netherlands, and a picture of a model plate of an installation supplied in 1984 in Sliedrecht, the Netherlands;
- Annex 23** Overview of PETROGAS marketing expenses in the period 2008-2015 (excluding design/printing of the brochures and exhibition stands on fairs) (including English translation);
- Annex 24** Samples of advertisements published in magazines with circulation in the Netherlands as well as EU-wide:
- A. Advertisement in the magazine European Oil & Gas (www.europeanoilandgas.co.uk) of 2010;
 - B. Advertisement in the magazine VNE Energy Market Guide of 2010;
 - C. Advertisement in the Dutch magazine Land and Water (2002) (including translation);
 - D. Two Dutch HR recruitment advertisements for new employees (including translation);
 - E. Broadcast for the TV show “Enterprising Netherlands” on Dutch national TV (RTL 7) and posted on YouTube on 22 May 2012;
- Annex 25** Evidence of PETROGAS presence in the vast majority of the relevant exhibitions and international fairs in the relevant field:
- A. Invoice related to the International Power Summit’ of 25-27 February 2015 in Portugal;
 - B. Invoice related to the Power GEN Europe conference of 3-5 June 2014 in The Netherlands (including translation);
 - C. Invoice related to the Power GEN Europe conference of 9-11 June 2015 in The Netherlands (including translation);
 - D. Presentation/Post show report of the “International Power GEN 2015 conference” (obtained from <http://www.powergeneurope.com/>);
- Annex 26** Photographs of PETROGAS exhibition stands at international fairs;
- Annex 27** Article from the Dutch national newspaper De Volkskrant of 23 September 2013 (including English translation);
- Annex 28** Copies of the PETROGAS Annual Reports of 2013, 2012 and 2011;

- Annex 29** News article of online portal Energyboardroom.com dated 28 July 2015 re. an interview with the general manager of Petrogas E&P, Mr. Nick Dancer;
- Annex 30** Press release from Chevron dated 5 March 2007;
- Annex 31** LinkedIn profile of the CEO of Petrogas E&P, Mr. Kingsuk Sen, showing that he confusingly uses the logo of competitor PETROGAS instead of their own Petrogas E&P logo;
- Annex 32** Invoice from CIBT visas Netherlands dated 26 March 2015 which was meant for Ms. Anne Hendrikson and Ms. Rubin Joris Kolkman from Petrogas E&P, but was instead sent to Mrs. Michelle Bleeker of PETROGAS (including English translation), showing confusion. The LinkedIn profiles of both Ms. Hendrikson and Ms. Kolkman are attached to this Annex;
- Annex 33** List of nine phone calls that took place between 13 May 2015 and 29 June 2015 received by PETROGAS but meant for Petrogas E&P with seat/address in Voorburg/The Hague (screenshots and English translation included), showing confusion;
- Annex 34** Evidence of confusion at DHTC, an international provider of safety trainings for the offshore oil & gas industry;
- Annex 35** Evidence of confusion re. Van Dam B.V., an international player specialized in fire and blast protective products in the on- and offshore oil and gas market;
- Annex 36** E-mail from Mrs. Laura Blaga of Oracle dated 20 October 2015 regarding service contract renewals meant for Petrogas E&P but instead sent to PETROGAS, showing confusion (including translation);
- Annex 37** E-mail from Mr. Joost Bastings of PETROGAS to car rental agency Avis Netherlands dated 16 July 2015, indicating that the invoice from Avis that they had received was instead meant for Nick Dancer – General Manager at Petrogas E&P (including translation), showing confusion. The LinkedIn profile of Mr. Dancer is attached to this Annex;
- Annex 38** Invoice from Mercure Hotels dated 16 October 2015 for Mr. Aalbrecht (ex-employee of Petrogas E&P) and Mr. Bosman (employee of Petrogas E&P) that were received by PETROGAS but meant for Petrogas E&P (including translation), showing confusion. The LinkedIn profiles of both Mr. Aalbrecht and Mr. Bosman are attached to this Annex;
- Annex 39** E-mail from Mrs. Sharmila Tribhawansingh of PETROGAS to Accor Hotels dated 15 October 2015, indicating that the invoices from Accor that they had received were instead meant for Petrogas E&P, showing confusion (including translation);
- Annex 40** E-mail from Mrs. Priscilla Wijnand of Atlas Hotel Spijkenisse to PETROGAS dated Monday 23 November 2015, including 6 invoices that were in fact meant for Petrogas E&P Netherlands B.V., as can be

deduced from the name and address on the invoices, showing confusion (translation of the e-mail correspondence included);

Annex 41 Screenshots of the website <http://www.petrogas.nl> at the end of 2013/beginning of 2014, obtained through the Wayback machine from the Internet Archive.

The case for the EUTM proprietor

The EUTM proprietor argues that the parties operate in different fields of business. The EUTM proprietor carries out activities in the field of gas and oil production and exploration while the applicant is active in the supplying of installations to players in the oil and gas industry. These are very different areas of industry.

The applicant's trade name 'Petrogas' is descriptive since it is made up of an abbreviation for 'petroleum' and the word 'gas'. The target public for the services of both parties will have a very high degree of attentiveness and will clearly understand the meaning of 'Petrogas'. Many other companies use the word 'petrogas' in their company name, as demonstrated by evidence filed, and therefore peaceful coexistence is the norm. The lack of distinctiveness of 'Petrogas' is borne out by the fact that EUIPO has refused the application for the word mark and the Benelux Office only registered the mark on the basis of acquired distinctiveness.

The EUTM proprietor states that the applicant cannot base its action on unregistered trade marks in the Netherlands since such rights simply do not exist.

Regarding the issue of whether an earlier Dutch trade name may be used as a basis of action against a registered trade mark, while Dutch case-law allows this possibility, the Dutch Supreme Court and lower courts have shown that such action must be assessed with great reservation. According to Dutch law, in the absence of an explicitly granted intellectual property right, as is the case here, an invalidation claim must be based on Article 6:162 of the Dutch civil code (DCC). This article is the general tort action basis that a claimant must invoke to try and take action against alleged unlawful acts, unless there is *lex specialis*.

The EUTM proprietor claims that that applicant has painted a picture of Dutch legislation that misrepresents the legal situation in the Netherlands. In fact, since the early sixties of the last century, the Dutch Supreme Court has established that the act of copying ('navolging') is in principle not unlawful, even if there is damage on the part of the other person (see judgment of the Supreme Court, June 23, 1961, Leesportefeuille, NJ 1961, 423). Here, the Supreme Court not only limits the possibilities for taking action, but it also introduces the prerequisite of "additional circumstances", which gives meaning to art 6:162 DCC in the context of these kinds of cases — the presence of "additional circumstances" is decisive of whether or not an act is unlawful.

In particular, the proprietor refers to the fact that the applicant cites the 'Euro-Tyre' ruling of the Dutch Supreme Court of 20 November 2009 but states that the applicant failed to mention the fact that 'additional circumstances' are required in order to base a legal action on an object not protected by intellectual property.

The protection offered to trade names is governed by the Dutch Trade Name Act, in particular Article 5:

'It is prohibited to use a trade name, which, before the undertaking was run under this name, is already rightfully used by another or that differs from its trade name to a minor degree, in so far as, in conjunction with the nature of both undertakings and the place where they are established, there is a risk of confusion between the two undertakings'.

This article already makes clear that the nature of activities of the companies is important. Furthermore, although there is no legislative requirement that trade names have a distinctive character, the lack of one does result in a very limited scope of protection, as developed by case-law.

The EUTM proprietor cites a judgment by the Dutch Supreme Court concerning domain names (judgment of 11 December 2015 'Artiestenverloning(en).nl' which it says is applicable by analogy to this case. In that judgment, the Attorney General states that there has to be a 'needless risk of confusion', either in order to wilfully lure customers away from another party or that there is no justification for using the name. In the case at hand, the proprietor has no reason to lure customers away from the applicant since they operate in different fields and there is a perfectly good reason for using 'Petrogas' as it is a purely descriptive sign. In this judgment, it was also held that the 'first' user of a purely descriptive sign is misusing its rights since confusion (insofar as it is present) was caused by itself and not the other party.

In connection with Article 6:162 DCC, the proprietor argues that case-law has shown that the act of using a descriptive sign is not unlawful as these are signs which anyone carrying out business might want to use. Even though there may be damages to the other person, case-law shows that any such damage caused by a descriptive sign is not in itself sufficient to constitute the unlawful nature of the act. Case-law has also shown that there is no accountability to the other person if it is merely using a descriptive sign. Since none of the conditions of Article 6:162 DCC have been met, the applicant cannot act against the proprietor.

The EUTM proprietor raised some specific issues about the extracts filed from the Dutch Chamber of Commerce by the applicant, regarding in whose name the registrations were made and assignments which were made.

The EUTM proprietor also contests the claim that the applicant has a reputation in the field. It states that although the applicant, or another company not legally related to the applicant, has existed since the 1950s, this does not mean that the applicant has a reputation. The proprietor goes on to make specific criticisms of pieces of evidence filed by the applicant.

The EUTM proprietor also refutes all the examples of 'actual confusion' filed by the applicant with specific arguments that will be dealt with below should it be necessary.

The EUTM proprietor mentions that the applicant's invalidity request seems arbitrary because the EUTM register contains several registrations which include the element 'petrogas' and they have not been objected to by the applicant.

Regarding the applicant's claim that the EUTM proprietor acted in bad faith in registering its trade mark, the proprietor refutes this entirely. It states that it is active in a different field of business and it simply adopted an element in its name which is used by the group of companies to which it now belongs.

The proprietor had no knowledge of the applicant company. This can be proved by the fact that an extensive trade mark availability search (Enclosure 13) was carried out by the group of Petrogas E&P companies shortly after the EUTM was applied for. The search report uncovered many trade marks incorporating 'petrogas', but the proprietor was advised that since this element is not distinctive, the risks of using and registering the EUTM were minimal. The search report did not reveal the applicant's trade mark registrations and application because they had not even been applied for at the time.

The proprietor had in fact never heard of the applicant before until it received a first warning letter. This also proves a lack of reputation on the part of the applicant, contrary to its claims.

Furthermore, the proprietor denies that it had any dishonest intentions when it applied for the EUTM. The proprietor is a subsidiary of the group of companies Petrogas E&P LLC and has been using the element 'petrogas' since 1999 in Oman (see Enclosure 14).

In support of its observations, the EUTM proprietor filed the following evidence:

1. Print of EUTM proprietor's website www.petrogasep.com;
2. Print of applicant's website www.petrogas.nl;
3. Printouts showing the meaning of 'petro' and 'gas';
4. Overview of many "petrogas" trademarks and trade names;
5. Printouts of websites of companies named "petrogas";
6. Printout of EUTM application No 014291942 'petrogas' of applicant;
7. Legal provisions and case law citations in original Dutch language;
8. Printout from Chamber of Commerce history of applicant (in Dutch and with English translation);
9. Printout of YouTube number of views applicant's advertisement;
10. Printout of Internet Live Stats showing number of internet users;
11. Printout current LinkedIn page CEO of Petrogas E&P;
12. Printout of European Union trade mark registration of other "petrogas" trade marks;
13. Copy availability search report;
14. Overview Petrogas E&P history.

NON REGISTERED MARK OR ANOTHER SIGN USED IN THE COURSE OF TRADE - ARTICLE 53(1)(c) EUTMR IN CONNECTION WITH ARTICLE 8(4) EUTMR

The Cancellation Division will begin by examining the Dutch trade name 'Petrogas' and will examine the other rights invoked by the applicant should it prove necessary.

According to Article 53(1)(c) EUTMR, a European Union trade mark shall be declared invalid on application to the Office where there is an earlier right as referred to in Article 8(4) EUTMR and the conditions set out in that paragraph are fulfilled.

According to Article 8(4) EUTMR, upon opposition by the proprietor of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance, the trade mark applied for shall not be registered where and to the extent that, pursuant to the Union legislation or the law of the Member State governing that sign:

- (a) rights to that sign were acquired prior to the date of application for registration of the European Union trade mark, or the date of the priority claimed for the application for registration of the European Union trade mark;
- (b) that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

Therefore, the grounds of refusal of Article 53(1)(c) in connection with Article 8(4) EUTMR are subject to the following requirements:

- the earlier sign must have been used in the course of trade of more than local significance prior to the filing or the priority date of the contested trade mark;
- pursuant to the law governing it, prior to the filing or the priority date of the contested trade mark, the applicant acquired rights to the sign on which the cancellation is based, including the right to prohibit the use of a subsequent trade mark;
- the conditions under which the use of a subsequent trade mark may be prohibited are fulfilled in respect of the contested trade mark.

In addition, in cancellation proceedings the applicant not only has to prove the use of the earlier sign in the course of trade prior to the filing of the contested EUTM but also at the time of the filing of the cancellation request. This condition stems from the wording of Article 53(1)(c) EUTMR which states that a European Union trade mark shall be declared invalid 'where there is an earlier right as referred to in Article 8(4) EUTMR and the conditions set out in that paragraph are fulfilled' (see decision of the Cancellation Division of 05/10/2004, No 606 C, 'ANKER', and decision R 1822/2010-2 'Baby Bambolina', §15, confirmed by T-581/2011 of 23/10/2013, paragraphs 26-27).

These conditions are cumulative. Therefore, where a sign does not satisfy one of those conditions, the cancellation based on a non-registered trade mark or other signs used in the course of trade within the meaning of Article 8(4) EUTMR cannot succeed.

a) Prior use in the course of trade of more than mere local significance

The condition requiring use in the course of trade is a fundamental requirement, without which the sign in question cannot enjoy any protection against the registration of a European Union trade mark, irrespective of the requirements to be met under national law in order to acquire exclusive rights. Furthermore, such use must indicate that the sign in question is of more than mere local significance.

It must be recalled that the object of the condition laid down in Article 8(4) EUTMR relating to use in the course of trade of a sign of more than mere local significance is to limit conflicts between signs by preventing an earlier right which is not sufficiently definite – that is to say, important and significant in the course of trade – from preventing registration of a new European Union trade mark or from invalidating an existing one. A right of that kind must be reserved to signs with a real and actual presence on their relevant market. To be capable of preventing registration of a new EUTM or of serving as a basis to declare the invalidity of an existing one, the sign relied on must actually be used in a sufficiently significant manner in the course of trade and its geographical extent must not be merely local, which implies, where the territory in which that sign is protected may be regarded as other than local, that the sign must be used in a substantial part of that territory. In order to ascertain whether that is the case, account must be taken of the duration and intensity of the use of the sign as a distinctive element for its addressees, namely purchasers and consumers as well as suppliers and competitors. In that regard, the use made of the sign in advertising and commercial correspondence is of particular relevance. In addition, the condition relating to use in the course of trade must be assessed separately for each of the territories in which the right relied on in support of the cancellation is protected. (see, by analogy, judgment of 29/03/2011, C-96/09 P, ‘Bud’, paragraphs 157, 159, 160 and 163).

In the present case, the contested trade mark was filed on 22/09/2014. Therefore, the applicant is required to prove that the sign on which the cancellation is based was used in the course of trade of more than local significance in the Netherlands before 22/09/2014. In addition, the applicant also has to prove that such use continued at the time of the filing of the cancellation request, namely on 27/11/2015.

The evidence must also show that the applicant’s sign has been used in the course of trade for ‘*Gas and oil production and exploration*’.

The evidence filed by the applicant to prove use in the course of trade is listed above. The Cancellation Division will now proceed to make a more detailed assessment of the various items of evidence filed.

Annex 1 provides a brief description of the applicant company, ‘Petrogas Gas-systems B.V.’. The parent company, ‘Petrogas International’, is described as being ‘a globally operating engineering firm that is active in the oil and gas industry. Its main activities include the design and construction of customer-specific total solutions’. Evidence is filed at Annex 2 to show that ‘Petrogas’ was incorporated in the Netherlands on 9 April 1949 under the name ‘NV Petrogas Handelmaatschappij’.

A company introduction, produced by the applicant itself, at Annex 10, explains in more detail what the applicant does in the Netherlands. First, it is worth noting that the following sign appears throughout the corporate literature supplied by the applicant:



The applicant describes itself as an engineering and manufacturing company which supplies equipment and material to the power sector and the fuel oil handling sector. In addition to delivery of equipment, the applicant states that it provides a range of services such as detailed mechanical engineering, heating transfer calculations, supervision for installation and start-up on site, training on site, and after sales services.

The applicant encloses tables containing an overview of projects it has carried out in Europe and of potential customers in the EU to whom the applicant sent offers or quotations. Since 1972, Petrogas carried out 470 projects in the EU, 319 of which were in the Netherlands and most of its potential customers are based in the Netherlands. It is worth noting, however, that this overview is produced by the applicant itself and essentially consists of a simple list of project names and dates. There is no other evidence to demonstrate exactly what work was undertaken, specifically for which customers or exactly what revenue was generated by the projects said to have taken place.

Company brochures, published by the applicant itself, are also enclosed describing the history of the 'Petrogas' company in the Netherlands and its work over the years.

The applicant submits various quotations sent to customers all over the world covering the period 2008-2014. Nevertheless, there is no concrete evidence to show whether these quotations actually led to projects being carried out.

Regarding invoices for goods and services provided by the company, only two have been filed. One dates from 2010 and the other from 2015, and both are made out to the same company in the Netherlands. Prices are not given, presumably for reasons of confidentiality. Reference is made to project numbers in the itemisation.

At Annex 21, the applicant files several letters of recommendation from clients for whom it has carried out projects. It is striking that these letters, while indeed containing recommendations from satisfied customers, date from a long time ago, namely, 1978, 1986, 1987, 1995 with the most recent being dated in 2000.

Annex 22 contains pictures of model plates of installations supplied in the Netherlands in 1967 and 1984.

The applicant has supplied what it describes as 'marketing expenses' for Petrogas during the period 2008-2015 and states that its marketing expense amounted to EUR 154 383.86. On the basis of the tables of figures alone, it is somewhat difficult to verify exactly what activities have been advertised, which sign has appeared in advertisements and the reach of the publications the applicant purports to have advertised in.

The applicant has filed samples of advertising to back up these figures, but these samples are very scarce, totalling four in number and correspond to publications made some time ago, namely in 2002 and 2010.

The evidence includes documents to show that the company 'Petrogas' has attended exhibitions and fairs during the relevant period. Indeed, one conference was attended in 2014 and three in 2015, all in the Netherlands. The applicant has filed photographs of the exhibition booths.

Annex 27 is an article which appeared in the Dutch national newspaper De Volkskrant on 23 September 2013. The article states that:

Petrogas was founded in 1949 and in many cities it made a significant contribution in the sixties to the conversion from city gas to natural gas. After being acquired a couple of times, it became part of Gastec in the nineties, an engineering and research institute for Dutch gas-related matters. But it succeeded less and less to "market" the knowledge, as policymakers and innovation fans always want. Petrogas led a moribund and unprofitable existence. Until someone stood up within the company who thought: I can do that better.

Annex 28 contains the company's Annual Reports for 2011, 2012 and 2013.

The remaining annexes concern the instances of confusion which the applicant claims have occurred regarding the EUTM proprietor and the applicant and are not relevant for assessing the use in the course of trade of the sign 'Petrogas'.

Has the applicant succeeded in proving prior use in the course of trade of more than mere local significance of the trade name?

When determining the significance of the use made of a trade sign within the meaning of Article 8(4) EUTMR, firstly, it is necessary to consider the geographical dimension, that is to say the territory in which the sign is used. Secondly, the economic dimension of the sign's significance must be considered, which is assessed in view of the length of time the sign has been used and the degree to which it has been used, of the group of addressees among whom the sign in question has become known as a distinctive element, namely consumers, competitors or even suppliers, or even of the exposure given to the sign, for example, through advertising or on the internet (24/03/2009, T 318/06 - T 321/06, General Optica, EU:T:2009:77 and 30/09/2010, T 534/08, Granuflex, EU:T:2010:417).

Furthermore, the Court of Justice clarified that the significance of a sign cannot be a function of the mere geographical extent of its protection, since, if that were the case, a sign whose protection is not merely local could, by virtue of that fact alone, prevent registration of a EU trade mark, even though the sign might be used only to a very limited extent in the course of trade. The sign must be used in a sufficiently significant manner in the course of trade and its geographical extent must not be merely local, which implies, where the territory in which that sign is protected may be regarded as other than local, that the sign must be used in a **substantial part of that territory** (judgment of 29/03/2011, C-96/09 P, Bud, EU:C:2011:189, § 158-159).

However, it is not possible to establish a priori, in an abstract manner, which part of a territory must be used to prove that the use of a sign is of more than mere local significance. Therefore, the assessment of the sign's significance must be made *in concreto*, according to the circumstances of each case.

Therefore, the criterion of **'more than mere local significance'** is more than just a **geographical examination**. The **economic impact** of the use of the sign must also

be evaluated. Consideration must be given, and the evidence must relate, to these elements:

- the intensity of use (sales made under the sign)
- the length of use
- the spread of the goods (location of the customers)
- the advertising under the sign and the media used for that advertising, including the distribution of the advertising.

The picture painted by the evidence filed is one of a company set up several decades ago in the Netherlands which at one time was successful in the field of gas products and installations. This is borne out by the article contained in Annex 27 which mentions the success of the company in the sixties in the Netherlands regarding the conversion from city gas to natural gas. However, the Cancellation Division has serious doubts regarding whether the sign has been used to an extent that would qualify as more than local use in the relevant period.

First, most of the evidence filed derives directly from the applicant and is not backed up by evidence from independent third parties which would enable the claims made by the applicant to be verified. For example, the applicant files a very detailed table of projects purportedly carried out, an extract of which is attached below:

ID	Year	Project No.	Project Name	Question	Client	Industry	Destination	Scope of supply	Scope Info
867	2015	15.001	Sheehan	12850	Scottish Power Brick Pipeconnections	Scottish Power	United Kingdom	Multi-cyclone Condenser Skid	2 x 2000 Multi-cyclone Condenser skid (with crossover piping for series filter operation) 1 x 6000 Condensate Tank Control Panel On site installation, STW & testing
1	2015	14.045	Wave 02	12547	BY	ASCOM	Netherlands	Pipe assembly	
8470	2014	14.042	Mexico	13347	SDSA SANABI	SDSA SAMABI	Germany	Gas Heat System	
8619	1998	8028	RWD Maastricht		DWR Ingenieursbureau	Waterwet Nederland	Netherlands	Open flare	Fakkel niet meer actief, mogelijk verplaatsing naar Wierick
8618	2014	14.039	Zuik Krappert	12737	Nederlandse Gasunie BV	Nederland SE Gasunie BV	Netherlands	MBA Station	
8615	2014	14.032	Ewijk	12832	Nederlandse Gasunie BV	Nederland SE Gasunie BV	Netherlands	Gas Pressure Control System	
8614	2014	14.031	MBA Benelux	12740	Nederlandse Gasunie BV	Nederland SE Gasunie BV	Netherlands	Gas Pressure Control System	
8609	2014	14.011	Ewin	12513	Mourik	Koninkrijk Nederland	Netherlands	Engineering piping	
8601	2014	14.010	Stavanger	12487	Yokogama	Stangass	Norway	LNG Tank Installation	
8599	2014	14.003	Porto Empedocle	12363	GE Energy Products - France	GE Energy Products - France	Italy	M2 Gas Boiler Skid	
8597	2014	14.004	Radix / Compact Turbo Masters	12427	Bronswerk Heat Transfer	Bronswerk Heat Transfer Kwartier Petroleum	Netherlands	Test Skid	
8590	2013	13.040	EPF - Ocean Jetty Bepa?	11502	Kuwait Petroleum Europoort B.V.	Kuwait Petroleum Europoort B.V.	Netherlands	EPCMI Contractor	
8584	2012	14.018	BIB 4	12526	Ascom Thermal Power	Ascom	Switzerland	Final Fuel Filter	
1127	2013	13.041	Porto Empedocle	13308	GE Energy Products - France	GE Energy Products - France	Italy	Final Run Engineering, Supply of water pumps	200, 0004, Condensate Tank
1126	2013	13.029	Vopak	12261	Mourik	Vopak	Netherlands	Process Development Unit for steam process	
1119	2013	13.027	Steam Reforming PDU	12358	Energy Farming	Energy Farming	Netherlands	Process Development Unit for steam process	
1112	2013	13.018	Vopak Waterstripping Unit	11503	Mourik	Vopak	Netherlands	Engineering for waste water treatment Mercury Removal System	
1108	2013	13.014	Mercury Removal 2013	11971	Mourik	Sabic Nederland	Netherlands	Mercury Removal System	

*Overzicht
Projecten
geleverd
in Europa* 8.3

*Overview
projects
carried
out in
Europe*

At first glance it can be seen that the source of the table is not clear, the type of projects undertaken is not explained in detail and it cannot even be ascertained whether the applicant itself carried out the projects mentioned or, on the other hand, its parent company or another company belong to the 'Petrogas' group. This could have easily been remedied by the applicant if it had supplied invoices corresponding to the particular projects mentioned, or at least for a sample of them. Moreover, it is not for the Cancellation Division to decipher the information supplied to try to make

sense of it. The applicant should present its evidence in such a manner that the Cancellation Division is able to draw clear and sound conclusions.

A similar problem arises regarding the tables of quotations purportedly made by the applicant to potential clients. Once again, the applicant has presented long lists of names, numbers and dates which do not lend themselves to easy interpretation by the Cancellation Division. Who made the quotations, the applicant or another company in the group? Which quotations actually led to projects being carried out? How much revenue was generated by these projects? Why are there no invoices or other financial documents to bear out which projects took place? Evidently, key information enabling concrete conclusions to be drawn is missing once again.

Exactly the same issue of lack of clarity emerges when faced with the documents containing tables of marketing expenditure. An extract is given below:

2010					
per	datum	do_cr	doc_fac	omschrijving_mutatie	bedrag
1	14-01-2010	JETVERTIS	15270	Jetvertising / 50	1146,13
1	29-01-2010	78616	AA9884	Drugs / 147	225
2	10-02-2010	R01433C	432993	Xolphin / webmail / 370	354
3	12-03-2010	LAUTENBAG	305291	Lautenbag / Banieren / 533	275
3	31-03-2010	IMPACT	29919	Impact/lay-out div /626	3480
3	31-03-2010	IMPACT	30282	Impact/ nieuwe huisstijl/1000	455
4	13-04-2010	R01703C	63235	Elma/Jaarboek 2010/659	1095
4	16-04-2010	JETVERTIS	15797	Jetvertising/1/2 pagina Petroch/641	1146,13
4	26-04-2010	JETVERTIS	15902	Jetvertising bv/FME Energy Guide '10/800	250
4	30-04-2010	IMPACT	30282	Impact/ nieuwe huisstijl/1000	455
5	09-05-2010	COVS	21011	COVS/advertentie clubblad/882	120
5	31-05-2010	IMPACT	30282	Impact/ nieuwe huisstijl/1000	455
6	11-06-2010	JETVERTIS	16199	Jetvertising/ 1/2 page full colour/1101	1146,13
7	08-07-2010	JETVERTIS	16347	Jetvertising/ 1/2pagina full colour/1348	1146,13
8	06-08-2010	R01780C	PT00130337	NR/company profile/1535	3000
9	07-09-2010	NATION0002	746569	Nationale Vacaturebank/telefoniste/1893	299
9	14-09-2010	NATION0002	747116	Nationale Vacaturebank/1 vacature/1894	306,95
9	21-09-2010	NATION0002	747572	Nationale Vacaturebank/membership/1968	1802
9	22-09-2010	IMPACT	30845	Impact/1917	350
10	26-10-2010	R01836C	G103455	Schofield Publishing/2275	2250
11	01-11-2010	ZUILEM0002	201030018	Zuilemaer Holding/div. decl. 2007/2246	1069,18
11	01-11-2010	R01836C	MAG000019	Schofield Publishing / magazines / 2355	175,54
11	05-11-2010	IMPACT	31204	Impact / pers. advertentie / 2391	89
11	11-11-2010	JEUGD	402193	Jeugd en Werk / beroepenkrant / 2439	795
11	15-11-2010	JETVERTIS	17002	Jetvertising / 2529	1146,13
					23033,32

It is clear that this table does not enable the Cancellation Division to draw sound conclusions regarding the marketing expenditure devoted to 'Petrogas'. The information is very hard to decipher and the samples of advertisements attached by the applicant are thin on the ground and only correspond to 2002 and 2010.

Turning to the invoices, the applicant only filed two invoices. These documents present several difficulties: they are extremely low in number, figures and details of the goods or services covered are missing, and they are both made out to the same client, namely, 'N.V Nederlandse Gasunie'. They are manifestly insufficient to draw steadfast conclusions regarding the economic extent of use of the trade name 'Petrogas'.

The letters of recommendation filed only serve to demonstrate that the applicant's company enjoyed some success in the past. It is striking that the most recent letter is dated in 2000, nearly 20 years ago. It is somewhat difficult to understand why the applicant has not supplied similar letters from clients for whom it has carried out work in recent years.

The fact that the applicant has attended exhibitions and conferences, while not devoid of any probative value, does not in itself prove that the applicant is complying with the requirement to use its sign in the course of trade with more than mere local significance. In reality, any company can attend an event such as this, but in the case at hand, supplementary evidence to demonstrate that actual business is being undertaken is missing.

Finally, the Annual Reports filed for 2011, 2012 and 2013 are clearly relevant and indicate that the 'Petrogas' company exists. The fact that an independent auditor's report is enclosed bears considerable weight. Nevertheless, in view of the fact that the text of the reports still makes it very difficult to ascertain what business is actually being carried out in the Netherlands as opposed to internationally and under the auspices of the parent company, the Annual Reports are not sufficient on their own and in the absence of other sound evidence to prove use in the course of trade of more than mere local significance of the trade name 'Petrogas'.

As already stated above, the bundle of evidence filed by the applicant is sorely lacking in most areas in terms of clarity and quantity. Although there is little doubt that the applicant's company operated in the Netherlands with some degree of success in the past, the applicant has failed to provide convincing evidence that it has used its trade name in the Netherlands in recent years. So while there are some indications of geographical extent of use in the past, overall the applicant has failed to prove the economic dimension of use of its trade name in the Netherlands. The documents filed fail to clarify, in particular, the intensity of use of the trade name, the entire length of use up to the current day, the spread of goods and services sold and the advertising made under the sign, all criteria which are essential for determining whether a sign's use is of more than mere local significance.

Finally, and for the sake of completeness, the applicant is reminded of the requirement that use continues on the date of the filing of the invalidity application. Rule 19(1) and (2)(d) EUTMIR state that, where an opposition is based on Article 8(4) EUTMR, evidence of, inter alia, its 'continued existence' must be adduced within the period given by the Office for presenting or completing facts, evidence or arguments in support of the opposition. Failure to prove the existence, validity and scope of protection of the earlier mark or right within that period will lead to the opposition being rejected as unfounded (Rule 20(1) CTMIR). In the Cancellation Division's opinion, these Rules apply *mutatis mutandis* to cancellation proceedings. An assessment of the evidence does not enable the Cancellation Division to conclude that the trade name is being used in recent years and certainly not on or around the date of filing of the invalidity application, namely, 27 November 2015.

Considering all the above, the Cancellation Division concludes that the evidence submitted by the applicant is insufficient to prove that the use of the earlier sign in the course of trade was of more than local significance in connection with the business activities on which the cancellation was based in the relevant territory before the date of the filing of the contested trade mark and at the time of the filing of the cancellation request.

As one of the necessary requirements of Article 8(4) EUTMR is not met, the cancellation must be rejected as unfounded insofar as it is based on the Dutch trade name 'Petrogas'.

The remaining territories

The application is also based on non-registered marks, trade names and company names 'Petrogas' used in the course of trade in the European Union, Belgium, the Czech Republic, Germany, Greece, Spain, France, Ireland, Italy, Cyprus, Latvia, Lithuania, Hungary, Austria, Poland, Portugal, Romania, Sweden and the United Kingdom, as well as an unregistered trade mark in the Netherlands.

The Cancellation Division notes that unregistered marks, trade names and company names are only protected by national laws, even if a European standard comes into play with regards to use in the course of trade. Indeed, at European Union level a trade mark can only be granted protection via registration. Hence it follows that an unregistered **European Union** trade mark cannot be invoked as a basis for a cancellation action.

With regard to unregistered marks, trade names and company names in the **other Member States**, according to Article 76(1) EUTMR, in proceedings before it the Office shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, the Office shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.

Therefore, the onus is on the applicant to furnish all the information necessary for the decision, including the identification of the applicable law and provision of all the necessary data for its sound application. The evidence to be provided must allow the Cancellation Division to safely determine that a particular right is provided for under the law in question as well as the conditions for acquisition of such right. The evidence must furthermore clarify whether the holder of such right is entitled to prohibit the use of a subsequent as well as the conditions under which such right may prevail and be enforced vis-à-vis a subsequent trade mark.

In the present case, aside from ticking the boxes on its invalidity application form, the applicant has not presented any other facts or arguments or any further information regarding the scope of protection or the circumstances around the right to prohibit use.

Apart from this the applicant must also put forth a cogent line of argumentation as to why it would succeed under the specific national law in preventing the use of the contested mark. In this respect a mere reference to national law is not considered sufficient, indeed it is not for the Office to make that argument on behalf of the opponent.

It is true that in "*The Guidelines for the examination of European Union trade marks – Part C – Opposition – Rights under Articles 8(4) and 8(4a) EUTMR*" a table is included which gives an overview with the essentials of the national law applicable in the Member States. However, it is only for information purposes and is not a legal source and may not contain the latest legislative developments.

Aside from not being provided with sufficient information on the legal protection granted to the type of sign in the Member States, the applicant has also neglected to file any argumentation in this regard. The applicant has not referred to the national law in any context and has merely submitted that there is a likelihood of confusion.

To conclude, the applicant should have put forward a cogent line of arguments and should have given a more exact reference to the national law, the condition of legal protection, or better, a copy of the relevant law, since the proof of the national legal

situation is an issue of fact. The Office is not always in a position to determine with sufficient accuracy on its own motion what the laws relating to rights under Article 8(4) EUTMR are in all the Member States and, what is more, it is not able to monitor the corresponding changes of legislation or developments in the case-law. (See 29/03/2011, C 96/09 P, Bud, EU:C:2011:189, § 188-190 and 05/07/2011, C 263/09 P, Elio Fiorucci, EU:C:2011:452).

Conclusion

Given the cumulative nature of these conditions, where a sign, such as that at hand, does not satisfy one of those conditions, the application for invalidity based on the existence of non-registered trade marks or any other sign used in the course of trade within the meaning of Article 8(4) EUTMR cannot succeed.

In view of the above, the application for invalidity is not well founded under Article 53(1)(c) EUTMR in connection with Article 8(4) EUTMR.

BAD FAITH – ARTICLE 52(1)(b) EUTMR

The applicant also claims that the EUTM has been filed in bad faith and has invoked Article 52(1)(b) EUTMR.

General principles

Article 52(1)(b) EUTMR provides that a European Union trade mark will be declared invalid where the applicant was acting in bad faith when it filed the application for the trade mark.

There is no precise legal definition of the term ‘bad faith’, which is open to various interpretations. Bad faith is a subjective state based on the applicant’s intentions when filing a European Union trade mark. As a general rule, intentions on their own are not subject to legal consequences. For a finding of bad faith there must be, first, some action by the EUTM proprietor which clearly reflects a dishonest intention and, second, an objective standard against which such action can be measured and subsequently qualified as constituting bad faith. There is bad faith when the conduct of the applicant for a European Union trade mark departs from accepted principles of ethical behaviour or honest commercial and business practices, which can be identified by assessing the objective facts of each case against the standards (opinion of Advocate General Sharpston of 12/03/2009, C-529/07, Lindt Goldhase, § 60).

Whether an EUTM proprietor acted in bad faith when filing a trade mark application must be the subject of an overall assessment, taking into account all the factors relevant to the particular case (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 37).

The burden of proof of the existence of bad faith lies with the invalidity applicant; good faith is presumed until the opposite is proven.

Assessment of bad faith

Case-law shows four cumulative factors to be particularly relevant for the existence of bad faith:

- Identity/confusing similarity of the signs,
- EUTM proprietor's knowledge of the use of an identical or confusingly similar sign,
- Dishonest intention on the part of the EUTM proprietor,
- Degree of legal protection enjoyed by both signs.

The applicant did not provide any evidence indicating that the EUTM proprietor knew about the applicant's mark at the time of filing of the application of the contested mark. It limits itself to a claim that since the EUTM proprietor is a competitor of the applicant and due to the long standing use of the applicant's mark in the Netherlands as well as other countries, the EUTM proprietor must have known about the applicant's mark. Although it is possible in some specific cases to only assume the knowledge of the EUTM proprietor, the present case is not such a case. The applicant did not prove that its mark had a reputation in Europe at the time of filing to such an extent that it would be possible to assume the EUTM proprietor's knowledge of it.

Furthermore, the EUTM proprietor puts forward arguments and supporting documents to prove that it had no knowledge of the applicant's company when it filed its EUTM application. The EUTM proprietor says that this can be proved by the fact that an extensive trade mark availability search (Enclosure 13) was carried out by the group of Petrogas E&P companies shortly after the EUTM was applied for. The search report uncovered many trade marks incorporating 'petrogas', but the proprietor was advised that since this element is not distinctive, the risks of using and registering the EUTM were minimal. The search report did not reveal the applicant's trade mark registrations and application because they had not even been applied for at the time. The proprietor had in fact never heard of the applicant before until it received a first warning letter. This also proves a lack of reputation on the part of the applicant, contrary to its claims.

In addition, even knowledge by the EUTM proprietor of the applicant's mark would not be sufficient to conclude bad faith. The applicant has to show some type of dishonest intention on the part of the EUTM proprietor at the time of filing of the mark. In the present case, the applicant does not even present any argument related to the dishonest intention of the EUTM proprietor, let alone any evidence that could serve as an indication of such an intention. There was no relationship between the parties that could give rise to a specific fair play obligation on the part of the EUTM proprietor towards the applicant, no contact between the parties and no indication that the EUTM proprietor tried to block the applicant from the market.

The burden of proof is on the applicant. The applicant failed to show any relationship between the two parties or any other indication that the EUTM proprietor knew about the applicant's mark. It also failed to back up with any serious evidence its assertion that it is reasonable to assume the EUTM proprietor's knowledge of the mark. Since there is no proof that the EUTM proprietor knew about the applicant's mark or that the EUTM proprietor's intention at the time of filing for the mark was not honest, it cannot be concluded that it filed the application for the contested mark in bad faith.

As the bad faith of the EUTM proprietor at the time of filing of the contested mark was not shown, the application for a declaration of invalidity must be rejected also insofar as it is based on the ground of Article 52(1)(b) EUTMR.

COSTS

According to Article 85(1) EUTMR, the losing party in cancellation proceedings must bear the fees and costs incurred by the other party.

Since the applicant is the losing party, it must bear the costs incurred by the EUTM proprietor in the course of these proceedings.

According to Rule 94(3) and Rule 94(7)(d)(iv) EUTMIR, the costs to be paid to the EUTM proprietor are the representation costs, which are to be fixed on the basis of the maximum rate set therein.



The Cancellation Division

Vít MAHELKA

Lucinda Carney

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According to Article 59 EUTMR, any party adversely affected by this decision has a right to appeal against this decision. According to Article 60 EUTMR, notice of appeal must be filed in writing at the Office within two months of the date of notification of this decision. Furthermore, a written statement of the grounds of appeal must be filed within four months of the same date. The notice of appeal will be deemed to be filed only when the appeal fee of EUR 800 has been paid.

The amount determined in the fixation of the costs may only be reviewed by a decision of the Cancellation Division on request. According to Rule 94(4) EUTMIR, such a request must be filed within one month of the date of notification of this fixation of costs and will be deemed to be filed only when the review fee of EUR 100 has been paid (Article 2(30) EUTMFR).