O/1091/25

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF UK REGISTRATIONS NOS. 3700682 AND 3616392

IN THE NAME OF

OBERON FUELS, INC.

FOR THE FOLLOWING TRADE MARKS:

AND

AND

APPLICATIONS FOR DECLARATIONS OF INVALIDITY UNDER NOS.

505919 AND 505921

BY

UGI CORPORATION

Background and Pleadings

1. Oberon Fuels, Inc. ("Oberon") is the Proprietor of the trade mark registrations numbered 3616392 ("the 392 mark") and 3700682 ("the 682 mark") as set out on the front cover page of this decision. The 392 mark was filed on 25 March 2021 and registered on 24 September 2021, whilst the 682 mark was filed on 24 September 2021 and registered on 24 December 2021, claiming a priority from its USA filing of 25 May 2021. Each mark stands registered for goods in class 4, as set out below[1].

682 mark

Class 4: Biofuel; Fuels; Fuel for motor vehicles, namely, dimethyl ether; Fuel for diesel engines, namely, dimethyl ether; Fuel for blending with propane; Energy carriers, namely, DME as a hydrogen carrier; Liquid fuels; Fossil fuel substitutes, namely, biofuels; and Fuels and biofuels blended with chemicals; fuel for fuel cells.

392 mark

Class 4: Biofuel; Fuels; Fuel for motor vehicles, namely, dimethyl ether; Fuel for diesel engines, namely, dimethyl ether; Fuel for blending with propane; Energy carriers in the nature of liquid and gaseous fuels; Liquid fuels; Fossil fuel substitutes, namely, biofuels; and Fuels and biofuels blended with chemicals or biological products.

2. On 17 March 2023, UGI Corporation ("UGI") filed two cancellation applications to invalidate both registrations pursuant to sections 47(1) and 3(1)(b), (c) and (d) of the Trade Marks Act 1994 ("the Act") claiming that the marks are non-distinctive or descriptive of the goods and that the trade marks have become customary in the current language or in the bona fide and established practices of the trade to designate the goods.

3. Oberon filed a counterstatement denying the grounds of invalidation.

[1] Whilst the specifications differ slightly in one of the terms namely '*energy carriers, namely, DME as a hydrogen carrier'* as opposed to '*Energy carriers in the nature of liquid and gaseous fuels'* they are largely for the same goods and nothing turns on the differences between them. I shall therefore consider the terms collectively throughout my decision, only returning to consider them separately if it becomes necessary to do so.

4. The proceedings were consolidated on 5 June 2023 and the parties were notified on the same date.

5. UGI is represented by Maguire Boss and Oberon is represented by Haseltine Lake Kempner LLP.

6. Both parties filed evidence in chief and submissions during the evidence rounds. A hearing was requested that hearing took place before me on 1 July 2024. Mr Michael Conway of Haseltine Lake Kempner LLP attended on behalf of the Oberon and Ms Susan Tate attended for UGI. Both parties filed skeleton arguments prior to the hearing.

Evidence and submissions

7. UGI's evidence in chief consists of the witness statement of Sylvia Tate dated 4 August 2023 accompanied by 47 exhibits marked ST1-ST47 together with submissions dated 4 August 2023. Ms Tate is a chartered trade mark attorney in the employ of Maguire Boss, UGI's representatives. Ms Tate's evidence goes to the meaning of the abbreviation DME and H_2 and the use of these letters in the biofuel industry across various countries to include the UK and US. Various extracts are produced from a number of sources to show that DME is an abbreviation for DiMethyl Ether and H_2 is the chemical symbol for Hydrogen.[2] Her evidence also consists of various examples of the common use of flame/droplet devices by UK companies operating in the fuel's industry to include illustrative examples of diagrammatic representations of the chemical processes used.[3] Various examples are produced of how Oberon has used the letters descriptively over the years which include extracts taken from a presentation it gave in August 2017 and screenshots taken from its website dated November 2022.[4] Similar references are given in relation to the use and production of Hydrogen as a bio fuel and its use in combination with DiMethyl Ether. It is said that the evidence confirms that neither the letters DME/DMEH_2 solus or in combination with the flame and arrow devices are capable of functioning as trade marks.

[2] Exhibits ST1-17
[3] Exhibit ST45
[4] Exhibit ST31

8. Oberon's evidence consists of the witness statement of Elliot Anise-Hicks dated 27 November 2023 together with exhibits marked EAH1-EAH6. Mr Anise-Hicks is Oberon's Chief Operating Officer and Technology Officer. His evidence goes to the development of the figurative element and what it says is the perception of that mark by its customers, the use it has made of the marks in the UK and the presence of comparable trade marks to include those registered on the UK trade mark register using a flame device on the UK market (albeit accepted as being visually different)[5] for fuels and/or energy related goods/services. It is said that the device in the two variant forms was developed through a competitive design process in 2010 and has been used in the UK since 2015 forming part of Oberon's core brand identity. This evidence is said to establish that the device is sufficient by itself or in combination with the words to be capable of denoting trade origin.

9. Ms Tate filed a further witness statement in reply dated 26 January 2024 together with exhibits marked ST48-ST51. This evidence consists of copies of extracts from the UKIPO Practice Manual in relation to figurative representations associated with the goods/services, correspondence between the parties in relation to a different mark and further examples of fuel company logos of UK companies operating in the fuel's industry which use a flame device.

10. Whilst I have taken the contents of both parties' evidence and submissions into account, I do not propose to summarise these documents further but rather will refer to the salient points as and where is necessary throughout my decision.

Relevance of EU Law

11. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

[5] Skeleton arguments para 8

Decision

12. Section 3 states as follows:

> "3. Absolute grounds for refusal of registration
>
> (1) The following shall not be registered –
>
> (a) [..]
>
> (b) trade marks which are devoid of any distinctive character.
>
> (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
>
> (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade:
>
> 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."

13. Section 47 gives application to section 3 as follows:

> "47. (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).
>
> Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.
>
> […]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

[…]

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed."

Relevant Public

14. The above grounds must be assessed from the perspective of the average consumer, who is deemed to be reasonably observant and circumspect: *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04. UGI submitted that the relevant public comprises of "the general public (purchasing fuel for their personal vehicles), intermediaries such as service stations, and industry, transport providers, and businesses purchasing fuel for their operations and for their vehicle fleets and professionals in the concerned sector, i.e. gas companies and energy suppliers. All these relevant publics and in particular intermediaries, industry, transport providers, businesses, and professionals in the sector, will aware [sic] of the descriptive meaning of the Marks and being conscious of the need for such fuels to be compatible and suitable for purpose".[6] Oberon agreed with this assessment.[7]

15. I accept this assessment of the relevant public and accept that they would have an awareness of the descriptive meaning of the marks and the need for such fuels to be compatible and suitable for purpose, and the sustainability of DME and H_2 as fuels. Consequently, they would be more attentive in their selection process but not especially so.

[6] UGI's submissions dated 4 August 2023.
[7] Oral submissions - Mr Conway.

Relevant Dates

16. The relevant dates under section 3(1)(b) and (c) are the filing dates (or priority date as claimed) of the contested marks which in this case are 25 March 2021 for the 392 mark and 25 May 2021 for the 682 mark.

Section 3(1)(c)

17. Sections 3(1)(b) and (c) are independent and have differing general interests. It is possible, for example, for a mark not to fall foul of section 3(1)(c) but still be objectionable under section 3(1)(b) of the Act.[8] In reality, since UGI's case under section 3(1)(b) is that the marks are descriptive of the goods, then it follows that if this is found to be the case they will also lack the necessary distinctiveness. Consequently, if the section 3(1)(c) claim succeeds or fails, then the same outcome will apply to the respective claims under section 3(1)(b). I shall, therefore, consider the section 3(1)(c) ground first.

18. Section 3(1)(c) prevents the registration of marks which are descriptive of the goods or a characteristic of them. I bear in mind when undertaking the assessment that the objective of this section is to ensure signs designating a characteristic of the goods, remain free for use by traders.

19. The case law under section 3(1)(c) (corresponding to Article 7(1)(c) of the EUTM Regulation, formerly Article 7(1)(c) of the CTM Regulation) was set out by Arnold J. (as he then was) in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) as follows:

> "91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. zo.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:
>
> > "33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods

[8] *SAT.1 SatellitenFernsehen GmbH v OHIM*, Case C-329/02 P, at paragraph 25.

or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94 , see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461 , paragraph 24).

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

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

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

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

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

And

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

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

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a ‘characteristic’ of the goods or services referred to in the application. By using, in Article 7(1)(c) of

Regulation No 40/94 , the terms ‘the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service’, the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

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

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97].”

20. More recently, Zacaroli J summarised the key question in *Puma SE v Nike Innovate C.V.*, [2021] EWHC 1438 (Ch):

“21. Ultimately, as Ms Himsworth Q.C. submitted, the question is whether the mark applied for, when notionally and fairly used, is descriptive of the goods and services in question within the meaning of section 3(1)(c). A sign can be refused registration ‘only if it is reasonable to believe that it will actually be

recognised by the relevant class of persons as a description of one of [the characteristics in section 3(1)(c)]': *Technopol* (above), at [50]. Moreover, a sign will be descriptive 'if there is a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of one of the characteristics of the goods and services in question': Case T-234/06 *Giampetro Torresan* (above) at [25]."

21. UGI has produced evidence to show that DME's chemical properties make it an ecological fuel (i.e. biofuel) and it is widely used in the chemical, automobile and gas industries. Oberon accepted that the term DME is an abbreviation for DiMethyl Ether known to be a synthetically produced alternative to diesel. Similarly, it is accepted that H_2 is the chemical symbol for Hydrogen. Further Oberon accepts that each of these "concepts is relevant to the goods at issue" which I take to mean that it accepts that the relevant public would be aware of these as descriptive terms. Given this concession it is unnecessary for me to refer to UGI's evidence in any great detail given that Ms Tate's evidence largely focusses on the technical meaning of DME and H_2 and the use of both chemical compounds in the biofuel's industry. It is sufficient for me to find that DME is known to be and is used in the production of Hydrogen and as a Hydrogen carrier and as a sustainable biofuel.

22. UGI claims that there is a sufficiently direct and specific relationship between the contested marks and the goods to enable the relevant public to immediately perceive without further thought process that the marks are descriptive of the goods at issue. The characteristics of the goods include but are not limited to *"comprising of DME fuels which have been or may be converted to hydrogen …and/or contain DME as an ingredient capable for conversion into hydrogen, and/or are suitable for apparatus, engines etc., capable to running on DME/hydrogen fuels".* Given that Oberon accepts that DME is an abbreviation for DiMethyl Ether and that H_2 is the chemical symbol for Hydrogen, and would be known as such by the relevant public there can be no serious dispute that the letters DME and DME/H_2 are descriptive and non distinctive components used in the fuel industries as bio fuels and alternatives to conventional diesel fuel and are thus descriptive of Oberon's class 4 goods and will be regarded as such by the relevant public.

23. The marks at issue are however not word only marks but include figurative elements. It is necessary for me therefore to assess the distinctiveness of the marks as a whole and the impact of the various elements. In the 392 mark the device is proportionally equal in size to the letters and contributes to the overall impact of the mark. As I have already found the verbal element DME is obviously descriptive in respect of the goods. The same applies to the element H_2 in the 682 mark. Again, in the 682 mark the device contributes to the visual impact of the mark as a whole. The arrow device, however, plays a much lesser role. If it is overlooked or seen as a banal device little trade mark significance will be placed on it. I accept, however, that for some it may be perceived as depicting the relationship between DME and H_2 in the production process and therefore will contribute to the impact of the mark but not considerably so.

24. Given these findings the real dispute between the parties appears to relate to the devices used by Oberon and what impact they have on the relevant public when considering the marks as wholes. Whether they are either solus or in combination with the letters DME/H_2 sufficient to act as denoting trade origin.

25. Ms Tate submitted:

> "The flame devices would be seen as merely reinforcing the message that the relevant goods are DME fuels, or DME fuel for conversion to and use in the production of H2 fuel. They would not act as identifiers regarding the commercial origin. The sole function of the figurative elements is to emphasise the information given by the descriptive and dominant text contained within the marks.
>
> Further, the device of an arrow simply serves to communicate the message that the goods concern DME which is either converted or convertible to H_2 in some way. Again, this does not serve as an identifier of origin. Hence the perception of the word elements, far from contradicting the figurative elements, are reinforced by them."

26. UGI states that the flame/droplet element has a direct link with the characteristics of the goods arguing that as a flame it will be seen in relation to fuels burning or if seen as a droplet in relation to liquid fuels. The dots within the centre of the flame/droplet

are said to represent steam reformation of DME. The figurative element therefore represents the particles escaping from the mixture of DME and water heated to high temperature. In so far as the 682 mark is concerned, it is argued that the arrow device presented between the letters DME and H_2 merely indicates the process of DME transforming into Hydrogen and is a clear reference that DME can be used to obtain Hydrogen. Further UGI argues given that DME is known to the relevant consumer as a type of fuel, DME/H_2 will be perceived as referring to DME being converted into Hydrogen or used as a carrier. The flame/droplet device merely reinforces the descriptive meaning of the verbal elements and are insufficient to serve to signify trade origin.

27. Oberon submits that the devices were selected following a competitive contest with the winning design chosen because "the abstract shape of the logo is simultaneously suggestive of both a droplet of liquid fuel and a flame but consists of a faithful representation of neither"[9] and it represents an "elegantly abstract, modern feel and the fact that it is somewhat suggestive of our interests in fuels whilst being sufficiently unique in design to represent our brand to the market".[10]

28. In evidence Oberon states that its customers readily recognise the flame/droplet device as a brand that represents and identifies its company's products as distinct from those of competitors. No evidence has been filed however to support such a claim.

29. In so far as the impact of the devices on the relevant public, Oberon argues that "…the abstract figurative device prominent within each mark is clearly distinctive, so the marks overall comfortably overcome the "figurative threshold" for registration irrespective of the meaning of the DME and H_2 elements" and that "only figurative elements which consist of a true to life or faithful portrayal of the goods/services or that do not depart significantly from the common representation of those goods or services should be held to fall foul of the provisions of section 3(1)(c)".[11]

30. In this regard, I note the comments of Arnold J. (as he then was) in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2013] F.S.R. 29, where he held that a

[9] para 9 of Mr Anise-Hicks witness statement.
[10] para 8 of Mr Anise-Hicks witness statement.
[11] Para 21 of Skeleton Arguments.

descriptive word with a minor figurative embellishment was, as a whole, devoid of any distinctive character. He found that:

> "116. Taking all of the evidence into account, I conclude that the CTM is precluded [from registration by Article7(1)(c)] in relation to the services in issue because NOW would be understood by the average consumer as a description of a characteristic of the service, namely the instant, immediate nature of the service. The figurative elements of the CTM do not affect this conclusion. In the alternative, if the inclusion of the figurative elements means that the CTM does not consist exclusively of the unregistrable word NOW, I consider that the CTM is devoid of distinctive character and thus unregistrable by virtue of Article 7(1)(b).
>
> 117. I would comment that it appears to me that PCCW only succeeded in obtaining registration of the CTM because it included figurative elements. Yet PCCW is seeking to enforce the CTM against signs which do not include the figurative elements or anything like them. That was an entirely foreseeable consequence of permitting registration of the CTM. Trade mark registries should be astute to this consequence of registering descriptive marks under the cover of a figurative figleaf of distinctiveness, and refuse registration of such marks in the first place."

31. Further, in '*The Cannabis Clinic'* (BL O/777/21) at paragraph 57, Emma Himsworth K.C. commented as follows in so far as the use of devices and additional matters:

> "In the context of an assessment of an application that is comprised of several elements where one or more of such elements are such as to designate a characteristic of the goods or services it is necessary for the decision taker to consider whether the other elements are such as to divert the average consumer's attention away from or to modify the descriptive element or elements of the mark. That this is appropriate is confirmed both in the judgment of Arnold J. as he then was in *Starbucks (HK) Ltd v. British Sky Broadcasting Group Plc* [2013] FSR 29; and Case T-223/17 *Adapta Color, SL v. EUIPO* which were cited by the Hearing Officer. Any suggestion that the Hearing Officer should not have referred to the judgment of Arnold J. in this context is in my view unfounded."

32. Whilst accepting that the elements DME DME/H_2 are descriptive, the question therefore is whether the figurative elements are sufficient to divert attention away from the message conveyed by the descriptive elements and whether the figurative elements alone or in combination with the letters DME DME/H_2 could have sufficient impact on consumers to indicate trade origin.

33. In order to assess the descriptive character of a composite mark consisting of a word and figurative element not only must the various elements be examined individually but also the mark as a whole, based on the perception of the trade mark on the relevant consumer.[12]

34. Dealing with the 392 mark first. Oberon argues that the figurative elements in the contested marks differ to those under consideration by Arnold J. in *Starbucks* as they are not merely minor embellishments. Mr Conway submits that that the logo is not a simple depiction of a flame and it is sufficiently abstract and stylised that even UGI cannot or could not definitively decide whether it was a flame or a droplet and equate it with one thing or another. That alone suggests it cannot fall foul of section 3(1)(c), in the context here where it is clearly an abstract representation. This it was submitted lends weight to the argument that it is not sufficiently direct and is sufficiently distinctive in its own right. Mr Conway submitted that the two figurative elements should be assessed separately and it was open to me to find in favour of one and not the other albeit he argued that I should allow both to proceed.

35. I accept that the figurative element in the 392 mark is not a literal graphical pictorial representation of a flame. However, whilst the flame device has a degree of stylisation, I nevertheless do not consider that it will change the immediate impression on the relevant consumer which is that it supports the descriptive message conveyed by the letters to the relevant consumer namely that of a fuel. The figurative elements, when viewed in the context of the contested mark as a whole, in my view do not contribute to the impact of the mark to a sufficient enough degree, that would draw the attention of the average consumer away from the descriptive message of the letters DME.

36. Further in so far as Mr Conway's' argument that a flame device cannot be regarded as descriptive because a flame is what happens when you burn the goods and is not

[12] *Adapta Color, SL v EUIPO*, Case T-223/17

an image of the goods themselves. I see no merit in this argument as I consider the figurative element depicts a characteristic commonly used in the fuel industry regarding fuel and like products.

37. In my view the device is not sufficiently distinctive or memorable that when used with the descriptive/non distinctive letters DME that it will assist the consumer in identifying the service provider as distinct from the provider of other DME goods.

38. I am fortified in this view given that it has been shown in UGI's evidence that companies within the fuels industry use a representation of a flame to indicate to consumers the nature of the goods either being flammable and/or related to fuel and not as identifiers of origin. Consequently, given that the letters DME are descriptive, the flame device is insufficient to act as an indicator of origin.

39. Turning to the 682 mark the same findings would apply to the flame device albeit that they include a series of spheres at the centre of the shape. Further I accept that the arrow device between the letters DME and H_2 and the particular presentation of the H_2 element (sitting below the letters DME) will be regarded as merely showing the connection between the elements in the process of producing biofuels or will merely be regarded as a banal element and be overlooked. Whilst in this mark the flame device includes more stylised elements and could be depicted as a droplet rather than a flame, I still consider that it will be regarded as indicative of the characteristic of the goods being representative of both DME and Hydrogen as a liquid fuel.

40. Even if the figurative elements are seen as a droplet as opposed to a flame this does not assist Oberon. It is unnecessary for the relevant consumer only to perceive one definitive depiction of an element. Giving rise to more than one reaction does not prevent it from invoking a response from the consumer as to the characteristics of the goods in question.

41. Oberon has not claimed that the contested marks have acquired distinctive character and therefore I need not consider the matter beyond the prima facie position. In my view the devices merely reinforce the perception of the nature and characteristics of the goods rather than acting as indicative of trade origin. The invalidation actions succeed under section 3(1)(c) of the Act.

Section 3(1)(b)

42. I now turn to the section 3(1)(b) objection. Section 3(1)(b) prevents the registration of a mark which is devoid of distinctive character. Where a sign is descriptive of particular goods it follows that it will also be non-distinctive. *C-90/11 and C-91/11 Alfred Strigl and Securvita,* EU:C:2012:147, [39]; C-363/99 *Koninklijke KPN Nederland NV* [2004] ECR I-161, [86].

43. 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).
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> 30. Under that provision, marks which are devoid of any distinctive character are not to be registered.
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> 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)."

44. I am of the view that I can deal with this ground relatively swiftly. This is because, UGI's pleaded case under 3(1)(b) is that the contested mark is devoid of distinctive character, on the basis that it is descriptive in accordance with section 3(1)(c). Given my findings above, it follows that as the invalidation reliant upon the 3(1)(c) ground has succeeded, UGI's reliance upon the 3(1)(b) ground must also succeed.

The opposition under section 3(1)(d)

45. Having found that the contested marks are excluded from prima facie registration by sections 3(1)(b) and (c) of the Act, it is unnecessary to deal with this ground as it will not place UGI in any better position. However, for completeness I shall deal with this ground albeit briefly. The evidence confirms that by the date of application the terms DME DME/H_2 had become recognised terms in the current language or in the bona fide and established practices of trade. However, the marks in question are not word only marks. In relation to the figurative elements in particular the flame devices both sides have filed some evidence seeking to show that the flame device is or is not commonly used in relation to flammable products or biofuels. The high point of UGI's evidence is examples of third parties using flame devices alongside its verbal elements and images taken from screenshots regarding pictorial representations of biohazards. However, there is insufficient evidence regarding the letters DME being used in

combination with a flame/droplet device. Therefore, whilst I accept UGI's proposition in relation to the terms DME and H_2, there is no evidence to show that the marks have, as a whole, become customary in the current language or in the bona fide and established practice of the trade. The uses that have been shown are not such that I can safely draw inferences (either way) as to the extent of the use of the flame device in the trade in relation to DME and DME/H_2 and the products at issue at the relevant date. For this reason, the invalidation under section 3(1)(d) fails.

Overall conclusion

46. The invalidation actions under sections 3(1)(b) and (c) succeed in their entirety. Subject to appeal, the trade marks numbered 3700682 and 3616392 are invalidated and are deemed never to have existed.

Costs

47. UGI has been successful and is therefore entitled to a contribution towards its costs. Ms Tate argued that given Oberon did not accept the meaning of DME and H_2 until it filed its skeleton arguments it should be entitled to off scale costs. However, I consider that it was still necessary for UGI to prove its case and I do not consider that it is unreasonable for Oberon to put UGI to proof, that would warrant an off scale costs award being made in its favour. I do, however, consider that had Oberon accepted the meanings of DME and H_2 at an earlier stage in the proceedings this would have limited the extent and degree of the evidence that UGI was required to file. Consequently, I have taken these matters into account when awarding costs but consider that these can be granted in accordance with the scale as published in Tribunal Practice Notice 1/2023 (even if at the slightly higher end of scale).

48. Taking these matters into account I award costs as follows:

Preparing the statements of ground and considering the counterstatements and TM8s (x2):	£500
Filing evidence/submissions and considering Oberon's evidence/submissions:	£1,800
Preparing for and attendance	

at a hearing:	£800
Official fee (x2):	£400
Total	**£3,500**

49. I order Oberon Fuels, Inc. to pay UGI Corporation the sum of £3,500 as a contribution towards its costs. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case, if any appeal against this decision is unsuccessful.

Dated this 24th day of November 2025

Leisa Davies

For the Registrar