

O-048-15

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS BETWEEN:

FRED. OLSEN CRUISE LINES LIMITED

AND

CARNIVAL PLC

**CONCERNING TRADE MARK APPLICATIONS/REGISTRATIONS FOR TRADE
MARKS CONSISTING OF THE WORD:**

BRITANNIA

BACKGROUND AND PLEADINGS

The first trade mark application

1. Fred. Olsen Cruise Lines Limited (“Olsen”) applied for the series of two trade marks (**BRITANNIA** and **Britannia**) on 10 May 2013. Nothing turns on whether it is one mark or two, so I will refer to the marks in the singular. The application was accorded number 3005496. Registration of the mark is sought for “cruise ship services; arranging and organising of cruises” in class 39. The mark was published for opposition purposes on 5 July 2013.

2. Carnival Plc (“Carnival”) opposes the registration of Olsen’s mark. It filed two oppositions. Taken together, the oppositions are based on the following grounds:

- i) Sections 5(1) and 5(2)(a) of the Trade Marks Act 1994 (“the Act”) due to conflict with a) earlier mark 3017894 which consists of the word **BRITANNIA** and is registered for “transport of people by sea” in class 39 and b) earlier mark 3017890 which consists of the word **BRITANNIA** and is registered for “transport of people by sea; travel agency” in class 39.
- ii) Section 5(4)(a), passing-off, due to the use of the word **BRITANNIA** since 1969 in respect of various cruise related services and the provision of accommodation on such cruises.
- iii) Section 3(6), bad faith, because, in summary, Carnival advised Olsen of its plan to name its next ship Britannia before Olsen applied for its trade mark. They were advised of this because Olsen owned an earlier registration (now revoked on grounds of non-use) which Carnival knew was not being used. Carnival offered “a sizeable donation” to a charity of Olsen’s choosing if it were to give up the mark. However, instead of agreeing to this, Olsen filed a new trade mark application with an alleged purpose of frustrating Carnival’s plan to name its ship Britannia and to circumvent the revocation proceedings. Alternatively, it is claimed that the word BRITANNIA is associated with Carnival and that Olsen would have known this, and, as such, the application was intended to trade off Carnival’s reputation and/or to cause confusion.

Of the two earlier marks, registration 3017894 is subject to the requirement to prove genuine use (as per section 6A of the Act), but registration 3017890 is not.

3. Olsen filed counterstatements defending its application for registration. In so far as the section 5(1)/5(2)(a) grounds are concerned, the defence is based on earlier mark 3017890 being invalid (see below) and 3017894 not having been put to genuine use (so cannot be relied upon). In so far as the other grounds are concerned, the passing-off claim under section 5(4) of the Act is simply denied and the bad faith claim under section 3(6) denied on the basis that Olsen has a continued intention to use its mark.

The invalidation/revocation proceedings relating to Carnival's earlier marks

4. Olsen seeks the revocation of earlier mark 3017894 and the invalidation of 3017890. The grounds for doing so are as follows:

- i) In respect of registration 3017894, revocation is sought on grounds of non-use under section 46(1)(a) (non-use in the five year period following the completion of the registration process) and under section 46(1)(b) (non-use in the five year period 7 May 2008 to 6 May 2013).
- ii) In respect of registration 3017890, invalidation is sought under section 3(6) of the Act, bad faith. The registration is in Carnival's name on account of a partial assignment to it from LV Insurance Services Limited ("LV"). It is claimed that LV had no intention to use the mark for the services it partially assigned and that the filing for such services was simply to increase LV's penumbra of protection. It is also claimed that LV should have known that the mark could be used as an unfair basis for infringement against others in respect of a word that is both fairly common and potentially desirable.

5. Carnival filed counterstatements defending its registrations. It claims that the earlier mark has been put to genuine use. The use is not use by Carnival, but by the previous owner of the mark, LV, who themselves acquired it from the Civil Service Motoring Association ("CSMA") who used the mark, essentially, in respect of a vehicle recovery and breakdown service. It is claimed that there was an intention to use the mark for the relevant services and that such use has been made.

The second trade mark application

6. Carnival applied for the trade mark **BRITANNIA** on 25 July 2013 (with a priority date of 15 May 2013 from OHIM) for a range of services in classes 39, 41, 43, 44 consisting of cruise ship services and various other services provided on cruise ships. The application was accorded number 3015323. The mark was published for opposition purposes on 18 October 2013.

7. Olsen opposes the registration of this mark under sections 5(1)/5(2)(a) on the basis of its earlier trade mark application 3005496. Carnival defended these proceedings, highlighting its own use of the mark since 1969 and that the earlier mark Olsen relies upon is subject to an opposition from it (as above).

8. The various sets of proceedings were consolidated. Both sides filed evidence. A hearing then took place before me on 7 November 2014, with Carnival being represented by Mr Henry Carr QC, instructed by Insignia IP Services Limited. Olsen was represented by Mr Simon Malynicz, of counsel, instructed by Birketts LLP.

THE WITNESSES

9. A large number of witnesses have provided evidence. Rather than provide a single evidence summary of what they say, I will summarise the evidence with reference to the issues it covers and will make that summary when it is relevant to the matters that need to be determined. For the record, the witnesses, none of whom were cross-examined, are:

Carnival's witnesses

- Mr David Dingle, Carnival's CEO. He gives evidence about Carnival's association with the name BRITANNIA, the ships so named, and the use of that word on other ships (in the context of dining rooms and cabin grades). He also gives evidence of Carnival's plan for a new ship to be called BRITANNIA and his discussions with Mike Rodwell (Olsen's Managing Director) about this.
- Ms Carmel Corcoran, a trade mark attorney at Insignia IP Services Ltd. She gives evidence about the filing of the various actions before the tribunal and information about the trade marks in issue. She also gives evidence about the use made by the previous owner of Carnival's marks.
- Mr John Snyder, assistant general counsel of Carnival. He gives evidence about the use of the earlier marks which, following the partial assignment, were licensed back to LV. His evidence is largely hearsay as he recounts information given to him by Ms Stacey Chapman who works in the relevant business area of LV. In a second witness statement he gives evidence about phone calls he made to a number of people asking them about their knowledge of the word BRITANNIA in connection with cruises.
- Mr Michael Wilson, Managing Director of Bolsover Cruise Club Limited, one of the individuals contacted by Mr Snyder. He gives evidence about the phone call, the use of Britannia, and the way in which cruises are normally booked.
- Mr Gareth Duggan, manager of the Westbourne branch of Bath Travel Limited. He gives similar evidence to that of Mr Wilson.
- Mr Edgar Forbes, Legal Services Manager of LV. He gives evidence about the use of the earlier marks in the vehicle breakdown/rescue field, and of the factual circumstances surrounding the assignment to Carnival.
- Mr Richard Curtis, Cunard's (part of Carnival's group) head of marketing communications. He gives evidence about the way in which those involved in the cruise industry keep tabs on each other and that Cunard and Olsen attended the same trade shows.

Olsen's witnesses

- Ms Katherine Shadbolt, Olsen's trade mark attorney. She gives evidence about the earlier marks that have been partially assigned to Carnival, the circumstances surrounding their registration and assignment, and the use which has been made of them. In a second witness statement she gives evidence of an Internet search (for Britannia) conducted in relation to two of Cunard's cruise ships.
- Mr Michael Rodwell, Olsen's Managing Director. He gives evidence about Olsen's plans to name its next ship BRITANNIA, the phone call with Mr Dingle, and Olsen's continued intention to use the mark. In a second witness statement he gives evidence as to the naming strategy used by Olsen (and other cruise companies), the intention to use Britannia, why such use was delayed, and his knowledge (or otherwise) of the historical significance of Britannia and the use of that word by other cruise companies.
- Mr Andrew Gardener, chairman of www.cruise.co.uk Ltd. He gives evidence of how cruises are typically booked and his views on the importance of cabin grade designations (including Britannia).
- Ms Dawn Jordan, Cruise Director of RE Bath Travel Services. She explains the way in which cruises are sold and the designations used in Cunard's ships (including Britannia) and her view on the importance of such names.

Late evidence

- In a 4th witness statement, Mr Snyder (for Carnival) gives evidence about the transfer of the Cunard business to Carnival.
- In a 3rd witness statement, Mr Rodwell (for Olsen) gives evidence about Carnival's announcement of the name of its next ship (as Britannia) and, also, the form that accompanied an email in his earlier evidence when registering the name with the Bahamas Maritime Authority ("BMA") in November 2012.

10. In terms of the late evidence, I accepted into evidence the form that was sent to the BMA. It was clearly an oversight that this was not originally included and merely clarifies what accompanied the email. In terms of the publicity material about Carnival's announcement, I declined to accept this into the proceedings as i) it could have been filed earlier, ii) there is nothing to explain why it was not so filed and, iii) it adds little to the factual context. In terms of the evidence about the transfer of business, this was provided (by Carnival) should Olsen pursue any form of argument as to whether Carnival's chain of title (to goodwill) was problematic. No argument was run along these lines, so I see no point in accepting this into evidence.

CARNIVAL'S TRADE MARK REGISTRATIONS

11. Given that Carnival relies upon its two earlier trade mark registrations in its opposition to Olsen's application, it makes sense to firstly consider the claims that have been made against those registrations. Doing so will set the parameters of the opposition(s). The matters that need to be determined are:

- Whether registration 3017890 was validly registered in so far as the relevant services (those partially assigned) are concerned.
- Whether registration 3017894 should be revoked in relation to the relevant services and, if so, from what date.
- Whether registration 3017894 has been put to genuine use in the five year period prior to the publication of Olsen's application.

12. The legal questions surrounding invalidation and revocation are very different. However, both issues require an assessment of the same evidence. The use relied upon is not the use by the now proprietor of the marks, but, instead, use by the previous owner. In relation to the bad faith claim, bad faith is not alleged against Carnival, but against the previous owner of the mark, LV. It is worth highlighting at this stage some basic details about the two marks:

Registration 3017890

LV filed the mark on 24 February 2009. It was published for opposition purposes on 14 August 2009 and it completed its registration process on 4 December 2009. When filed (and registered) it covered a range of goods and services in classes 9, 16, 35, 36, 37, 39 & 42. The registration number was 2509528. On 19 July 2013 the registration was partially assigned to Carnival, in so far as the following class 39 services were concerned: "Transport of people by sea; travel agency". The effective date of the assignment was 19 July 2013 and this was recorded on the register on 13 August 2013. The assigned part of the registration was accorded number 3017890, leaving 2509528, and the residue of the goods and services, in the name of LV.

Registration 3017894

The mark was filed on 10 May 1993 by CSMA. It was published for opposition purposes on 22 March 1995 and it completed its registration process on 10 October 1995. The registration was originally a merger of two marks in separate classes. Following the merger, the registration covered various services in classes 37 and 39. The merged registration had the number 1535377. CSMA assigned the mark in full to LV on 18 April 2007. On 19 July 2013 the registration was partially assigned to Carnival, in so far as the following class 39 services were concerned: "Transport of people by sea". The effective date of the assignment was 19 July 2013 and this was recorded on the register on 13 August 2013. The assigned part of the registration was accorded number 3017894, leaving 1535377, and the residue of the services, in the name of LV.

13. The relevant evidence on these aspects of the proceedings comes from Mr Forbes, Mr Snyder and Ms Corcoran (all for Carnival) and from Ms Shadbolt (for Olsen).

14. Mr Forbes works for the Liverpool Victoria group of companies, a group which includes LV. He refers to the group of companies, collectively, as [his] company. I will refer to them as the LV Group. He states that on 17 May 2007 LV Group purchased the entirety of the “Britannia Rescue” vehicle recovery and road rescue business which was founded in 1982 by CSMA. The purchase included registration 1535377. He then makes the following statements:

- The Britannia Rescue service has continued [presumably after the purchase from CSMA] to provide subscribing members with rescue and recovery services.
- The service works by the motorist making a free phone call to request assistance, assistance which is then, in most circumstances, provided at the roadside.
- Sometimes the recovery of a car and/or driver is required in order to repatriate them to their home address.
- There have been instances where a vehicle and/or driver has been transported by sea, e.g. recovered from Northern Ireland, Republic of Ireland, Channel Islands etc.
- Trade mark 2509528 (3017890 when partially assigned) was filed by LV to provide additional protection, the previous mark having been fairly limited in scope.
- The BRITANNIA mark is now prefaced with LV when used, however, this was not contemplated before 2509528 was filed.

15. Mr Forbes gives no evidence about:

- How many times (or when) repatriation by sea has taken place.
- The exact mechanism/arrangement for such sea transportation.
- The way in which the mark is brought to the attention of the public or the way in which the services it offers are described to them.

16. Ms Corcoran provides details about the history of the registrations (much of which I have already summarised) and provides copies of the examination files. Registration 1535377 was accepted on the basis of acquired distinctiveness and honest concurrent use. The statutory declaration filed to gain acceptance is provided. This shows that the BRITANNIA RESCUE service is, as Mr Forbes states, a vehicle breakdown and rescue service. At the time the statutory declaration was filed (August 1994) the service was provided to civil servants. There is no specific mention in the statutory declaration of any transportation by sea. The evidence

shows pictures of breakdown vehicles, some of which are co-branded as CSMA/BRITANNIA RESCUE along with the name of a particular garage. The brochures about the service prominently refer to BRITANNIA and/or BRITANNIA RESCUE. Ms Corcoran highlights the declaration on the application form for 2509528 that the mark is being used, or that there is a bona fide intention to use it; the declaration was signed by Ms Lynne Chave of Urquhart Dykes & Lord.

17. At Exhibit CC6 Ms Corcoran provides a “current” policy document for the Britannia Rescue Service which she obtained after following a web-link provided to her by Mr Forbes on 11 September 2013. It is headed “breakdown cover”, and depicts the words LV=BRITANNIA RESCUE. There is a picture of a breakdown vehicle with those words upon it. The document provides details of the various levels of cover available and what services the customer will be able to obtain in the event of a breakdown, including roadside assistance and repatriation. Ms Corcoran highlights one part of this which refers to recovery to a choice of location in the UK if your car cannot be fixed at the roadside. This includes cover in the UK, the Channel Islands, the Isle of Man and the Republic of Ireland. Similar information can be seen on the website for the service. Ms Corcoran refers to various website prints, both contemporaneous and historical, showing references to the service, including transportation back to the UK.

18. Ms Corcoran phoned a member of the team which provides the service, posing as a would-be customer. The gist of what she gleaned is that they would transport the stranded traveller (and the car) back to the UK. In practical terms, the customer would be transported, along with the car, in the breakdown truck, albeit the truck would go on a ferry if that was needed. The person would not need to get a ferry ticket themselves, this would be organised by the service provider. The person also explained that they have experience of this and that it happens “more often than you might think”. Ms Corcoran provides articles about the service, a number being dated between 9 October 2010 and 31 January 2012. She also refers to the trade marks of other breakdown service providers which, similarly, include in their specifications references to transportation by sea.

19. Mr Snyder gives evidence about the use by LV. He explains that the marks that were partially assigned are licensed back to LV to use. Most of his evidence is gleaned from a conversation he had with Stacy Chapman, who is based in Britannia Rescue’s Huddersfield contact centre. The evidence is, therefore, hearsay. The operation appears to work on the basis of repatriation either by air (most common) or ferry. The service provider provides absolute confidence to a customer that they will get them home. If a customer is to be repatriated together with the car then this will most often be done by ferry. Around 800 to 1000 cases per year result in flights home. This was an estimate. Fewer (but apparently still significant) numbers would have been repatriated by ferry. Repatriation can be from locations such as the Isle of Wight, but repatriation from Europe is more common.

20. Ms Shadbolt also provides evidence from the examination file of the registrations. She highlights that in the statutory declaration provided in 1994, the witness states that the mark has been used in relation to “vehicle and caravan breakdown and recovery services (including repair and maintenance) and vehicle emergency assistance services”. She states that the service is an insurance product,

and she provides the policy document for LV=BRITANNIA RESCUE. She states that having examined LV's website, the mark BRITANNIA/BRITANNIA RESCUE is only used in respect of breakdown and recovery services. She has also looked at the annual reports for LV in which there is no indication that they plan to extend beyond the financial services it provides. An investigation was conducted into the use of BRITANNIA in relation to transport of people by sea and in relation to travel agency services. The investigators (CERBERUS IP) found no use, but did find use in relation to the breakdown and rescue service; its report is exhibited at KLS4.

21. On the basis of the evidence before the tribunal, I make the following findings of fact:

- BRITANNIA has been used commercially in the five year period prior to the publication of Olsen's mark and, at the very least, in the latter of the revocation periods in relation to a vehicle breakdown and recovery service.
- A feature of the service (or of one of the levels of service) is the repatriation of an owner and/or vehicle to the UK. Sometimes this will involve the vehicle and/or the owner crossing the sea on a ferry.
- The ferry crossing itself will be operated by a third party (a ferry operator), not LV.
- The ferry crossing (the tickets/bookings etc) will be arranged by LV.
- The number of times that such arrangements have been made is not clear, but some have taken place.

Revocation/proof of use

22. The provisions relating to revocation are contained in section 46 of the Act, the relevant parts of which read:

“46.-(1) The registration of a trade mark may be revoked on any of the following grounds –

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c)

(d)

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the

mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

23. Analogous provisions are contained in section 6A of the Act, proof of use in opposition proceedings. Section 100 is also relevant:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

24. In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) Arnold J commented on the case-law of the Court of Justice of the European Union (“CJEU”) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004]

ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

"(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"

25. It is clear to me, based on the findings of fact made above, that the mark has been genuinely used, at the very least in relation to a vehicle breakdown and recovery service. It is in my view more than a simple insurance service. The

customer will regard BRITANNIA as the name of a vehicle breakdown and recovery service. It is "Britannia" who is phoned when a breakdown occurs and it is they who will be expected to turn up at the roadside to provide assistance. As I have touched upon, there are pictures of breakdown vehicles which have the words BRITANNIA/BRITANNIA RESCUE on them, even if some also include the name of unrelated garages. Although the level of use is not explained (as in turnover, customer numbers etc), the totality of the evidence paints a picture of a reasonably sized concern with continuity over the years. This finding does not appear to be of particular concern to Olsen because in Mr Malynicz' skeleton argument it is stated (after making the argument set out in paragraph 26 below) that:

"The services that have been shown to have been used within the relevant period are vehicle recovery services."

26. What is of more concern to Olsen is whether the mark has been genuinely used in relation to "Transport of people by sea". Mr Malynicz argued that the services in question were not the core service but merely ancillary. He relied upon the decision of Mr Justice Floyd in *Galileo International Technology LLC v European Union (formerly European Community)* [2011] EWHC 35 (Ch) ("*Galileo*") in which he states:

"41. The Hearing Officer having concluded at paragraph 20 of his decision that *"the only goods for which use has been shown is computer software for travel and accommodation reservations"* added that:

"... the software is used in a clearly defined and specific field. A field in which there is clearly a category of specific software targeted at a specific market ..."

42. Mr Malynicz challenges those findings. He took me on a tour of three of the items of software marketed by GI: Focalpoint, Viewpoint and Viewpoint Maps. The purpose of doing so was to show me that the functionality of the software extended beyond travel and accommodation reservations.

43. As to some of this "extra" functionality, I was not satisfied that the wording chosen by the Hearing Officer did in fact exclude it. For example Mr Malynicz submitted that the booking of car hire would be outside the restricted specification. He also submitted that booking coach tours would not be covered. These were not good points. In context, booking of car hire and tours would be within the definition "travel reservation". Other aspects of the extra functionality are less controversial. For example he drew my attention to the existence of calendars, scratch pads, document management software and calculators which were made available as part of the complete package. However there was no evidence before the Hearing Officer that any of this extra functionality was sold or offered for sale independently of the core travel and accommodation reservation system.

44. The EU submitted that each of the elements of extra functionality was part of a system for travel and accommodation reservations, and was therefore covered by the Hearing Officer's restrictions. They also made various criticisms of the documents relied upon by GI, as being either outside the relevant period or not strictly tied to the UK.

45. In *Thomson Holidays Ltd v The Norwegian Cruise Line Ltd* [2003] RPC 32 Aldous LJ described the task of the court in setting the correct specification of goods in the following way:

"In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2) adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement to be applied by the court has adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that the proprietor has made of his mark. Thus the court should inform itself of the nature of the trade and then decide how the notional consumer would describe such use."

46. In *Animal Trade Mark* [2004] RPC 19 Jacob J (as he then was) explained why public perception was relevant:

"The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been used for three-holed razor blades imported from Venezuela (Mr T. A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods -- of a specialist or are they more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgement as to the appropriate specification having regard to the use which has been made"

47. It is clear from reading the Hearing Officer's decision as a whole that he was aware that not every aspect of the Galileo system was exclusively directed to the actual process of making travel and accommodation reservations. For example he was aware of Viewpoint Maps. It seems to me that the core question on which he had to decide was whether "computer software for travel and accommodation reservations" was a fair description of the use which the proprietor had proved, notwithstanding that aspects of the functionality of the software package could be used for tasks which were not themselves the making of reservations. The making of reservations was

undoubtedly the core function of everything which the proprietor sold. All the extra functionality was ancillary to that purpose.

48. It is true that in a technical sense one could say that GI was selling software for calendars and for document management. But the Hearing Officer was entitled to come to the conclusion that this is not how the average consumer would have perceived the use. He was plainly entitled to come to the conclusion that this description "reflects the circumstances of the particular trade and the way that the public would perceive the use". Nor is there anything "pernickety", nor any element of "Venezuelan razor blades" about such a restriction. The average consumer does not see the sale of a car as a sale of climate control systems or computers or satellite navigation systems, although cars are now often sold with such built-in functionality. These are plainly questions on which different Hearing Officers or different judges may arrive at different views. I am wholly unpersuaded that the Hearing Officer erred by not extending the specification to cover expressly the extra functionality relied on by GI. The limitation which the Hearing Officer arrived at was, in my judgment, clearly a value judgment which he was entitled to reach."

27. Mr Malynicz also relied on the decisions in: i) *Omega v Omega Engineering* [2003] FSR 49, ii) *Thomson* (as identified and referred to by Mr Justice Floyd above) and iii) *British Sugar Plc v James Robertson & Sons Limited* ("*Treat*") [1996] RPC 281, cases which demonstrate how trade mark specifications should be interpreted, namely, from the perspective of the trade (*Omega* and *Treat*) and the way in which the public would perceive the use made (*Thomson*). To complete the picture on the relevant case-law, it is often necessary to decide upon fair descriptions that reflect the use that has been established. A fair specification must not be pernickety¹. I accept, though, that it is necessary to consider how the relevant public are likely to describe the goods². The General Court ("GC") in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 held:

"45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or subcategories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

¹ See *Animal Trade Mark* [2004] FSR 19.

² See *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category."

28. I also note the comments of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he stated:

"However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods concerned"

29. I also consider it of relevance to bear in mind the comments of Mr Daniel Alexander QC, sitting as the Appointed Person, in *The Light* BL O-472-11

"24. Both these cases demonstrate that in considering whether use is in relation to given goods or services, the tribunal may take into account a number of factors, including whether the goods were in fact obtained from the proprietor, the presence or absence of other branding on the goods, how the goods were sold and so on. An approach which entitles the tribunal to make an overall assessment of this aspect of use is similar to that of *Ansul*, which requires regard to all the facts and circumstances in evaluating whether use was genuine."

30. In addition to his submission that the mark had not been used for the relevant services and that the relevant public would not describe the use made by reference to the relevant services, Mr Malynicz also argued that the absence of any real

objective detail in terms of the numbers of repatriations etc. and that much of the evidence was hearsay and/or from people who were not in a position to give objective evidence also counted against Carnival. Mr Carr argued that the service was an important part of the package offered and that it had been used as identified in the evidence, much of which was documentary in nature.

31. I accept that the use made of the mark has not been in the manner of a traditional standalone service whereby it is used to signify the provider of a sea transportation service. However, as a matter of fact, the mark (as per my findings) has been used in relation to a service, part of which will arrange for the transportation of people (and vehicles) by sea in circumstances where i) the person's vehicle cannot be repaired at the roadside and ii) the vehicle has broken down outside of the mainland. Whilst noting the guidance in *Gallieo*, it does not follow that in every case which involves a range of goods and services, a finding of genuine use (and a fair specification to reflect that use) should of necessity be limited to the core goods and services, with anything ancillary to that being excluded. Neither does it follow that the service must be offered in a discrete way. There will be a good many occasions whereby the relevant public will appreciate and recognise that as part of a service offering, various things will be performed by the service provider. This is a case in point. It is part of the service that not only will assistance be provided at the roadside to fix the vehicle if possible, but transportation will be arranged if this cannot be achieved. This is part of the service which the customer is paying for, should the need arise.

32. Mr Malynicz considered that if genuine use had been established, the specification should be very limited so as to reflect the exact nature of use shown. Mr Carr, on the other hand, considered that if any revision was needed (which he did not) then it was clear that the use made was, at the very least, in relation to the arranging of transport by sea. I agree with Mr Carr. The service provider is organising and making the necessary arrangements for the transport of people by sea. I consider this to be a subset of "transport of people by sea". To go further and attempt to reflect that this is as part of a breakdown service would be too pernicky. I consider a fair specification for the relevant services to read:

"Arrangement of transport of people by sea".

33. The outcome is that:

- i) Registration 3017894 may be relied upon in the opposition proceedings against Olsen's application to the above extent.
- ii) Registration 3017894 will be revoked for the broader term "transport of people by sea" with effect from 10 October 2000, but will nevertheless remain registered to the extent set out above.

Invalidation – bad faith

34. Olsen claims that Carnival’s earlier trade mark 3017890 was filed in bad faith. I will firstly set out the relevant legislation and the leading case-law. Section 3(6) of the Act states that:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

35. In *Red Bull GmbH v Sun Mark Ltd & Anr* [2012] EWHC 1929 and [2012] EWHC 2046 (Ch) (“Sun Mark”) Arnold J summarised the general principles underpinning section 3(6) as follows:

“Bad faith: general principles

130 A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/ Article 3(2)(d) of the Directive/ Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, “Bad faith in European trade mark law” [2011] IPQ 229.)

131 First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case C-529/07 Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132 Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2009] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and *Case C-192/03 Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133 Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207–2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134 Fourthly, bad faith includes not only dishonesty, but also “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”: see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135 Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see Cipriani at [185].

136 Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137 Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138 Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

“41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without

any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraph 48).”

36. Whether the trade mark was applied for in bad faith must be assessed at a particular point in time. As stated in the *Sun Mark* case, the relevant date is the application date of the application to register the trade mark. The relevant date is 24 February 2009.

37. I summarised the pleading earlier thus:

“LV had no intention to use the mark for the services it partially assigned and that the filing for such services was simply to increase LV’s penumbra of protection. It is also claimed that LV should have known that the mark could be used as an unfair basis for infringement against others in respect of a word that is both fairly common and potentially desirable.”

38. The registration the subject of the invalidation claim is registered for:

“Transport of people by sea; travel agency”

39. At the hearing, Mr Malynicz developed his argument by submitting that there was a strong inference that the mark was, effectively, a refilling so as to ensure a further five year grace period (during which the mark would not be vulnerable for non-use) for services for which there was never an intention to use and that the registration for those services was broad and abusive. Mr Carr argued that the *prima facie* case presented by Olsen was weak and that the evidence filed aptly demonstrated that the invalidation claim was not well-founded.

40. In the UK, it has been held in a number of cases that making a false declaration on the form of application that the mark is intended to be used for particular goods/services when no such intention actually exists can constitute an act of bad faith. I accept this as a starting point. However, as per my findings in relation to the revocation proceedings, I have found that the mark has been used in relation to the “arrangement of transport of people by sea”, so the ground as pleaded must fail at least to that extent. Setting aside “travel agency” for the time being, the first question I will consider is whether the application for the broader term “transport of people by sea” was an act of bad faith when what is actually being conducted is the arrangement of transport of people by sea, as part of the vehicle breakdown service. I come to the firm view that it was not. It is highly improbable that LV would have had in mind the distinction between the terms when the application was filed. I accept that they simply chose a term which they no doubt thought covered that part of their operation which transported people by sea back to their home address. Even though I have held that the specification should be cut down as a result of the genuine use/fair specification test, it does not follow that applying for the broader term in the first place means that an act of bad faith has occurred. It is not as though there has been any clear over-reaching. I accept Mr Malynicz’s point that none of Carnival’s witnesses had first-hand knowledge of the proposed use, but the inference that I am asked to make by Olsen is too great when the totality of the evidence is considered.

41. At paragraph 39 above I referred to the development of the argument by Mr Malynicz to the extent that the intention of the filing by LV was to provide a further five year grace period. He referred to the decision of the General Court (“GC”) in *Pelicantravel.com s.r.o. v. OHIM* which dealt with the circumstance of repeat applications which were made to avoid the loss of rights for goods/services for which no use had been made, with such filings being considered as an act of bad faith. Strictly speaking, this argument is not part of the pleaded case. The pleading makes no mention of the application being filed so as to preserve rights in the mark. The pleading is based on no intention to use and the gaining of a wider penumbra of protection. However, the same answer applies to this argument. The mark has been used at least in relation to the arrangement of transport of people by sea so the mark was not filed in order simply to gain a further five year grace period. There is no evidence that the second application was some form of tactical filing to avoid revocation on grounds of non-use. There is no evidence from which to make such an inference. Mr Malynicz criticised the evidence of Carnival given that the witnesses had no first-hand knowledge. However, Olsen’s argument is weak and speculative. Mr Forbes does, though, provide an explanation, based on his understanding of the position. He explains that the second application was filed after LV took ownership of the business from CSMA as it was considered that the scope of the existing registration was limited. This is an extremely plausible explanation. Indeed, it suggests to me a prudent and commercially sensible approach. There is nothing whatsoever in the evidence which suggests to me that the application was filed to circumvent the revocation procedure or to otherwise overreach (save for the point I make in paragraph 43 below). The registration was not made in bad faith in so far as it covers “transport of people by sea”.

42. For the sake of completeness, I should indicate that even if my finding in the revocation proceedings had been to revoke the mark completely, I would still not have found that the second application for the relevant services was an act of bad faith. I consider that the application for “transport of people by sea” was fairly made with reference to the plans (and current use) of the business which included as an element the transport of people by sea. Even if the nature of the use made meant that a fair description after revocation proceedings would not include that (or the arrangement of such travel), and/or if I am wrong to have considered there to be sufficient objective evidence to support the registration, it is clear that at the time the mark was filed there was a legitimate business interest in respect of the relevant service.

43. The one exception to the above relates to the term “travel agency”. This term has a well known and understood significance in the travel field. There is no plausible explanation of why such a term was included and the relevant public would not even get close to describing what the business provided with reference to such a term. I consider that this was overreaching and to make a declaration that the mark was to be used in relation to travel agency services was an act of bad faith. The ground succeeds to that extent.

44. The outcome is that registration 3017890 is deemed invalid in so far as “travel agency” is concerned, but may remain registered for “transport of people by sea”.

THE OPPOSITION TO OLSEN'S APPLICATION

Section 5(1)/5(2)(a) of the Act

45. Whilst there are various grounds to consider, I will begin with the grounds under section 5(1)/5(2)(a) of the Act. I do so because little argument was presented against these grounds other than that they should not succeed because the earlier marks relied upon by Carnival were either invalid (3017890) or had not been genuinely used (3017894). However, for sake of completeness, I shall set out my findings accordingly.

46. The legislation reads:

“5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(2) A trade mark shall not be registered if because –

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(b)

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

The marks

47. Under both grounds of opposition, it is a prerequisite that the marks be identical. Olsen's applied for marks are:

BRITANNIA and Britannia

48. Carnival's earlier marks are both for the word:

BRITANNIA

49. The upper case versions of the respective marks are literally identical. The upper and lower case version of the applied for mark is also identical to the upper case version of the earlier mark given that notional use of either would include the casing shown in the competing mark. In any event, the difference in casing is so insignificant that it would be a difference unlikely to be noticed by the average consumer and is identical on this basis also³. The marks are all identical.

³ See the decision of the CJEU in *LTJ Diffusion SA v Sadas Vertbaudet SA* (Case C-291/00)

The services

50. Olsen seeks registration of its mark in respect of the following class 39 services:

“Cruise ship services; arranging and organising of cruises”

51. Earlier mark 3017890 is (following my decision on validity) registered for:

“Transport of people by sea”

52. I consider “cruise ship services” to fall within the ambit of “transport of people by sea”. It is a form of sea transportation for people. The services are identical. In terms of arranging and organising of cruises, I consider that such terms also fall within the ambit of “transport of people by sea” as the latter term will clearly cover the arranging/organising function. The applied for “arranging and organising cruises” is considered identical to the services of the earlier mark. If I am wrong on that then the services must nevertheless be highly similar.

53. Carnival’s other earlier mark may only be taken into account for “arrangement of transport of people by sea”. It, therefore, does not strengthen the position. However, in case of appeal in respect of my invalidation findings, then it is clear that such a term will include within its ambit arrangement of transportation by sea on cruise ships and, thus, is highly similar to cruise ship services.

Average consumer and the purchasing act

54. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

55. The average consumer in this case is a member of the general public wishing to purchase a cruise. This is clearly a considered purchase. The mark will be encountered visually via brochures and advertisements, but also aurally, during the booking process.

Distinctive character of the earlier trade mark(s)

56. The degree of distinctiveness of the earlier mark(s) must be assessed. This is because the more distinctive the earlier mark(s), based either on inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

57. The word BRITANNIA has some clear allusive connotations. However, it is still, in my view, possessed of at least a moderate degree of inherent distinctiveness. The use of the marks does not assist because where the conflict is greatest (in the field of cruising) is not a specific field in which the earlier marks have been used.

Likelihood of confusion

58. Under section 5(1) it is not necessary to make specific findings in relation to likelihood of confusion. The ground will succeed if the marks and the services are identical. My primary finding based upon 3017890 is that the marks and the services are identical. Consequently, the ground of opposition under section 5(1) succeeds against all of the applied for services.

59. If I am wrong to have concluded that all of the services are identical, then it is nevertheless clear that they are highly similar. I bear in mind that the factors have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). Despite the careful nature of the purchasing process, the identity of the marks, together with the highly similar relationship between the services would lead to a likelihood of confusion. Therefore, if I am wrong that all of the applied for

services should be refused under section 5(1) of the Act, all of the applied for services would nevertheless be refused under section 5(2)(a).

Section 5(4)(a) – passing off

60. The above finding disposes of the opposition in Carnival’s favour. However, I will still go on to give my views in relation to the other grounds of opposition given that they featured significantly in the hearing and evidence and, of course, in case of appeal on the grounds already assessed. Section 5(4)(a) of the Act reads:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

61. Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing-off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of

the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

62. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

The relevant date

63. Whether there has been passing-off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers*

Limited, BL O-410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, stated:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent’s goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom’s TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user’s mark in issue must normally be determined as of the date of its inception;

(c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: “date of commencement of the conduct complained of”. If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

64. In view of the above, the relevant date would normally be the filing date of the subject trade mark so, in these proceedings, 10 May 2013. However, if the subject trade mark had been used before that date then the position at an earlier point(s) in time must also be considered. Such use may establish, for example, that Olsen is the senior user of the mark or that there exists concurrent goodwills that should not be disturbed. Whilst the evidence that I will come on to assess under section 3(6) below refers to the plans of Olsen to use its trade mark, it is clear that use has yet to be made. Accordingly, the matter need only be assessed as of 10 May 2013.

Was there goodwill at the relevant date?

65. In *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL) the following was stated in respect of goodwill:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

66. Carnival must possess a protectable goodwill associated with the name BRITANNIA at the relevant date. I will firstly detail the evidence filed in support of this. Mr Dingle (for Carnival) provides a lot of information. He explains that Carnival

is the largest cruise ship operator in the UK, with a 52% market share. It owns a number of cruise brands including P&O and Cunard. He provides some historical evidence regarding the association of the word BRITANNIA with both P&O and Cunard including:

- Britannia was the name of P&O's first ship launched in 1835. A second Britannia was launched by P&O in 1887 which sailed until 1909.
- Britannia was the name of Cunard's first ship launched in 1840, which sailed until 1849. This ship sailed to North America and carried some famous customers including Charles Dickens.
- Cunard's Britannia provided the first scheduled services across the Atlantic. When it first arrived in Boston it was presented with what has since been known as the Britannia Cup which has been displayed on Cunard ships since then. It was displayed on board the Queen Elizabeth II ("QE2") from the mid 1970's to 2004. It was then transferred to the Queen Mary II ("QM2"). Exhibits DD1 and DD2 contain some photographs of the cup.
- Anniversaries of Cunard's transatlantic services have been marked, including the 150th anniversary in 1990 which included the commission of some paintings of the original ship (Exhibit DD3).
- Events will take place in 2015 to mark the 175th anniversary, including a sailing of the QM2 following the original route used. Exhibit DD4 is an extract from the Liverpool Echo dated 1 January 2014 which refers to this plan.
- From 1972, the Cunard Adventurer and the Cunard Ambassador had a deck called the "Britannia Deck".
- The P&O cruise ships Oriana and Aurora, which have been in service since 1995 and 2000 respectively, have also had decks named Britannia. This was, apparently, a deliberate historical reference at a time when it was not possible to name a ship Britannia due to the existence of the Royal Yacht Britannia. DD5 contains a brochure from the mid 1970s which includes a deck plan showing the Britannia deck.
- In 1969 the QE2 entered service. It is stated that from an early stage Cunard planned to make prominent use of the name Britannia on board. DD6 contains an internal memo about room/deck naming and includes a reference to Britannia which is to be used because "it was our first ship and it will make a good resting place for the Britannia Cup which we have recently purchased".
- From 1969 QE2 had a Britannia Restaurant and in 1977 the Britannia Grill restaurant, which included a re-production of the original ship. Exhibit DD7 contains a photograph of the name plates of these restaurants. Exhibit DD8 contains a deck plan showing these names and also an extract from Design Magazine (a press guide issued by Cunard in 1969) with a feature on the Britannia Restaurant.

- Until its retirement in 2008, QE2 carried almost 2.5 million passengers. Records show that over an 8 year period 584,000 passengers dined in the Britannia Restaurant and over a 14 year period a further 42,000 dined in the Britannia Grill between the months of April and December and a further 1400 in the same 14 year period between the months of January and March.
- Exhibit DD9 contains various brochures dated between 1970 and 1977 and between 1995 and 2003. There are a number of references to the Britannia and Britannia Grill restaurants, alongside other dining options. In the later period the accommodation grade of cabins on board the ship becomes associated with the Britannia restaurant.
- From 2004 Cunard introduced three new ships, QM2, Queen Victoria (“QV”) and Queen Elizabeth (“QE”). The main dining room on each was called the Britannia Restaurant and that is the name of the cabin grade which most customers use. It is stated that Carnival refers to and markets the cruise product as “The Britannia Experience”.
- The QM2 is the world’s largest ocean liner and took over the transatlantic route. The Britannia Cup is now on display on board. It is Cunard’s flagship, taking over from the QE2. Most passengers dine in the Britannia restaurant. 955 of the 1310 cabins are Britannia grade. In 2005 an additional dining area was added called Britannia Club. Over one million passengers have travelled on QM2. The Britannia grade cabin is said to be clearly advertised in brochures etc. Exhibit DM10 contains two name plates for the Britannia Restaurant.
- QV was launched in 2007. 300,000 passengers have travelled on her. Similar statements are made with regard to the main dining room being the Britannia Restaurant and that the majority of passengers dine there, those that are assigned Britannia grade cabins. Exhibit DD11 contains a number of name plate photographs for the Britannia restaurant.
- QE was launched in 2010. Around 150,000 passengers have travelled on her. The same evidence is given as per the Britannia Restaurant and cabin grades, with name plate photographs being provided in Exhibit DD12.
- Exhibits DD13 to DD16 contain various brochures for the three ships, dated 2004 through to 2014. They contain references to the Britannia Restaurant, Britannia cabin accommodation and, also, the Britannia Experience. Some of the earlier brochures less clearly promote the cabins as Britannia. Around 500,000 brochures are distributed annually to customers and travel agents throughout the country. Around £6 million per annum is spent on the production of brochures and the Britannia name also appears on Cunard’s website and in its magazine, The Cunarder.

67. Mr Dingle states that most of Carnival’s cruises are sold through travel agents and that the customer will need to be taken through the brochures in order to explain the dining/accommodation options. He believes that the vast majority of travel agents will be familiar with the name Britannia through such use and that the phrase “The

Britannia Experience” will be connected with the cruise ship services it provides. Mr Dingle states that the cruise trade is a close-knit one and that rival businesses monitor each other, particularly market leaders such as Cunard and P&O. He considers it inconceivable that Olsen was not aware of Carnival’s interest and use of Britannia and The Britannia Experience.

68. Mr Dingle refers to market research (Exhibit DD7) it has commissioned. It is not necessary to summarise this in detail. Cunard has a 7% share of the Cruise market, P&O 20% and Olsen 6%. Carnival’s various brands have received positive ratings for quality and choice of food, Olsen appears, from the data provided, to lag behind on this. *The Berlitz Guide to Cruising* has consistently given high ratings for Cunard’s three current ships. Mr Dingle believes that if Britannia were to be used by Olsen it would damage Carnival’s business, reputation and goodwill and would trade of its reputation.

69. In a second witness statement Mr Dingle provides further information on the 2015 celebrations planned for the 175th anniversary (as mentioned above). A further article from the Liverpool Echo about this is provided in Exhibit DD22 dated 5 March 2014. He also provides information about the P&O ship Oriana which launched in 1995 and has a capacity of 1800 people. Since launch 750,000 passengers have sailed on her with around 130,000 in a cabin on the Britannia deck. The Aurora was launched in 2000 and has a capacity of 2000 passenger. The Britannia Deck has 167 cabins. Since launch, 550,000 passengers have been carried, with around 100,000 in a cabin on the Britannia deck. Signs, name plates and deck plans showing the names are provided in DD23 and DD24 respectively.

70. Mr Curtis also gives evidence on the use of Britannia. The main thrust of his evidence is that Olsen must have been aware of the use of Britannia on Cunard’s ships. He refers to attending various trade shows in 2011, 2012 and 2013. They appear to be well attended events (for example, two of the trade shows had 17,000 and 14,000 attendees respectively). Several cruise bookings were taken and customers were guided through the booking process including whether the Britannia Experience was the best option. Reference is also made to the *Berlitz Guide* and, also, to the website Cruise Critic, a site owned by the travel review website Trip Advisor. The reviews (extracts provided in Exhibit RC3) for its ships demonstrate that it is traditional for passengers to be assigned a dining room based on their cabin grade. He highlights the text which refers to the majority of customers “...are in Britannia grade cabins, dining in the Britannia Restaurant or the slightly more pos[h] Britannia Club”.

71. Mr Snyder also gives evidence which could impact on the existence of a protectable goodwill. He contacted a number of customers who had travelled on Cunard cruises as well as travel agents who have sold them. In relation to the former, I excluded from the proceedings the subsequent evidence the customers gave, but permitted the subsequent evidence from the travel agents. I gave this decision following a case-management conference, the outcome as detailed in my letter read:

- i) That the customer evidence of Mr Reilly, Ms Arthurs, Mr English, Ms Heddon and Mr Woolf should be excluded from the proceedings. A number of reasons have led me to this decision including: flaws in the selection of the witnesses, the leading nature of the discussions, that nothing can be extrapolated from it (in terms of the wider customer/potential customer base), and that as self standing evidence of goodwill it does little more than what could be taken from the traditional evidence filed and, furthermore, would be extremely limited in nature given the small number of customers involved compared to the size of the market. I see no real value in the evidence and it ought not to be included.
- ii) That the travel agent evidence (of Mr Duggan and Mr Wilson) may remain in the proceedings as it is helpful to the tribunal in terms of assessing the manner in which cruises are sold to the public. I will not carve up their statements to exclude certain other parts of it, but the other parts will be something the parties may wish to comment on in submission/hearing as to the weight that ought to be accorded.

72. I will come on to the witness statements of Mr Duggan and Mr Wilson shortly. But I should add that, additionally, one of Mr Snyder's colleagues (Ms McKenna) also spoke to Mr Stefan Shilito of the Sovereign Cruise Club Limited and provided (at Exhibit SJ1) emails in response to this conversation. The email to Mr Shilito thanks him for the earlier discussion and then poses four questions. The questions and answers (in summary) are given below:

Could you briefly explain the process that you go through with customers and booking cruises

Advice is given by telephone or email. Some clients have already selected the ship and sailing, whereas others need advice on the cruise line, ship or itinerary

Have you come across the term Britannia in relation to Cunard Cruises? If so, in what context?

Mr Shilito refers to the first Britannia ship (as being famous) and that the QE2 had a Britannia Grill. He then refers to the class of travel being named after the dining room that guests in the accommodation dine in.

If you have come across the term Britannia in relation to Cunard cruises, could you please clarify at what stage in the selection and booking process Britannia offerings would be discussed with customers, if at all

It is discussed when Cunard has been selected as a possible option and when discussions about dining requirements take place.

Do you have any additional comments in relation to the term Britannia, as used in relation to cruises.

Any cruise agent that knows the luxury market will view the word as inextricably linked to Cunard. No other cruise company would wish to use it in the marketing or ship naming as they know it would confuse clients

73. Mr Wilson is one of the people contacted by Mr Snyder. He is managing director of Bolsover Cruise Club Limited, a company that specialises in cruises. He is an

agent for all major cruise brands, including Cunard. In 2013 his company booked 6441 passengers on Cunard ships. Most bookings are made by telephone but around 5% are still made face to face. He describes the booking process as a detailed one, particularly to ensure that the customer's accommodation and restaurant choice is correct. He states that this is particularly true for Cunard bookings, which are at the luxury end of the market, and when the accommodation and dining choice is linked. He states that the standard cabin and restaurant choice on Cunard ships is the Britannia cabin grade. He states that his employees are trained to explain what the Britannia designation offers and what other options there are. He recalls that in the past Cunard had a grade lower than Britannia (Mauretania) from which he would attempt to "up sell" to Britannia. He states that the term is associated with Cunard on account of what he has already described, and, also, that its ships are named after members of the royal family, and that the royal family have been involved in the ship naming ceremony. He states that BRITANNIA is a significant name in relation to the Cunard product and is a significant element of the booking process. He believes that a significant number of Cunard's customers would be extremely familiar with the name.

74. Mr Duggan is another of the people contacted by Mr Snyder. He is the manager of the Westbourne branch of Bath Travel Limited, a travel agent that specialises in cruises. They sell Cunard cruises, amongst others. He has travelled with them on 17 occasions. He states that the booking process begins by identifying the grade of cabin and how much the customer wishes to spend. On Cunard ships the standard grade is the Britannia cabin grade and restaurant and this accounts for the vast majority of cabins. The name Britannia will usually come up in conversation many times during the booking process of Cunard cruises. If Britannia cabins are chosen he will explain what the restaurant provides. Brochures and a website are used to assist in this process. He states that he will have used this word almost every day during his work. It is ingrained in his mind as being associated with Cunard. He refers to this historical use (the first ships and The Britannia Cup) and the heritage on board. When Mr Duggan discovered that the next P&O ship was to be called Britannia this felt a natural development as they are in common ownership with Cunard. If the name were to be used outside of this group it would likely cause confusion.

75. In terms of Olsen's witnesses, there is evidence from Mr Gardener of www.cruise.co.UK Ltd, a travel agent specialising in cruises. There is no explanation as to how Olsen approached Mr Gardener to give evidence. He explains that during 2013 his company booked over 50,000 cruise passengers, including cruises operated by the protagonists to this dispute. Most bookings are taken over the phone, a growing number on-line, with a small proportion made face-to-face. He considers that a large number of customers are brand loyal so will often know what company/ship they wish to cruise on, so it is more a matter of selecting the destination, cabin grade and price. For those who are not brand loyal or who are new to cruising, the agent has a role in explaining the various cruise products available. The destination and price is often the key factor. He states that, to some extent, price dictates the cruise company, but the grade of cabin and duration of cruise will also have an impact. He states that on Cunard cruises there are a range of cabin grades grouped typically into six categories (Ocean Grill Suites, Princess Grill Suites, Club Balcony, Balcony, Ocean view and Inside). The latter four are grouped together

under the “Britannia Staterooms” category, with the passengers dining in the Britannia Restaurant whilst onboard. Mr Gardener does not believe that for most customers the category name is particularly important or a name they will particularly remember. It is more important to get the grade of cabin right to meet their requirements.

76. Evidence was also given by Ms Jordan of RE Bath Travel, another travel agent which specialises in cruises. Again, it is not explained how Olsen came to approach her. In 2013 her company booked 20,000 cruise passengers. Most bookings are taken over the telephone or face-to-face, as opposed to the internet in order to ensure that the right choices are being made. She explains that her staff are fully aware of the various options in the cruise field. The cabin grade will be determined by the customer’s requirements, for example, the desire to have a balcony rather than a window. She states that for Cunard the cabin grade determines the restaurant that will be dined in. The accommodation grades are named after the restaurants on board, namely The Queens Grill, Princess Grill and Britannia. The former two are more expensive so have a degree of prestige if they can be afforded. The Britannia Restaurant is for the cheaper grade of cabin, of which there are four types (Club Balcony, Balcony, Ocean view and Inside). She considers that customers are likely to remember the different cabin grades and that the name Britannia does not have significant importance other than being a point of difference in the accommodation categories and dining options.

77. Ms Shadbolt gives evidence about the P&O ships Oriana and Aurora which Mr Dingle has already explained have a Britannia deck. Ms Shadbolt states that such use must be onboard only because after conducting internet searches and inspecting various brochures, she could find no use of the term.

78. Mr Rodwell’s evidence also touches upon the existence, or otherwise, of any goodwill associated with the name Britannia. He states that he did not know that P&O owned two vessels named Britannia (one launched in 1835, the other in 1887) and that it has not used the name since. He does not believe it has been given more than a passing mention including during P&O’s 175th anniversary celebrations. Mr Rodwell was, though, aware that the first Cunard ship was named Britannia (in 1840), but the name has not been used since then. He states that the historical use has only been highlighted since the announcement on 23 September 2013 that the new P&O ship is to be named Britannia. He considers that the general public would not have been aware of the historic use before then. Mr Rodwell was not aware of the Britannia Cup. He states that, apparently, the cup is commonly known as the Boston Cup – he provides at Exhibit MHR9 an extract from the website of Chris Frame who has written several books about Cunard. It is headed The Boston Cup, although the text goes on to say otherwise known as The Britannia Cup. Further references in the extract are to the Boston Cup.

79. Mr Rodwell states that he is aware of other cruise companies who have used the name Britannia as part of their operations. He refers to Saga Cruises who have a loyalty scheme called Britannia Club. A print relating to this is shown at Exhibit MHR10. Earlier in his witness statement he also refers to the Royal Yacht Britannia owned by the Queen which was in service until 1997. Mr Rodwell accepts that Cunard use the name Britannia in relation to certain restaurants onboard their

vessels and linked accommodation. He refers to Exhibit MHR11 which is part of a current brochure for Cunard cruises which, he accepts, makes a distinction between the different types of cabin grade, but that it does not highlight Britannia with any great prominence. He highlights that in the parts of the brochure which outline the cruises, where the cabins are detailed (Queens Grill, Princess Grill, Club Balcony, Balcony, Ocean view & Inside) Britannia is not mentioned.

80. Mr Rodwell gives his view on how customers select cruises. He refers to brand loyalty. For customers that are brand loyal the choice will be made primarily upon duration and destination. For others, the decision is based on cost, destination, duration and departure ports. For some, the facilities onboard will be important. He states that most cruises are booked through travel agents who will explain the options and packages available. Although the name of a cabin grade may be used, it is unlikely that customers will remember the names, with perhaps the name of the ship/cruise company being the thing remembered. He adds that until 2003 P&O and Cunard were rival companies and have no common ancestry. He questions whether P&O can rely on the use of Cunard in its opposition. I add at this point that this argument is misconceived. Even though the new Britannia ship is a P&O ship, the opposition has been lodged by Carnival who owns the Cunard brand, so it is fully able to rely on the use of both Cunard and P&O.

81. At the hearing, submissions were exchanged as to whether the historical use of Cunard could be relied upon as part of the pleaded case. This stems from the fact that whilst an amendment was made (and accepted by the tribunal) to Carnival's notice of opposition to indicate that "Cunard has used the name Britannia for many years and currently operates the Ocean liners....", the date of first use given on the notice of opposition was 1 January 1969, as opposed to the dates on which its earlier ships had the name Britannia. For this reason, Mr Malynicz submitted that the evidence of historic (pre 1969) use should be excluded. Mr Carr submitted that the matter should not be dealt with so rigidly, highlighting that in its letter requesting amendment to the pleadings, the whole purpose was indicated so as to bring in the historic use, and that, further, Olsen had considered and replied to the historic use in evidence, and that the historic use is, in any event, part of the heritage outlined in the current (post 1969) use.

82. I will not rule out the historic evidence completely. Whilst there is something of a tension in the amended notice of opposition, it seems clear to me that both sides have worked on the assumption that the full historical context has been a feature of the proceedings. In any event, the historical use is only really going to be relevant if it has been a feature of the more recent use given the great length of time that has elapsed since the first ships were launched.

83. The potential for goodwill only arises if Carnival's customers are aware of the Britannia name. Having assessed the evidence and considered the submissions made, I accept the following:

- i) Despite Olsen's evidence from travel agents, I accept that a substantial number of people will know, as a result of having travelled on Cunard cruise ships, that Britannia is the name of an onboard Restaurant and linked accommodation grade.

- ii) Some people will know of the historic use of the name (as Cunard's first ship and the name of the trophy), but such knowledge will be quite limited.
- iii) Some people may know that the P&O ships Oriana and Aurora have a deck called Britannia, but such knowledge will be extremely limited.
- iv) Some people may know that the first P&O ship was called Britannia, but such knowledge will be extremely limited.

84. I take the view that the degree of knowledge identified in iii) and iv) above is so limited, and/or, is of such a nature (for example, simply as the name of a deck), that no goodwill would have existed with P&O at the relevant date associated with the name Britannia.

85. In terms of Cunard's use, Mr Malynicz submitted that the nature of the use was of the name of an onboard restaurant (of which there are many) with accommodation being paired with that restaurant which resulted, in his view, in there being no prospect of any misrepresentation when the subject mark is used for cruise ship services. He also argued that the use was, effectively, ancillary, and was not part of the attractive force which brings in custom. Mr Carr argued that the use was significant and the name so closely aligned with the cruise packages being offered that not only was goodwill established, but that there would also be misrepresentation and damage. He highlighted, for example, the use of the designation "The Britannia Experience" in certain of the brochures.

86. The travel agents who have filed evidence disagree on the significance (and subsequent knowledge) that the designation Britannia will have on customers. However, in the description of the booking process they largely agree that the process involved is a fairly considered one and that the primary choices will be based upon cost, duration, destination. They highlight that some customers are brand loyal. It is logical to conclude that the choice of cabin grade (and linked dining) will only be a factor when the choice of cruise line and ship has been made and when the destination/duration of the cruise has been selected. It is therefore more a case that the choice as to whether a Britannia grade cabin (and linked dining) will be booked will only occur once Cunard, the ship, the destination and the duration have been selected. Although prior to that the name may have been encountered whilst perusing brochures (or in discussions with travel agents) I do not think the designation will have taken on much, if any, significance at that point.

87. In terms of where all this leaves matters, the facts suggest to me that the attractive force that brings in custom is not the Britannia name. The attractive force that brings in customer is the name of Cunard (as the operator) and/or perhaps the ship that will be sailed upon. In view of this, the name Britannia is not part of the attractive force of Cunard and, thus, the claim fails for want of a protectable goodwill. I do not consider that even for those limited number of people who may be aware that the first Cunard ship was called Britannia materially improves the position, given the length of time that has elapsed and that in the meantime other ships (for example, the Royal Yacht) have taken that name.

88. The proof of the pudding, though, is often in the eating. I say this because for a misrepresentation to occur the test outlined by Morritt L.J. in *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473 must be satisfied:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148 . The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis* ” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

89. In term of proof, he went on to say:

“The role of the court, including this court, was emphasised by Lord Diplock in *GE Trade Mark* [1973] R.P.C. 297 at page 321 where he said:

‘where the goods are sold to the general public for consumption or domestic use, the question whether such buyers would be likely to be deceived or confused by the use of the trade mark is a “jury question”. By that I mean: that if the issue had now, as formerly, to be tried by a jury, who as members of the general public would themselves be potential buyers of the goods, they would be required not only to consider any evidence of other members of the public which had been adduced but also to use their own common sense and to consider whether they would themselves be likely to be deceived or confused.

The question does not cease to be a “jury question” when the issue is tried by a judge alone or on appeal by a plurality of judges. The judge's approach to the question should be the same as that of a jury. He, too, would be a potential buyer of the goods. He should, of course, be alert to the danger of allowing his own idiosyncratic knowledge or temperament to influence his decision, but the whole of his training in

the practice of the law should have accustomed him to this, and this should provide the safety which in the case of a jury is provided by their number. That in issues of this kind judges are entitled to give effect to their own opinions as to the likelihood of deception or confusion and, in doing so, are not confined to the evidence of witnesses called at the trial is well established by decisions of this House itself.”

90. And he also identified who it is that needs to be deceived:

“This is the proposition clearly expressed by the judge in the first passage from his judgment which I quoted earlier. There he explained that the test was whether a substantial number of the plaintiff's customers or potential customers had been deceived for there to be a real effect on the plaintiff's trade or goodwill.”

91. It is also important to bear in mind the nature of the required “connection” when considering passing-off. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. stated:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services. A belief that the plaintiff has sponsored or given financial support to the defendant will not ordinarily give the public that impression. Many sporting and artistic events are sponsored by commercial organisations which require their name to be associated with the event, but members of the public are well aware that the sponsors have no control over and are not responsible for the organisation of the event. Local teams are often sponsored in similar fashion by local firms, but their supporters are well aware that the sponsors have no control over and are not responsible for the selection or performance of the players.

Schools and colleges are not normally sponsored or promoted in the same way, but they are often financially supported by commercial and professional organisations. Scholarships and professorial chairs are increasingly established by professional firms which stipulate that their name is publicly associated with the endowment. But it is generally recognised that those who provide financial support to such institutions do not expect to have any control over or to be held responsible for the institution or the quality of the teaching. Many ancient schools still bear the names of the guilds which founded them, not as part of their trading activities, but as charitable institutions for the benefit of children of their members. The connection is now largely if not entirely historical; but it was probably never one which was capable of adversely affecting the goodwill and business reputation of the founder.”

92. Having considered the nature of the use made by Cunard, I come to the view that misrepresentation would not, in any event, arise, even if there existed a protectable goodwill. Olsen has applied for the Britannia trade mark in relation to “cruise ship services; arranging and organising of cruises” in class 39. Notional and

fair use of the mark must, as Mr Malynicz submitted, be limited to those services in class 39; I accept his submission that the class number plays a role in determining the scope of those services⁴. This is important in a case such as this because many services are provided on a cruise ship, services which could fall in a number of classes. But what has been applied for are services in class 39 which are, effectively, transportation services. The notional and fair use of the mark for such services would include, for example, use as the name of a cruise ship operator or, perhaps, the name of the ship itself. I come to the view that even for customers or potential customers who were aware of the use of the designation Britannia by Cunard (in the context of the onboard restaurant and linked cabin grade), that knowledge would not lead them to assume that the use of Britannia in the notional and fair manner I have described was the responsibility of Cunard. In reaching this conclusion, I have taken into account the use of the designation “The Britannia Experience” by Cunard, but its use is not sufficiently widespread or memorable so as to materially change my view on the matter.

93. I have also borne in mind the historic use as the name of early ships in Cunard’s history, but having regard to the limited degree of knowledge of this, coupled with the length of time that has elapsed since any of Cunard’s ships have been called Britannia, results in there being no greater prospect that a substantial number of people would be deceived. The claim under section 5(4)(a) of the Act fails.

Section 3(6)

94. I have already set out the legislation and relevant case-law in paragraph 35 onwards. The relevant date for the assessment of this bad faith ground is 10 May 2013. I earlier summarised the pleading under section 3(6) thus:

“Under section 3(6), bad faith, because, in summary, Carnival advised Olsen of its plan to name its next ship as Britannia before Olsen applied for its trade mark. They were advised of this because Olsen owned an earlier registration (now revoked on grounds of non-use) which Carnival knew was not being used. Carnival offered “a sizeable donation” to a charity of Olsen’s choosing if it were to give up the mark. However, instead of agreeing to this, Olsen filed a new trade mark application with an alleged purpose of frustrating Carnival’s plan to name its ship Britannia and to circumvent the revocation proceedings. Alternatively, it is claimed that the word BRITANNIA is associated with Carnival and that Olsen would have known this, and, as such, the application was intended to trade off Carnival’s reputation and/or to cause confusion”

95. To support Carnival’s opposition, Mr Dingle explains in his evidence that by the relevant date Carnival had already decided to name its next ship as Britannia due, he states, to its past use and heritage (as already described) and on the assumption that no other cruise ship company was using the name. The ship was commissioned in 2011. Britannia’s keel was laid on 15 May 2013 (Exhibit DD19 contains a press release relating to this) and the new name was announced to the public on 24 September 2013 (after the relevant date). Exhibit DD20 contains a copy of the *Britannia Magazine* featuring information and an artists’ impression of the new ship;

⁴ As per *Reliance Water Controls v Ltd v. Altecnic Ltd* [2001] EWCA Civ. 1928

again, this is dated after the relevant date. The ship, as are all P&O ships, is “flagged” in Bermuda, the name being reserved with the Bermudan Ships Registry on 29 April 2013 (before the relevant date).

96. Mr Dingle explains that it was discovered that Olsen had a previous registration for the trade mark BRITANNIA (registration 2444378 – now revoked on grounds of non-use). Prior to this Carnival was not aware of any use of the name by others. Mr Dingle was surprised by the existence of the registration as he states that Olsen must have known of Carnival’s continuous use of the word. Further investigation revealed that Olsen had also registered the names Braemar, Black Watch, Black Prince, Boudica, Balmoral and Beaumaris. The first four of these names are ships in service for Olsen as of January 2007. Olsen’s next ship entered service in October 2007 and was called Balmoral. Mr Dingle is not aware of either Beaumaris or Britannia being used in the UK or elsewhere.

97. Mr Dingle felt that it would be unnecessarily provocative to file a revocation action against Olsen’s earlier Britannia mark and he did not wish to jeopardise Carnival’s relationship with a fellow cruise operator. He therefore decided to make contact with Olsen. On 10 May 2013 he telephoned Mike Rodwell, Managing Director of Olsen. He explained Carnival’s plan to name its next ship as Britannia. He informed Mr Rodwell that he knew of Olsen’s existing registration, that it had never been used, and suggested that if the mark were to be surrendered or transferred [to Carnival] then Carnival would make a sizeable donation to a charity of Olsen’s choosing. Mr Rodwell apparently said that he would have to check whether Olsen had any use or ongoing rights and that they would speak again later that week. Mr Rodwell replied by email on 14 May 2013 in which he apparently (the email is not provided by Mr Dingle, but was by Mr Rodwell – see below) said that it was Olsen’s intention to name its next ship as Britannia, that this is why it had filed the registration for the trade mark, and why it had continued to update its reservation of the name with the BMA. Olsen wished to continue to hold the option on the name and that Carnival should choose something else. Further checks were made which show that immediately after the initial phone call, Olsen filed a duplicate trade mark of its vulnerable (for revocation) trade mark. As already identified, Olsen’s application was made on 10 May 2013, the same day as the phone call. Mr Dingle believes that the application was made so as to frustrate the revocation of the earlier mark with the purpose of blocking and preventing Carnival’s legitimate use and registration of BRITANNIA. He feels that this amounts to bad faith.

98. Mr Curtis (for Olsen) provides evidence that Olsen and Carnival have attended the same trade shows, sometimes being located opposite to each other. He explains that as part of his role he monitors what other cruise companies are doing and that it is inconceivable that Olsen does not do the same. The suggestion is that Olsen must have known of Carnival’s use. He believes it inconceivable that they do not monitor Carnival’s Berlitz and Cruise Critic reviews (as detailed earlier).

99. Mr Rodwell gives his take on matters in his evidence. He explains that Olsen currently has four ships (Braemar, Boudica, Black Watch and Balmoral), the latter is the latest ship to enter service having been acquired in 2006. He states that on 23 January 2007 Olsen applied for the marks Britannia and Beaumaris. The plan was to use Britannia as the name of Olsen’s next ship. To support this, he refers to a

document in Exhibit MHR1 which consists of the minutes of a board meeting dated 1 March 2007. There is a reference to: "Introduction of Newbuilding ("Britannia")". The minutes of the meeting indicate that given "yard availability" Spring 2011 represents a "realistic target date for introduction". For the past seven years Olsen has reserved the name with the BMA, where Olsen's ships are flagged. The reservation was renewed for a further six months on 2 May 2013 (before the relevant date). The emails to the BMA states:

"Please find attached two "partly" completed R102 forms enabling [Olsen] to secure the vessel names Britannia & Beaumaris. In both instances the Company have neither committed to re-registering current vessels or new builds, we purely wish to reserve these names for future growth."

100. The response from BMA states:

"We confirm the names "BRITANNIA" and "BEAUMARIS" have been reserved for a further six months for your use".

101. In the late evidence I referred to earlier, the actual form R102 is provided showing the request to re-register.

102. Mr Rodwell then recounts the phone call with Mr Dingle. He accepts that it took place on 10 May 2013. He accepts that Mr Dingle advised him of Carnival's plan for its next ship, that it was aware of Olsen's previous registration, and that he was informed by Mr Dingle that Carnival could challenge it. He accepts that he was asked to voluntarily surrender the mark in exchange for a charitable donation. He states that the call caught him by surprise so he simply listened to what was said and agreed to get back to him, but that "he would seek to protect our [Olsen's] position in this regard".

103. Mr Rodwell accepts that the call alerted him to the vulnerability of the earlier registration. He states:

"Therefore, in order to try to protect our continued interest and intention to use the name BRITANNIA for our next ship I instructed Katherine Shadbolt at Birketts LLP to file, on [Olsen's] behalf, a new trade mark application for the mark BRITANNIA...."

104. Mr Rodwell responded by email to Mr Dingle on 14 May 2013. Set out below is an email chain between the two.

105. 10 May 2013 – Mr Dingle to Mr Rodwell

"Many thanks for taking my call regarding the name which we are shortly to announce for our new P&O Cruises ship. I just wanted to confirm that you would check any usage or ongoing rights to the proposed name which Fred Olsen believes it may have, and that you and I would speak on this again in the second half of next week. I also wanted to confirm that in order to avoid a protracted three month process while Carnival UK worked to have the trademark for the name moved from Fred Olsen to ourselves, which would

incur legal charges for both sides, it would be better if you were able to strike out the trade mark, in return for which we recognise your co-operation through making a sizeable donation to a charity of Fred Olsen's choice."

106. 14 May 2013 – Mr Rodwell to Mr Dingle

"I refer to our pleasant telephone conversation on Friday and your subsequent email below. To be entirely honest with you it was our intention to name our next vessel "Britannia", and that is why we registered the name as a trade mark and have regularly updated our reservation of the name with the Bahamas Registry.

Whilst I appreciate that you have a desire to use Britannia for your new vessel, I can confirm that we would very much to continue to hold the option on the name. Maybe you would reconsider your position and choose an alternative."

107. 16 May 2013 – Mr Dingle to Mr Rodwell

In summary, Mr Dingle expresses surprise that Olsen filed a new mark, he highlights Carnival's prior use and explains that Carnival is prepared to commit significant recourses to gaining registered trade marks for the Britannia name.

108. 20 May 2013 – Mr Rodwell to Mr Dingle

"When we spoke on 10 May this was the first time that you had raised this matter and therefore I was not fully conversant with the up to date position with regard to our registration of a trade mark in the name of "Britannia". I listened to your summary of how you saw the situation with regard to the trade mark, and I promised to discuss this matter with my colleagues, but advised that we would seek to protect our position in this regard.

As outlined in my mail to you of the 14 May, I confirmed the rationale for protecting the name "Britannia" for our future use, and indicated it was our preference for this situation to continue. We have regularly updated our reservation of the name with the [BMA] – the latest reservation confirmed by them on the 2nd May – so you will appreciate that [Olsen] were actively seeking to protect the name prior to our telephone conversation.

Before I confirm our position going forward I need to have a further discussion with my colleagues in Oslo – and they had a public holiday on Friday, with another today. So please bear with me for a couple of days."

109. 21 May 2013 - Mr Dingle to Mr Rodwell

In summary, he simply acknowledges the above email and waits for further thoughts after consulting with colleagues in Oslo.

110. 23 May 2013 - Mr Rodwell to Mr Dingle

“I have now consulted with my colleagues and I can confirm that we intend to name our next vessel “Britannia”. On this basis we are therefore not prepared to relinquish our UK trade mark rights in the mark BRITANNIA.

We have considered our legal position and intend to strongly defend our rights in the mark BRITANNIA. I would again request that you reconsider your position and choose another name for you new ship.”

111. 29 May 2013 - Mr Dingle to Mr Rodwell

“Obviously I am disappointed that you remain intent on naming your next ship “Britannia”. However, please be aware that this does not affect the determination of Carnival to use this name for its next ship.

The matter is now in the hands of our legal team, who have instruction to take all action available to them to secure the name “Britannia” for a Carnival vessel.....”

112. On 15 May 2013 Carnival applied for the revocation of Olsen’s earlier registration. Mr Rodwell states that although we intended, and still intend, to use the name BRITANNIA for our next ship and have maintained our reservation with the BMA, it was as a result of the economic crisis of 2008 that meant Olsen was not in a financial position to acquire a new ship before 2013. Therefore, as there was no use, or proper reasons for non-use, the revocation was not defended.

113. The rest of Mr Rodwell’s first witness statement concerns the partially assigned marks from LV to Carnival. It is not necessary to return to this here.

114. Mr Rodwell gives more evidence on Olsen’s intentions in his second witness statement. He states that in 2007 Olsen had a five year plan which included purchasing and refurbishing one ship, and building another. The minutes suggest that the refurbished ship was to be called Beaumaris (planned for May 2009) and the new build was to be Britannia (planned for 2011). Mr Rodwell states that Britannia was to be the first ship, although, as can be seen from the minutes, it was in fact the second planned ship.

115. Mr Rodwell refers to the naming strategy used by cruise companies. He explains that Olsen use names beginning with the letter B. He also gives examples of the naming strategies of other companies (it is not necessary to detail this). He states that since 1930, 151 of 160 of its ships have had names beginning with the letter B (see Exhibit MHR7). He states that each of its cruise vessels also have name associated with Britain and/or the Royal family. He explains the meanings behind the names Black Prince, Black Watch, Boudica, Braemar and Balmoral which have plausible explanations in line with this. Britannia and Beaumaris fit this scheme also. When its last ship entered service (Balmoral), Britannia was considered as its name. This was in 2007, with the ship entering service in 2008. However, it was felt that at this time that the public would still associate the name with the Royal Yacht Britannia which had been decommissioned in 1997. There was also, apparently,

some speculation that a replacement Royal yacht would be sourced, so it was premature to name the ship Britannia. He refers to his knowledge, or otherwise, of the P&O/Cunnard ships named Britannia (as identified earlier) and the use of the name by Saga as part of a loyalty scheme (Britannia Club).

116. Mr Rodwell refers, again, to the economic downturn in 2008 and, thus, the business plan could not be followed through. He states:

“..it is only this year that they [average passenger yields] are approaching the yield levels achieved in 2007. With the UK economy now improving we are aware of the need to refresh our relatively older cruise fleet, and we intend to add additional vessels within a 5 year time frame.”

117. He goes on to explain that in view of our continued intention to use the name “Britannia” for our next vessel, our trade mark advisor suggested that we reapply to register the name in relation to “cruise ship services” to protect our future interest in the name. Mr Rodwell completes his evidence by referring to the continuous reservation of the name with the BMA.

118. Mr Carr submitted that the position was clearly on a par with the decision of the GC in *Pelicantravel.com s.r.o. v. OHIM*, in that no use had been made of the old mark and that the new mark was simply a re-filing to preserve its rights and to block Carnival’s use. He submitted that there was no intention to use the mark and the factual matrix suggested bad faith, particularly bearing in mind that the application was filed on the same day as the phone call from Mr Dingle. Mr Malynicz argued that whilst the phone call alerted Olsen of the need to file the mark, this had not changed the objectives or intentions of Olsen which were, and remains, to use Britannia as the name of its next ship. He highlighted the 2007 plans and that there is a long process in planning and building ships due to the extreme costs involved. He highlighted the continued re-registration of the name with the BMA. He highlighted that there had been no request to cross-examine Mr Rodwell on his evidence.

119. It is clear from the evidence that when Olsen filed its previous registration in 2007 it had a genuine intention to use the mark as the name of its next ship, with an anticipated launch in 2011. It is also clear that this intention did not come to fruition. Mr Rodwell’s evidence is that the economic downturn played a part in this. This is a very plausible explanation and there is nothing to bring the credibility of that explanation into doubt. Mr Rodwell accepts that the phone call from Mr Dingle alerted him to the vulnerability of Olsen’s existing registration, which is why the new trade mark the subject of this dispute was filed. However, Mr Rodwell states that this was due to Olsen’s continued intention to use the mark.

120. In submission, Mr Malynicz felt that at the very least there was a contingent plan to use the mark. In *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHR 1929 (Ch), Arnold J. held that a possible or contingent intention to use the mark in relation to the goods/services covered by the application would normally be sufficient to prevent a finding of bad faith. He stated:

“161. If the UK’s requirement for a declaration of intention to use is compatible with the Directive, and the making by the applicant of a false

declaration of intent to use can amount to bad faith, the next issue concerns the intention which the applicant must have in order to be able to declare in good faith that he intends to use the mark in relation to the goods or services specified in the application in the UK. Counsel for the Defendants submitted that a concrete present intention was required, whereas counsel for Red Bull submitted that a possible or contingent future intention was sufficient.

162. In *Knoll* Neuberger J. said that "whether a contemplated use, or a possible or conditional intention to use, can suffice must depend upon the circumstances". In that case, he found that the proprietor had had a definite intention to use the mark in relation to pharmaceutical preparations for the treatment of obesity and contemplated that it might use the mark in relation to other pharmaceutical products. In those circumstances he held that it was unarguable that the proprietor had acted in bad faith by making a false declaration that it intended to use the mark in relation to pharmaceutical preparations and dietetic substances. In *32Red* the Court of Appeal appears to have accepted that a possible future use of the mark in relation to the services applied for was enough to defeat an allegation of bad faith on the ground of lack of intention to use in the circumstances of that case, albeit without any detailed consideration of the law.

163. Neuberger J's statement in *Knoll* appears to me to be not only correct in principle, but also supported by the subsequent jurisprudence of the CJEU in *Lindt v Hauswirth* and *Internetportal v Schlicht*. I therefore conclude that a possible or contingent intention to use the mark at some future date may suffice. Whether it does suffice will depend on all the circumstances of the case, and in particular whether there are other factors present of the kind mentioned in paragraph 139 above". [i.e. whether the application is an attempt to gain protection for an unregistrable mark or to block others from using the mark"]

121. The email to the BMA re-registering the name with them is interesting because it is a piece of evidence dated before the phone call and the relevant date; it states:

"We have neither committed to re-registering current vessels or new builds, we purely wish to reserve these names for future growth".

122. Whilst there may not at the above point been a specific commitment to rebuild, it nevertheless indicates that the name was required for the "future growth" of Olsen which, it is safe to assume, means through a new ship coming on-line at some point. This is consistent with Mr Rodwell's statement that:

"..it is only this year that they [average passenger yields] are approaching the yield levels achieved in 2007. With the UK economy now improving we are aware of the need to refresh our relatively older cruise fleet, and we intend to add additional vessels within a 5 year time frame."

123. Whilst in the email exchanges with Mr Dingle, Mr Rodwell referred to “holding the option on the name”, in a subsequent email he explains that the rationale for protecting the name was for our “future use”. Based on all this, it seems to me that there was a contingent intention to use the name, contingent upon economic upturn. I do not consider that Olsen was simply stockpiling marks. The plan has always (at least since 2007) been to call its next two ships Britannia and Beumaris and this is reflected by the BMA registrations, registrations which fit in with Olsen’s naming policy. Neither do I consider that the application was filed simply to block or frustrate Carnival’s plans. The phone call from Mr Dingle prompted Olsen to file the mark, but not to simply cause difficulties for its competitor, but because of its own plans. This is not bad faith, but on the contrary, seems to me to be a perfectly sensible move. For these reasons, I do not consider that *Pelicantravel.com s.r.o. v. OHIM* is applicable. The pleading also refers to Olsen wishing to take advantage of Carnival’s goodwill, however, on the basis of my earlier findings, such an argument is untenable. For all these reasons, the ground under section 3(6) fails.

OPPOSITION TO CARNIVAL’S APPLICATION

124. The only pleaded basis for this claim is section 5(1)/5(2)(a), a ground based upon Olsen’s earlier mark. However, as I have found that the earlier mark is to be refused then there is no longer any basis for such a ground of opposition. The opposition is rejected.

SUMMARY OF OUTCOMES

Revocation proceedings relating to registration 3017894 – The revocation succeeds (with effect from 10 October 2000), save in respect of the term “arrangement of transport of people by sea”.

Invalidation proceedings relating to registration 3017890 – the invalidation succeeds under section 3(6) in relation to “travel agency services”, but fails (and may remain registered) for “transport of people by sea”.

Opposition proceedings relating to application 3005496 -The opposition succeeds in full under sections 5(1)/5(2)(a) but fails in relation to the grounds under sections 5(4) and 3(6).

Opposition proceedings relating to application 3015323 - The opposition fails under the pleaded grounds of sections 5(1)/5(2)(a)

COSTS

125. Carnival has partially succeeded in the invalidation and revocation proceedings. It has been successful in both oppositions. I consider the net effect to be that Carnival is entitled to a contribution towards its costs. However, I also consider it appropriate to reduce that award given that Carnival lost on the grounds of opposition (against Olsen’s mark) that took up most time (and evidence), namely its grounds under section 5(4)(a) and 3(6). I make no award to either party in relation to the case-management conference as the outcome was evenly balanced (some of the evidence was admitted, some not). I also take into account that some cost

savings were made due to the consolidated nature of the proceedings. I award Carnival the sum of £1700 as a contribution towards the cost of the proceedings, calculated as follows:

Preparing statements and considering the other side's statements - £600

Filing and considering evidence - £500

Attending the hearing - £400

Official fee for Carnival's opposition - £200⁵

Total - £1700

126. I therefore order Fred. Olsen Cruise Lines Limited to pay Carnival Plc the sum of £1700. The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 30th day of January 2015

**Oliver Morris
For the Registrar,
The Comptroller-General**

⁵ Although there were two oppositions filed by Carnival (and two fees), the award relates to only one as it was unnecessary to file two separate oppositions.