

O/342/17

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION NO 2 552 169



IN THE NAME OF ONTRO LIMITED


AND

IN THE MATTER OF AN APPLICATION FOR REVOCATION BY SKY  
PLC

## Background and pleadings

1. Ontro Limited is the Registered Proprietor of trade mark registration No 2 552 169



consisting of . The trade mark was filed on 6<sup>th</sup> July 2010 and completed its registration procedure on 14<sup>th</sup> January 2011. It is registered in respect of the following services:

Class 35:

*Advertising service provided over the internet.*

Class 39:

*Arrangements of flights and flight planning service.*

2. Sky Plc (previously British Sky Broadcasting Group Plc) seek revocation of the trade mark registration on the grounds of non use based upon Section 46(1)(a) and (b) of the Trade Marks Act 1994. Ontro Limited filed a counterstatement denying the claim.
3. Revocation is sought under Section 46(1)(a) in respect of the 5 year time period following the date of completion of the registration procedure, namely 15<sup>th</sup> January 2011 to 14<sup>th</sup> January 2016. Revocation is therefore sought from 15<sup>th</sup> January 2016. Revocation is also sought under Section 46(1)(b) in respect of the time period 17<sup>th</sup> June 2011 to 16<sup>th</sup> June 2016. Revocation is therefore sought from 17<sup>th</sup> June 2016.
4. Only the Registered Proprietor filed evidence in these proceedings. This will be summarised to the extent that it is considered appropriate. The applicant filed written submissions which, although they have been fully considered, will not be summarised but will be referred to as and where appropriate during this decision. A Hearing took place on 21<sup>st</sup> June 2017, with the Registered Proprietor represented by Mr Mark Engelman of Counsel. The applicant was not represented and did not attend.

## Legislation

5. Section 46(1) of the Act states that:

“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 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.”

6. Section 100 is also relevant, which reads:

“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.”

7. The relevant case law in respect of genuine use has been usefully summed up in *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, where Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(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 to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving 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. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

## Registered Proprietor’s Evidence

8. This is in the form of two witness statements, from Mr Haramanbeer Singh Sangha, the Director of the Registered Proprietor. The witness statements are dated 26<sup>th</sup> September 2016 and 2<sup>nd</sup> February 2017 respectively. This summary does not describe all of the information filed. Rather, it focusses on the pertinent points, which are:

- The registered trade mark has been used since July 2010;
- The business under the brand SKYCLUB is in respect of business, first class and private jet travel with experience in assisting VIP travellers;
- A large number of invoices are provided at Exhibit 5. These are dated between 2011 to 2016 (so within the relevant periods identified earlier). Many are in respect of payment for flights booked. It is noted that a SKYCLUB trade mark appears on the top of the invoices. This is not precisely the same as that registered, but I will return to this point further below;
- Turnover (T)<sup>1</sup> and advertising (A) figures are provided: 2012: £15.5 million (T), £416,278 (A); 2013: £15.1 million (T), £270,112 (A); 2014: £14 million (T), £218,166 (A); 2015: £16.6 million (T), £285,672 (A) and 2016: £20.3 million (T), £406,145 (A). These figures are not broken

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<sup>1</sup> It should be noted that these turnover figures have been adjusted by Mr Singh to reflect the relevant percentage of customers who are based in the United Kingdom.

down to reflect the flight booking services and advertising services. My reading of the evidence leads me to conclude that they are in respect of the flight booking services. This is due to the context provided in the body of the witness statement.

- Exhibit 6a includes documentation in respect of the original design of the SKYCLUB logo in 2005;
- Exhibit 6b includes documents and email exchanges between Mr Singh and a graphics designer. The documents display mock ups from the use of the trade mark on the opponent's websites since 2011;
- Exhibit 6c includes YouTube banner advertisements displaying the trade mark with the same graphic designer;
- Exhibit 6d concerns the boarding passes created by the same graphic designer in 2012;
- In respect of use for advertising services, Mr Singh explains that the opponent offers advertising and marketing banners for third parties which are posted on the skyclub.com website. Mr Singh explains that one of the opponent's clients is Etihad, one of the world's leading airlines. Exhibit 11 shows a selection of that advertising placed on the skyclub website and includes 5 invoices dated between September 2014 and December 2016 for the advertising services provided by the opponent. Amounts involved are around £20,000. Services included web page banners, landing pages, newsletters and email campaign statistics. Mr Singh also advises that he has been in talks with British Airways to provide similar services;
- The opponent has maintained an active presence on social media (Facebook) since April 2013. Exhibit 14 includes copies of the opponent's Facebook homepage, and customer reviews posted on Facebook;
- The opponent has also enjoyed an active presence on Twitter since April 2013. Exhibit 16 includes relevant homepage information;
- Exhibit 20 includes a client list. This is a compilation of information from 2011 to 2016 (according to Mr Singh). It is noted that there are a total of 13,645 records and that they all appear to be UK based.
- Exhibit 21 are details of positive customer reviews the opponent has received on its website.

9. This concludes my review of the evidence. It is noted that the applicant, in its written submissions, argues that the use of the trade mark shown in the evidence is not the trade mark as is registered. In this regard, the following is borne in mind:

In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. .... The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

10. Although this case was decided before the judgment of the Court of Justice of the European Union ("CJEU") in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

11. In *Hyphen GmbH v EU IPO*, Case T-146/15, the General Court held that use of the mark shown on the left below constituted use of the registered mark shown on the right. The court held that the addition of a circle, being merely a banal surrounding for the registered mark, did not alter the distinctive character of the mark as registered.



12. The court set out the following approach to the assessment of whether the addition of additional components is likely to alter the form of the registered mark to a material extent:

“28. ...a finding of distinctive character in the registered mark calls for an assessment of the distinctive or dominant character of the components added, on the basis of the intrinsic qualities of each of those components, as well as on the relative position of the different components within the arrangement of the trade mark (see judgment of 10 June 2010, *ATLAS TRANSPORT*, T-482/08, not published, EU:T:2010:229, paragraph 31 and the case-law cited; judgments of 5 December 2013, *Maestro de Oliva*, T-4/12, not published, EU:T:2013:628, paragraph 24, and 12 March 2014, *Borrajo Canelo v OHIM — Tecnoazúcar (PALMA MULATA)*, T-381/12, not published, EU:T:2014:119, paragraph 30).

29 For the purposes of that finding, account must be taken of the intrinsic qualities and, in particular, the greater or lesser degree of distinctive character of the [registered] mark used solely as part of a complex trade mark or jointly with another mark. The weaker the distinctive character, the easier it will be to alter it by adding a component that is itself distinctive, and the more the mark will lose its ability to be perceived as an indication of the origin of the good. The reverse is also true (judgment of 24 September 2015, *Klement v OHIM — Bullerjan (Form of an oven)*, T-317/14, not published, EU:T:2015:689, paragraph 33).

30 It has also been held that where a mark is constituted or composed of a number of elements and one or more of them is not distinctive, the alteration of those elements or their omission is not such as to alter the distinctive character of that trade mark as a whole (judgment of 21 January 2015, *Sabores de Navarra v OHIM — Frutas Solano (KIT, EL SABOR DE NAVARRA)*, T-46/13, not published, EU:T:2015:39, paragraph 37 and the case-law cited).

31 It must also be remembered that, in order for the second subparagraph of Article 15(1)(a) of Regulation No 207/2009 to apply, the additions to the registered mark must not alter the distinctive character of the mark in the form in which it was registered, in particular because of their ancillary position in the sign and their weak distinctive character (judgment of 21 June 2012, *Fruit*



*of the Loom v OHIM — Blueshore Management (FRUIT)*, T-514/10, not published, EU:T:2012:316, paragraph 38).

32 It is in the light of those considerations that it must be determined whether the Board of Appeal was correct in finding, in paragraph 9 of the contested decision, that it had not been proven that the European Union trade mark rights had been used in a manner so as to preserve them either in the form registered or in any other form that constituted an allowable difference in accordance with the second subparagraph of Article 15(1)(a) of Regulation No 207/2009.”

13. These findings indicate that the relative distinctiveness of the registered mark and the components added to (or omitted from) it in use are relevant factors to take into account in the required assessment. In this instance the addition of a circle around the registered mark was not sufficient to alter the distinctive character of the registered mark.

14. Further the court held that, although it was relatively more distinctive than the registered mark, the addition of the word ‘Hyphen’ to the registered mark in a circle (“sign No.3”) did not alter the distinctive character of the registered mark either. In this connection, the court stated that:

“57 It must borne in mind in that regard that, where several signs are used simultaneously, steps must be taken to ensure that, for the purposes of the application of the second subparagraph of Article 15(1)(a) of Regulation No 207/2009, such use does not alter the distinctive character of the registered sign, having regard inter alia to business practices in the relevant sector (judgment of 24 September 2015, *Form of an oven*, T-317/14, not published, EU:T:2015:689, paragraph 31; see also, to that effect, judgment of 8 December 2005, *CRISTAL CASTELLBLANCH*, T-29/04, EU:T:2005:438, paragraphs 33 and 34).

58 The joint use of a figurative element and a word element on the same textile or clothing item does not undermine the identification function of the

registered mark; it is not unusual in the clothing sector to juxtapose a figurative element with word element linked to the designer or manufacturer, without the figurative element losing its autonomous identification function in the overall impression. This finding extends to all the goods and services referred to in paragraph 6 above.

59 Thus, in sign No 3, the target consumer's attention will be drawn to both the word element and the figurative element.

60 It follows that, in sign No 3, the mere addition of the word element 'hyphen c' does not alter the distinctive character of the registered mark, as found, in essence, by the Board of Appeal in paragraph 29 of the contested decision."

15. In *Menelaus BV v EUIPO*, Case T-361/13, the General Court found that use of the marks shown on the left and middle below constituted use of the registered mark on the right.



16. The court held that the word VIGAR was the dominant and distinctive element of all the marks. As regards the other features, the court held that:



"73 [The first sign] sign differs from the earlier mark as registered only in the ascending orientation of its oval background, the use of standard lower-case instead of standard capital letters and the replacement of the crown element by a sequence of three dots. As the Board of Appeal rightly found, a different orientation of the same background, the use of upper-case or lower-case letters when they are standard letters which reproduce the same term, or the substitution of an ornamental element (the sequence of dots) for a laudatory element when both of those elements serve to reinforce the term 'vigar', are

minor differences that do not alter the distinctive character of the earlier Community trade mark as it was registered.

74 That finding is not called into question if the second form of use, reproduced in paragraph 63 above, is taken into account inasmuch as, even though, in that case, the basic background disappears and the word 'spain' is present, the latter will be understood as a merely descriptive addition.”

17. See also the judgments of the General Court in *Sony Computer Entertainment Europe v OHIM*, case T-690/14, *LTJ Diffusion v OHIM*, case T-83/14 and *PAL-Bullermann v EUIPO*, case T-397/15.

18. I bear in mind all of the aforesaid guidance in considering the proceedings here. The trade mark as registered and that (predominantly) in use is shown below:

	
Registered trade mark	Used trade mark

19. It is considered that the trade mark used does not, in any way, alter the distinctive character of the registered trade mark. The dominant and distinctive element is clearly SKYCLUB encased within a graphic of an aeroplane. The reversal of colours and the additional text in use do not impact on this in any material way and so are acceptable variants. The Registered Proprietor can rely on the trade mark used.

20. The attacked trade mark is registered in respect of:

Class 35:

*Advertising service provided over the internet.*

Class 39:

*Arrangements of flights and flight planning service.*

21. In respect of the services in Class 39, it is noted that the evidence filed has provided a great deal of relevant information: there are invoices, turnover figures, advertising figures, examples of advertising, social media presence, web pages. Many of these are dated within the two relevant periods (which stretch from January 2011 to June 2016 when joined together). It is clear that the Registered Proprietor is in the business of arranging and planning flights and the evidence is overwhelming in this respect. I conclude that genuine use in respect of Class 39 services is clearly established.
22. In respect of the Class 35 services, the matter is less straightforward. It is noted that the Registered Proprietor focusses on one client: Etihad Airways. Mr Singh, in his witness statement, refers to Etihad as one of the world's leading airlines. Etihad's reach is not detailed. However, neither is this claim challenged by the applicant. A handful of invoices are included (totalling around £20,000), together with evidence demonstrating how the advertising looks on the skyclub.com website. So, the evidence does suffer from some defects. The use is small (just one proven client) but can also be described as steady and use of the mark need not be quantitatively significant for it to be deemed genuine. Minimal use can qualify as genuine. Further, the use requirement in trade mark proceedings is not designed to assess commercial success or to restrict protection only to those marks which have been used on a large scale commercially. It is true that not all commercial use is deemed to be genuine use. However, taking into account all of the evidence filed, considered in totality, it is considered that it does show that there has been genuine use of the challenged trade mark in the UK in respect of the Class 35 services.
23. The sum of all this is that the application for revocation fails in its entirety.

## Conclusion – Non use

## COSTS

24. The Registered Proprietor has been successful and is entitled to a contribution towards its costs. In this regard, I note that the Registered Proprietor has made no request for costs in respect of the second witness statement (and exhibits) it filed as evidence. This is because it was accepted as additional evidence (due to its materiality) and so the costs of its

preparation have been conceded. In the circumstances I award the Registered Proprietor the sum of £1500 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering application and accompanying statement - £200

Statement of case in reply - £300

Preparing and filing evidence - £300

Preparation for and attendance at a Hearing - £700

TOTAL - £1500

25. I therefore order Sky Plc (formerly British Sky Broadcasting Plc) to pay Ontro Limited the sum of £1500. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 19<sup>th</sup> day of July 2017**

**Louise White**

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