O-582-17

TRADE MARKS ACT 1994

IN THE MATTER OF THE
TRADE MARK REGISTRATION NO. 2520347
OWNED BY BRIGHT CLOUD TECHNOLOGIES LIMITED

(A SERIES OF TWO MARKS)

IN CLASSES 9, 35, 38 AND 42

AND

THE APPLICATION BY WEBROOT INC UNDER NO. 500989
TO CANCEL THE REGISTRATION FOR NON-USE

Background

1. In a decision dated 29 November 2016 ("the first decision")[1], the Registrar partially allowed an application for cancellation on the grounds of non-use brought by Webroot Inc ("the applicant"). The application succeeded in respect of the goods and services for which Bright Cloud Technologies Limited ("the registered proprietor") had not defended the application. The effective date of revocation was 16 September 2015. The applicant appealed to the Appointed Person. After having heard the parties, Ms Emma Himsworth QC, sitting as the Appointed Person, issued her decision on 19 May 2017[2]. She concluded:

> "35. In the circumstances, it seems to me that the Applicant has identified a material error such that paragraphs 31 to 35 of the Hearing Officer's Decision cannot stand.
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> 36. However it also seems to me for the reasons set out above that the finding in paragraph 30 of the Decision that there had been genuine use in respect of what are essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services was a finding that the Hearing Officer was entitled to make on the basis of the materials before her.
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> 37. The application for revocation is therefore to be remitted to the Registrar for further consideration and further directions as to how it should proceed on the basis of the finding of genuine use of the mark in suit in respect of '*essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*', by a different Hearing Officer, in accordance with the provisions of the Trade Marks Act 1994 and the Rules.
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> 38. Both sides have had a measure of success on this appeal and therefore I make no order as to costs in relation to the costs of the appeal. The costs of

[1] BL O/566/16
[2] BL O/252/17

the proceedings (other than the costs of this appeal) are reserved to the Registrar upon the basis that the question of how and by whom they are to be borne and paid will be determined at the conclusion of the application for revocation in accordance with the usual practice."

2. A hearing took place before me on 5 September 2017 by video conference at which the applicant was represented by Mr Guy Tritton, of Counsel, instructed by Noerr Alicante IP, S.L. The registered proprietor was represented by Mr Michael Hicks, of Counsel, instructed by Williams Powell.

3. The application for revocation was made against all the registered goods and services:

Class 9: *Computer hardware; computer software; computer work stations; computer servers; computer server hardware; computer server software; computer network hardware; computer network software; data recorded magnetically, electronically or optically; computer hardware firewalls; computer software firewalls; magnetic, optical and electronic data recording materials; computer software for managing and filtering electronic communications; electronic apparatus for filtering electronic mail; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for protecting and securing computer networks and applications; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for electronic mail; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for communication between computers; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for data communications; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for*

analysing name files; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for encrypting and authenticating data; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for detecting and repairing computer software and hardware problems; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for virus detection with reporting tools; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for use with user security and access permissions; computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for EDI (Electronic Data Interchange); computer hardware, computer software, computer work stations, computer servers, computer server hardware, computer server software, computer network hardware, computer network software for WebEDI (web Electronic Data Interchange); electronic publications; electronic mail servers; data processing equipment; apparatus for data collection; apparatus for data storage; telecommunications equipment; computer programmes for the creation of networks; network management apparatus; telecommunications network management installations; remote access apparatus; remote access on-line electronic information apparatus; data back-up units; information management apparatus.

Class 35: *Network management services; network optimisation services; outsourcing; on-line data processing services; business continuity services; database management; data storage; data back-up services; electronic storage and retrieval of data and information; rental of data processors; advisory, information and consultancy services relating to all the aforesaid services.*

Class 38: *Providing access to computer networks; providing access between computers and computer networks; providing access between computer networks*

and servers; providing access between computers and servers; telecommunications services between computer networks; transmission of data; telecommunications disaster recovery services; telecommunication system emergency response and recovery services; recovery and restoration of data; optimisation of information technology applications; advisory and consultancy services relating to telecommunications; providing on demand computing services; on-line back-up services; electronic mail services; rental of electronic mail boxes; rental of data communication apparatus; Internet Protocol (IP) communications services; Virtual Private Network (VPN) services; advisory services relating to remote access of computer hardware; advisory services relating to remote access of computer software; advisory, information and consultancy services relating to all the aforesaid services.

Class 42: *Provision of technical consultancy services relating to information technology; engineering services relating to information technology; information services relating to information technology; provision of information relating to information technology; technical consultancy services relating to information technology; advisory services relating to computer software, security of electronically stored files, emails or electronic communications; advisory services relating to software firewalls; installation of computer software; maintenance of computer software; rental of computer software; updating of computer software; upgrading of computer software and computer infrastructure; computer software consultancy; on demand software; website design; database design; website hosting services; remote hosting services; hosted applications services; configuration of computer software; diagnosis of faults in computer software; operating electronic information networks; leasing of computer equipment; rental of computer software; leasing of data processing systems; rental of data carriers; rental of web servers; rental of space on web servers; development of computer based networks; programming of data processing equipment; computer programming services; computer virus protection services; computer firewall services; data security services for computer networks; recovery of computer data; computer disaster recovery services; disaster recovery services for computer systems; on-line back-up services; advisory, information and consultancy services relating to all the aforesaid services.*

4. The registered proprietor did not defend, or accepted that there had not been genuine use within the relevant period (16 September 2010 to 15 September 2015), in respect of the goods and services set out in paragraph 35 of the first decision. Paragraphs 30 to 35 of the first decision are as follows (my emphasis):

> "30. There is no doubt that the registered proprietor's evidence could have been better marshalled, however, what has been filed shows the registered proprietor to have a successful and generally increasing business throughout the relevant period. Its services are, essentially, cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services. The turnover figures are not presented in terms of the context of the market as a whole but, whilst they are likely to be fairly small within that total market, they are not insignificant and the use of the mark shows real commercial exploitation of it with details of the names of some of its customers given, some of whom are household names. Whilst Mr Little has made passing reference to the registered proprietor supplying goods, it has not defended the registration in relation to any such goods. The evidence, and indeed Mr Little's own witness statements, refer to the company as a service provider and I consider that most, if not all of the turnover figures provided will relate to the provision of services. The turnover figures are also not broken down in terms of specific services, however, I consider that the nature of the services provided and the cross-over between the various parts of them means that separate itemised turnover figures are unlikely to be recorded by the registered proprietor. I find support for this in the invoices and service provision documents sent to customers which, whilst setting out the generality of the services provided, do not break them down in any great detail. Bearing in mind the totality of the evidence, I am satisfied that the registered proprietor has made genuine use of the trade mark as registered.
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> 31. Having reached that conclusion, I go on to determine what constitutes a fair specification for the use made of the mark. In *Euro Gida Sanayi Ve Ticaret v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. again sitting as the Appointed Person summed up the law thus:

> "In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods and 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 or services concerned."

32. In *Roger Maier and Another v ASOS,* [2015] EWCA Civ 220, Kitchen L.J. (with whom Underhill L.J. agreed) set out the correct approach for devising a fair specification where the mark has not been used for all the goods/services for which it is registered. He said:

> "63. The task of the court is to arrive, in the end, at a fair specification and this in turn involves ascertaining how the average consumer would describe the goods or services in relation to which the mark has been used, and considering the purpose and intended use of those goods or services. This I understand to be the approach adopted by this court in the earlier cases of *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2002] EWCA Civ 1828, [2003] RPC 32; and in *West v Fuller Smith & Turner plc* [2003] EWCA Civ 48, [2003] FSR 44. To my mind a very helpful exposition was provided by Jacob J
> (as he then was) in *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch); [2004] FSR 19. He said at paragraph [20]:
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> > "… 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 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 – are they specialist or of a 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 judgment as to the appropriate specification having regard to the use which has been made."

64. Importantly, Jacob J there explained and I would respectfully agree that the court must form a value judgment as to the appropriate specification having regard to the use which has been made. But I would add that, in doing so, regard must also be had to the guidance given by the General Court in the later cases to which I have referred. Accordingly I believe the approach to be adopted is, in essence, a relatively simple one. The court must identify the goods or services in relation to which the mark has been used in the relevant period and consider how the average consumer would fairly describe them. In carrying out that exercise the court must have regard to the categories of goods or services for which the mark is registered and the extent to which those categories are described in general terms. If those categories are described in terms which are sufficiently broad so as to allow the identification within them of various sub-categories which are capable of being viewed independently then proof of use in relation to only one or more of those sub- categories will not constitute use of the mark in relation to all the other sub-categories.

65. It follows that protection must not be cut down to those precise goods or services in relation to which the mark has been used. This

> would be to strip the proprietor of protection for all goods or services which the average consumer would consider belong to the same group or category as those for which the mark has been used and which are not in substance different from them. But conversely, if the average consumer would consider that the goods or services for which the mark has been used form a series of coherent categories or sub-categories then the registration must be limited accordingly. In my judgment it also follows that a proprietor cannot derive any real assistance from the, at times, broad terminology of the Nice Classification or from the fact that he may have secured a registration for a wide range of goods or services which are described in general terms. To the contrary, the purpose of the provision is to ensure that protection is only afforded to marks which have actually been used or, put another way, that marks are actually used for the goods or services for which they are registered."

33. Mr Tritton criticised the registered proprietor's evidence in relation to the extent to which it showed specific use in relation to the services as registered. There is some merit in that but, in my view, whilst the registered proprietor cannot be said to have provided evidence of use of the trade mark in relation to each of the specific services for which the mark is registered (insofar as they have been defended), the nature of the services for which use has been shown (and those for which the applicant agrees the mark has been used) are highly technical and, on the balance of probabilities, are likely to incorporate each of the specific services such that the registered proprietor is entitled to retain the registration in respect of each of them.

Summary

34. In view of my findings, the application for revocation of the registration succeeds in respect of those goods and services for which the registered proprietor accepts no use has been made with effect from 16 September 2015. These are:

Class 9

All goods in this class.

Class 35

On-line data processing services; rental of data processors.

Class 38

Telecommunications disaster recovery services; telecommunication system emergency response and recovery services; recovery and restoration of data; advisory and consultancy services relating to telecommunications; rental of data communication apparatus;

Class 42

On demand software; website design; leasing of computer equipment; rental of computer software; leasing of data processing systems; rental of data carriers; rental of web servers; rental of space on web servers; programming of data processing equipment; computer programming services."

5. The remittal to the Registrar is contained in the Appointed Person's directions, at paragraph 37 of her decision:

> "The application for revocation is therefore to be remitted to the Registrar for further consideration and further directions as to how it should proceed on the basis of the finding of genuine use of the mark in suit in respect of '*essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*', by a different Hearing Officer, in accordance with the provisions of the Trade Marks Act 1994 and the Rules."

6. The context of this paragraph can be seen from paragraphs 27 to 34 of the Appointed Person's decision:

"27. Having looked at the material I am satisfied that the Hearing Officer was entitled to come to the view that she did that there was real commercial exploitation of the mark in respect of '*essentially, cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*' on the basis of the unchallenged evidence of Mr Little that was before her and in particular on the basis of the invoices and service provision documents that were exhibited by Mr Little and which were explicitly relied upon by the Hearing Officer as further support for her conclusions.

28. I now turn to the Hearing Officer's findings with regard to the fair specification. Before doing so I note that: (1) by letter dated 23 May 2013, in line with the usual practice, the Registered Proprietor was invited to submit a fall-back position in the form of a limited specification; (2) the Registered Proprietor in the present case accepted that there had been no use in relation to goods in Class 9 and various services in Classes 35, 38 and 42; (3) save in so far as it was accepted that there was no use in respect of certain goods/services contained within the specification no alternative specification was put forward on behalf of the Registered Proprietor and there appears to have been no argument with regard to the specification at the hearing before the Hearing Officer below; and (4) there is no Respondent's Notice on this appeal.

29. Having correctly set out the law with regard to 'fair specification' at paragraphs 31 and 32 of her Decision (and in respect of which there is no criticism) the Hearing Officer at paragraph 33 purported to make findings with regard to the fair specification.

30. In that paragraph the Hearing Officer found that the Registered Proprietor was entitled to retain the entirety of the services specified (save for those which the Registered Proprietor accepted had not been used). She did so:

(1) Despite her finding in paragraph 33 of her Decision that the Registered Proprietor cannot be said to have provided evidence of use in relation to each

of the specific services for which the mark is registered (in so far as they had been defended); and/or

(2) Without explaining how such a finding was justified given her earlier finding in paragraph 30 of her Decision of genuine use in respect of '*essentially, cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*'; and/or

(3) Without, in the light of such findings, specifically considering each of the services itemised in the specification (in so far as they had been defended).

31. I consider that the findings in paragraph 33 of her Decision cannot be sustained.

32. Firstly, because I am of the view that the findings in that paragraph are internally contradictory (as was accepted to be the case on a literal reading of the paragraph on behalf of the Registered Proprietor at the hearing of the appeal) and therefore the Decision was structurally flawed.

33. Secondly, because the Hearing Officer has not carried out the task that is required of her under the case law to consider whether each of the services itemised in the specification are or are not sufficiently distinct from '*essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*' such as to enable a finding to be made as to whether or not the registration in respect of each of such itemised services should be maintained. It does not seem to me that the general finding that *cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*' are '*likely to incorporate*' the itemised services in the context of the present case addresses the issue from the correct perspective as set out in the case law. That case law envisages that only goods or services which are not in essence different from those for which the registered proprietor has succeeded in proving genuine use, and which belong to a single group which cannot be divided other than in an arbitrary

manner, should be retained: see for example Case T-258/08 Mathias Rath v. EUIPO EU:T:2017:22 at paragraphs [34] to [35].

34. That the Hearing Officer failed to consider the 'fair specification' appropriately is further confirmed by the order made in paragraph 34 of her Decision which is made by reference to the goods and services that were not defended by the Registered Proprietor as opposed to by reference to a specification of services which properly described the services in respect of which genuine use had been demonstrated."

7. In paragraph 33 of her decision, the Appointed Person identifies the task which was not undertaken as being consideration as to whether each of the defended services itemised in the specification are or are not sufficiently distinct from "*essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*", which the Appointed Person casts as a "general finding", to decide whether the registration may be maintained for each of the itemised services. It can be seen from the paragraphs reproduced above that the Hearing Officer's finding as to genuine use for these services was upheld on appeal (that there was not genuine use was one of three grounds of appeal). The paragraphs in the first decision which the Appointed Person has ruled cannot stand deal wholly with the issue of a fair specification. My task is, therefore, to consider a fair specification on the basis of the general finding that there had been genuine use of "*essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*". My approach will be to exclude services which do not fall within these terms and to include terms which do fall within them and for which there is evidence of genuine use. It is not open to me to go further than the direction made by the Appointed Person in paragraph 37 of her decision.

Decision

8. The applicant's position is that *essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services* is

already a fair specification. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

> "iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].
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> iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].
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> v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].
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> vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Pl*c [2015] EWCA Civ 220 ("Asos") at [56] and [60].
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> vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand,

protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

9. Although there was no dispute about the applicable law, both Counsel differed as to how I should set about framing a fair specification given the facts of this case and what had happened on appeal. Mr Hicks referred me to *Redd Solicitors LLP v Red Legal Limited and anor* [2012] EWPCC 54. In that case, His Honour Judge Birss QC (as he then was) considered, *inter alia*, partial revocation of the claimant's trade mark, which was registered for legal services. The claimant marketed itself as an intellectual property legal firm, but in fact provided other types of legal services, additionally to intellectual property legal services. The judge held that a fair description was 'legal services', the claimant being a firm of solicitors and that was how the average person would describe the services provided by a firm of solicitors. The claimant had, though, never offered conveyancing (which was the area in which the defendants operated). Judge Birss considered whether there should be a carve-out to reflect the fact that there had been no use in relation to conveyancing, but decided against it:

"74. It will always be possible to show that there are some services within a category like this which the trade mark proprietor has never offered and may not really ever wish to do so. But that is part of the nature of collective expressions in the first place. In a different case the point may show that the collective expression is not fair in the first place, but I have rejected that argument.

75. An important part of the reason "legal services" is a fair description in this case is because of the nature of legal services themselves. They are many and varied and can be divided up in different ways. The particular services

actually offered will vary considerably from time to time. Despite all this, the services are all legal services.

76. In my judgment it would not strike a fair balance between the respective interests of the proprietor, other traders and the public to make such a carve-out from the specification in this case. I think the only fair specification for the claimant's trade mark is "legal services", without qualification."

10. At the hearing before me, Mr Tritton submitted:

"Just so you understand the submission that I made both below and above, I made what I call "the Domino's Pizza submission", which is that if you are providing a pizza delivery service, that pizza delivery service will include a whole load of elements to it. It will include the use of mopeds and the use of moped drivers, it will include a delivery service in the sense that you have to deliver, and it will include the use of ovens, etc. The mere fact you need to use those form part of the pizza delivery service, but it does not mean that you are offering delivery services etc. That is very much at the forefront of the submissions I made to the Appointed Person. The mere fact that one incorporates another does not mean you are providing the services. The mere fact that I have to use mopeds to provide a pizza delivery service does not mean that I am basically using the mark in relation to mopeds.

Similarly, the mere fact that I am providing cloud-hosting services does not mean that because that requires data connectivity, I am offering effectively data connectivity as if I am some sort of internet service provider. You have to use those data services to provide hosting, but it does not mean that I am offering those services as a standalone service. It merely forms part of the cloud-hosting service, but that does not mean that I am using the mark in relation to data connectivity. You could otherwise say that I am using some hardware on exchanges and therefore I am using the mark for that because the hardware is required in order to transmit data."

11. One of the criticisms of the first decision was the approach taken that various technical terms could be retained because *cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services* were "likely to incorporate" the specific services (for which use had not been shown).

12. At the hearing before me, Mr Hicks provided a schedule[3] which listed submissions in relation to each of the services which the registered proprietor continued to defend (some services were no longer defended by the time of the hearing). It seems to me that some of the submissions resemble the 'likely to incorporate' type of argument, which is territory I should avoid. I bear in mind that in *Galileo International Technology, LLC v European Union* [2011] EWHC 35 (Ch), Mr Justice Floyd considered the issue of a fair specification for travel reservation computer systems, which also offered calendar and document management functions. He observed:

> "The average consumer does not see the sale of a car as a sale of climate control systems or computers or satellite navigations systems, although cars are now often sold with such built-in functionality".

13. In my assessment of the individual terms which the registered proprietor considers should form part of a fair specification, I bear in mind the Appointed Person's directions; that the Appointed Person upheld the finding of genuine use in relation to *cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*; and that the applicant takes the view that this is a fair specification. It is my view that 'cloud hosting, and disaster recovery as a service (DRaaS)' are terms which cannot be divided other than in an arbitrary manner, and so these can be retained. I note that the original specification of the registration specifically places *network management services and network optimisation services* in the class 35 specification. Further, *disaster recovery as a service* is not specified in these exact words, but was included in the original class 42 specification. Specifically, *cloud hosting* is not listed as such, but appears to be included in the original class 42 specification as 'remote hosting services; hosted

[3] Schedule 2, attached to Mr Hicks' skeleton argument.

applications services'. The finding at first instance that there had been genuine use, upheld on appeal, did not apportion *cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services* to any specific classes, which means that I must reasonably consider whether aspects which they cover may fall into more than one class. I also bear in mind that it is not permissible to widen the scope of the original specification.

14. I consider that 'Other networked managed services' and 'back up services' are too imprecise to allow third parties to determine the extent of the protection conferred by the trade mark[4] and so these terms must be refined. 'Back up services' can be refined to 'IT back-up services' (back up services were included in the original class 42 specification).

15. I will go through the specific defended terms and the accompanying submissions class by class and where I decide a term may be included in the specification, I will highlight it in bold.

16. Class 35

(i) *Network management services; network optimisation services*.

The average consumer would fairly describe 'network management services' as alternative descriptions for '(other) network managed services'. ***Network management services*** can remain part of the specification. ***Network optimisation services*** fall within network managed services and the following evidence shows that these services were provided in the UK during the relevant period:

- Presentational material[5] which refers to 'network management and optimisation', provided in 2011 at the registered proprietor's partner's[6] user show. Brightcloud is referred to in the text as the provider of the services.

[4] *Chartered Institute of Patent Attorneys v Registrar of Trade Marks,* Case C-307/10, CJEU.
[5] Exhibit DL2, M12b
[6] Allocate Software

- Exhibit DL6 (Mr Little's second witness statement) is a copy of a proposal document for the National Health Service Blood and Transplant Service. Two pages in the document explain the registered proprietor's network optimisation services, to which Mr Little cross-refers invoice DL1, 10a (to his first witness statement), dated 20 December 2013. The mark as registered is shown on every page.

(ii) *Outsourcing*. The registered proprietor submits that its 'cloud hosting' and 'network managed services' are a form of outsourcing therefore, use has been shown of at least 'outsourcing of IT services by cloud hosting'. This is a stretch. The average consumer would not describe the facility of using a cloud for storage as outsourcing which, as it appears in the registered proprietor's class 35 specification, is a business service. 'Outsourcing', and 'outsourcing of IT services by cloud hosting', will not form part of the specification.

(iii) *Business continuity services*. The submission is that 'back up services' and 'DRaaS' are a form of business continuity services; thus use has been shown of at least 'business continuity services consisting of IT back up and disaster recovery services'. I will accept ***business continuity services consisting of IT back up and disaster recovery services*** because the effect of the words 'consisting of' is to confine what comes after 'consisting of' to IT back up and disaster recovery services and the registered proprietor has succeeded in proving genuine use (*back up services, disaster recovery as a service (DRaaS)*).

(iv) *Data storage; data back-up services; electronic storage and retrieval of data and information*. The registered proprietor submits that 'data storage' and 'electronic storage and retrieval of data and information' are key aspects of cloud hosting, of back-up services and of DRaaS. This seems to me to fall into the 'incorporating' line of argument. There are different types of data storage and different methods of retrieval. These terms go wider than those for which genuine use has been established. 'Data storage' and 'electronic storage and retrieval of data and information' will not form part of the specification. Back-up services and DRaaS, by their very nature, are '***data back-up services***'. This term is the same, in essence,

as the services for which genuine use has been shown (*back up services, disaster recovery as a service (DRaaS)*) and may remain in the specification.

(v) *Advisory, information and consultancy services relating to all the aforesaid services*. The registered proprietor submits that there has been use of these as part of providing the other class 35 services. The evidence referred to under point 1 supports including these services, albeit limited to ***advisory, information and consultancy services relating to all the aforesaid services*****,** ***all relating to cloud hosting, IT back-up, disaster recovery as a service (DRaaS) and network managed services*****.**

17. Class 38

(i) *Providing access to computer networks; providing access between computers and computer networks; providing access between computer networks and servers; providing access between computers and servers; optimisation of information technology* applications. These services are network managed (or management) services. ***Providing access to computer networks; providing access between computers and computer networks; providing access between computer networks and servers; providing access between computers and servers; optimisation of information technology applications, run in a managed network*** may form part of the specification (with the limitation to optimisation of information technology applications, as evidenced above). I am unconvinced that the registered proprietor has provided *Virtual Private Network (VPN) services*. For example, in exhibit DL6, the NHS proposal document, under the hearing 'Customer requirements', it says "Secure IPSEC VPN either via the internet or N3 controlled with ACL's between BrightCloud Datacentre and NHSBT Data Centre Management server (2008 R2 – can be virtual at NHSBT Data Centre provided by customer at additional cost)." This suggests that this is something the customer puts in place in order to receive the registered proprietor's services. *Virtual Private Network (VPN) services* will not form part of the specification.

(ii) *Providing on demand computing services*. The submission is that cloud hosting comprises precisely these services. The claimed services appear to me to be wider than cloud hosting. They may not form part of the specification. An additional reason why they may not form part of the specification is that they were marked as "N/A" in the counterstatement in the registered proprietor's table of which services it was defending and which it was not, under the heading "In Use? Y/N". The answer for all the other goods and services was Yes or No. No explanation was given, but N/A is usually used as an abbreviation for 'not applicable'.

(iii) ***On-line back-up services***. This term may be retained in view of genuine use having been found for 'back up services'.

(iv) *Electronic mail services; rental of electronic mail boxes*. These services are a category in their own right and are not reflected in the services for which genuine use has been decided. Therefore, they will not form part of the specification.

(v) Along the lines of my finding in paragraph 16(v) above, ***advisory services relating to remote access of computer hardware; advisory services relating to remote access of computer software; advisory, information and consultancy services relating to all the aforesaid services; all relating to cloud hosting, IT back-up, disaster recovery as a service (DRaaS) and network managed services*** are acceptable.

18. Class 42

(i) ***Provision of technical consultancy services relating to information technology; technical consultancy services relating to information technology; advisory services relating to computer software, security of electronically stored files, emails or electronic communications; computer software consultancy; advisory, information and consultancy services relating to all the aforesaid services; all relating to cloud hosting IT back-up, disaster recovery as a service (DRaaS) and network managed services*.*** The NHS proposal

document of 2013 is one example of these services being provided. These terms are acceptable, with the limitation.

(ii) *Rental of computer software.* The registered proprietor submits that the use shows this service to be a part of cloud hosting services. I agree; the term is acceptable, as follows: ***rental of computer software through a cloud hosted service.***

(iii) *Remote hosting services; hosted applications services.* The average consumer for these services would fairly describe them services as alternative descriptions for cloud hosting. ***Remote hosting services; hosted applications services*** may be retained in the specification.

(iv) *Operating electronic information networks*. These services are network managed (or management) services. ***Operating electronic information networks*** may remain in the specification.

(v) ***Recovery of computer data; computer disaster recovery services; disaster recovery services for computer systems; on-line back-up services***. These terms may be retained in view of genuine use having been found for 'back up services' and 'disaster recovery as a service (DRaaS)'.

Outcome

19. Taking into account the terms which were undefended, the undisturbed genuine use findings, the scope of the Appointed Person's direction and my analysis based on the authorities, the registration may remain on the register for the following services:

Class 35

Network managed services; network management services; network optimisation services; business continuity services consisting of IT back-up and disaster recovery services; data back-up services; advisory, information

***and consultancy services relating to all the aforesaid services*, *all relating to cloud hosting, IT back-up, disaster recovery as a service (DRaaS) and network managed services*.**

Class 38

Advisory services relating to remote access of computer hardware; advisory services relating to remote access of computer software; advisory, information and consultancy services relating to all the aforesaid services; all relating to cloud hosting, IT back-up, disaster recovery as a service (DRaaS) and network managed services*; *providing access to computer networks; providing access between computers and computer networks; providing access between computer networks and servers; providing access between computers and servers; optimisation of information technology applications, run in a managed network; on-line back-up services.

Class 42

Provision of technical consultancy services relating to information technology; technical consultancy services relating to information technology; advisory services relating to computer software, security of electronically stored files, emails or electronic communications; computer software consultancy; advisory, information and consultancy services relating to all the aforesaid services; all relating to cloud hosting IT back-up, disaster recovery as a service (DRaaS) and network managed services*; *cloud hosting; remote hosting services; rental of computer software through a cloud hosted service; hosted applications services; operating electronic information networks; recovery of computer data; computer disaster recovery services; disaster recovery services for computer systems; back up services, disaster recovery as a service (DRaaS); on-line back-up services.

20. The trade mark is revoked for all other goods and services with effect from 16 September 2015.

Costs

21. Paragraph 38 of the Appointed Person's decision says:

> "Both sides have had a measure of success on this appeal and therefore I make no order as to costs in relation to the costs of the appeal. The costs of the proceedings (other than the costs of this appeal) are reserved to the Registrar upon the basis that the question of how and by whom they are to be borne and paid will be determined at the conclusion of the application for revocation in accordance with the usual practice."

22. Mr Tritton said that when the registered proprietor requested the remitted hearing, it did not copy the request to the applicant, causing the applicant to prepare written submissions, the cost of which were wasted by reason of the appointment of the hearing. Mr Tritton acknowledged that they were of use to him, but that they would not have been prepared if the applicant had known that there would be a hearing (it did not, itself, request a hearing).

23. The costs order in the first decision, like the appeal, was that each side had achieved a measure of success and that each should bear its own costs. In the first decision, the registered proprietor retained a greater amount of specific terms (although they were not listed, they were all the terms which were defended). It now has a reduced list of terms, following my determination of a fair specification on the basis of the finding of genuine use of the mark in respect of '*essentially cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services*'.

24. The applicant has been the more successful party and is entitled to costs, based on the published scale (Tribunal Practice Notice 4/2007 applies). I award the following which I consider reasonable taking into account the degree of success. I will also make an award to the applicant for some of the costs of the written submissions in lieu, whilst bearing in mind that Mr Tritton was able to make use of them in preparing his skeleton argument.

Statutory fee for filing the application	£200
Preparing a statement and considering the counterstatement	£400
Considering and commenting on the registered proprietor's evidence	£1000
Preparing for and attending two hearings	£1200
Subtotal	**£2800**
Written submissions filed without being copied into the registered proprietor's hearing request	£200
Total	**£3000**

25. I order Bright Cloud Technologies Limited to pay Webroot Inc the sum of £3000 which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

Dated this 21st day of November 2017

Judi Pike
For the Registrar,
the Comptroller-General