

BL O-227-19

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3234111

BY AIRSORTED LIMITED TO REGISTER:

AIRSORTED

AS A TRADE MARK IN CLASSES 35, 36, 43 & 45

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 411411 BY

AIRBNB INC.

BACKGROUND & PLEADINGS

1. On 30 May 2017 (claiming an International Convention priority date of 1 May 2017 from an earlier filing in Australia), Airsorted Limited (“the applicant”) applied to register the trade mark **AIRSORTED** for services in classes 35, 36, 43 and 45 (shown in paragraph 19 below). The application was published for opposition purposes on 20 October 2017.

2. The application has been opposed in full by Airbnb, Inc. (“the opponent”). The opposition is based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”), in relation to which the opponent relies upon the following trade marks:

European Union Trade Mark (“EUTM”) no. 11933611 for the trade mark **AIRBNB** which was applied for on 26 June 2013 and which was entered in the register on 6 February 2014. The opponent indicates it relies upon all the goods and services for which the trade mark is registered (shown in paragraph 19 below).

EUTM no. 9376468 for the trade mark **AIRBNB** which was applied for on 15 September 2010 (claiming a range of International Convention priority dates from as early as 26 April 2010 from earlier filings in the US) and which was entered in the register on 1 March 2011. The opponent indicates that it relies upon all the services for which the trade mark is registered (shown in the Annex to this decision).

3. The opponent states:

“The Applicant Mark is visually and orally similar to the mark of the Opponent...Indeed the Applicant Mark incorporates the first verbal element

of the Opponent Mark in its entirety. The Applicant Mark will merely be seen as indicating that the contested services are offered under the Opponent Mark in the UK. In addition, the Applicant Mark covers services which are identical and similar to the services covered by the Opponent Mark. This serves to increase the overall degree of similarity between the Opponent Mark and the Applicant Mark. The Opponent Mark has been extensively used throughout the UK and EU and as such, enjoys a high degree of inherent and acquired distinctive character for the services for which it is used and registered... the Opponent Mark is highly recognised by consumers as indicating high quality and reliable services...”

4. Insofar as its objection based upon section 5(3) of the Act is concerned, the opponent states that its trade marks enjoy a reputation in relation to all the goods and services upon which it relies, adding that it considers all the services for which registration is sought would take unfair advantage of, or be detrimental to the distinctive character or reputation of its trade marks. In addition to claiming that:

“the similarity between the [trade marks being relied upon] and the later trade mark is such that the relevant public will believe that they are used by the same undertaking or think that there is an economic connection between the users of the trade marks”,

the opponent states in relation to unfair advantage:

“Unfair advantage is taken by the Applicant as a result of the use of a closely similar sign. In the present case, the trade marks are similar. Therefore the image of the Opponent Mark is transferred to the services designated under the Applicant Mark. The Opponent submits that the Applicant Mark immediately calls the Opponent Mark to the mind of the average consumer. The Opponent Mark enjoys a significant reputation for and is recognised by consumers as

denoting high quality services throughout the UK and EU. If registered, the Applicant Mark will unfairly benefit from the power of attraction the Opponent Mark enjoys, and will unfairly exploit this reputation without the Applicant having made the associated investment.”

5. In relation to detriment to reputation, the opponent states:

“Degradation to an earlier trade mark is caused when the goods or services for which the later sign is used may be perceived by the public in such a way that the trade mark's power of attraction is reduced. The Opponent Mark has been used in the UK for many years and is synonymous with the services offered under the trade mark. The reputation in the Opponent Mark will be tarnished by the use of a highly similar mark for inferior quality services. Use of the Applicant Mark may have a negative influence on the reputation of the Opponent Mark, which may diminish the power of attraction the Opponent Mark enjoys. If the Applicant Mark is registered, the exclusivity conferred by the Opponent Mark and the ability of the Opponent to control and identify services bearing the Opponent Mark as originating from the Opponent will be weakened.”

6. Finally, in relation to detriment to distinctive character, the opponent states:

“Dilution is caused when a trade mark's ability to identify the goods or services for which it is registered are weakened. This can be demonstrated in the present case where use of the Applicant Mark leads to a dispersion of the identity and hold that the Opponent Mark has upon the public mind. If the Applicant Mark is registered, the Opponent will have no control over how the Applicant Mark is used by the Applicant. This will inevitably weaken the Opponent's position and seriously damage the exclusivity of the Opponent Mark. If the Opponent Mark's exclusivity is weakened, consumers may no longer be able to rely on the Opponent Mark as a mark of quality and trust and may therefore choose not to

use the services under the Opponent Mark, thereby affecting the economic behaviour of the relevant public.”

7. The applicant filed a counterstatement denying the grounds of opposition.

8. In these proceedings, the opponent is represented by D Young & Co LLP and the applicant by Taylor Wessing LLP. Only the opponent filed evidence. Although neither party requested a hearing, both filed written submissions in lieu of attendance. I will bear these submissions in mind, referring to them to the extent I consider it necessary later in this decision.

EVIDENCE

The opponent’s evidence

9. This consists of a witness statement from Alicia Del Valle accompanied by 22 exhibits; Ms Del Valle is the opponent’s lead counsel (IP & Marketing), a position she has held since October 2015. What follows (using as far as possible Ms Del Valle’s own words), is an overview of what I regard as the key points which emerge from her statement:

- “3. The Opponent was founded in 2008 and provides consumers with an online marketplace to list, view, and book accommodations and experiences around the world through its people-powered hospitality service offered via the websites, www.airbnb.com and www.airbnb.co.uk (amongst others) and through its highly popular mobile application”;
- “5...Specifically, the Airbnb platform allows registered users to search for rental properties, and read property reviews and renter feedback for a variety of

accommodation, ranging from an apartment for a night, a castle for a week, or a villa for a month...”

- “6. In addition, users can list travel experiences on the Airbnb platform, including but not limited to handcrafted activities ("Experiences"), collections of recommendations and tips about cities from local hosts and other influencers, known as "Guidebooks," travel recommendations and other travel-related resources sourced from local experts in destinations around the world. Launched in 2016, Experiences provide users with opportunities to enhance their travel plans by engaging in a wide range of new pursuits...During 2017 Experiences bookings increased by 2,500%, and...Experiences will be available in more than 1,000 destinations by the end of 2018”; exhibit 1, which consists of an undated press release, is provided in support;
- “7. Airbnb also hosts a three-day event called the Airbnb Open event which highlights the business's growth and development. In 2014, over 1,500 attendees from 41 countries attended Airbnb Open 2014. Those numbers grew to over 5,000 attendees from 110 countries for Airbnb Open 2015, and 20,000 attendees from 103 countries for Airbnb Open 2016. The Facebook Live feed for the 2016 event had 5 million followers, with almost 24 million total views during the event. The Twitter feed had 3.5 million video views, the Snapchat feed had 1.4 million video views, and the Instagram feed had 1.6 million video views”;
- “8. The Airbnb name is derived from a fanciful combination of AIRBED and BREAKFAST, which described the founders' initial concept of making an "airbed" or other extra space available for rent to visitors looking for a place to stay. The term has no ordinary English language meaning”;
- “9...In February 2011, Airbnb announced its 1 millionth booking since its inception. In January 2012, Airbnb accounted its 5 millionth booking. Five

months later, this number had doubled to 10 million bookings. By November 25, 2014, there were 640,000 Airbnb hosts. By May 2015, over 500,000 people were staying in Airbnb properties per night...On December 31, 2015, more than one million guests booked rooms on Airbnb. By July 2016, Airbnb had celebrated its 100 millionth guest. As of April 2017, 1.2 million people were staying at an Airbnb listed property per night"; exhibit 2, which consists of articles dated 27 May 2015 (from techcrunch.com) and 11 July 2016 (from skift.com), are provided in support;

- "10...Airbnb allows people to find unique travel experiences, at any price point, with nearly 5 million listings in more than 81, 000 cities and 191 countries, including the United Kingdom";
- In the UK the opponent operates the website www.airbnb.co.uk which was registered on 10 April 2009. Exhibit 4 consists of screenshots obtained from the above website which bear printing dates of 13 June 2018. Although the word "AIRBNB" can be seen on page 29 of the exhibit, all the other use appears to be in the format "Airbnb";
- The opponent's services can also be accessed from an App which is available from the Apple App Store and Google Play. Although the pages provided as exhibit 5 in support appear to be undated, it appears the Apple App has 20k ratings and the Google App 318,883 ratings. The Apple App had reviews dated 9 December 2017 and 1 February 2018;
- For the EU and the rest of the world the opponent operates the website airbnb.com which was registered on 5 August 2008. Ms Del Valle states:

"14...Per Alexa.com, a global analytics company which tracks internet traffic, as of June 28, 2018...the AIRBNB.COM website was...the 296th most popular

website in the world... With regard to the AIRBNB.CO.UK website, as of June 28, 2018 this was the 105th most popular website in the UK and the 3,152nd most popular website in the world...In addition to the above rankings, it can be seen that in the 30 day period prior to June 26, 2018, the AIRBNB.COM website received over 800 thousand unique visits originating from France, over 700 thousand unique visits from Germany and over 400 thousand unique visits from Spain. The statistics also show visitors use sections of the website directed at, and in the local language of specific EU countries, including Spain (es.airbnb.com), France (fr.airbnb.com), Croatia (hr.airbnb.com), Germany (de.airbnb.com), Italy (it.airbnb.com), Portugal (pt.airbnb.com), and Poland (pl.airbnb.com). With regard to the AIRBNB.CO.UK website, it can be seen that whilst most visitors to the website are based in the UK (87.5%), 2.3% originate in the US, 1.2% from France and 0.8% from Germany”; exhibit 6, which consist of data from alexa.com, is provided in support;

- Users can also access the opponent’s Community Centre, which allows hosts to connect with one another. Exhibit 7 consists of screenshots dated 13 June 2018 from airbnb.com, which appears to refer to three hosts based in London;
- “15. The UK is [the opponent’s] 5th top country in number of listings, with 175,000 listings as of August 2017”; undated exhibit 8 is provided in support;
- “16...data from the AIRBNB websites...shows that during 2017, 7.39 million inbound guests stayed in listings found on the Airbnb platform in the UK and nearly 9.5 million outbound guests travelled from the UK to stay in listings found on the Airbnb platform in other destinations”; exhibit 9, which consists of pages contained from airbnbcitizen.com, the first of which bears a printing date of 15 May 2018, are provided in support;

- Exhibits 10 and 11, consists of articles dated 24 September 2017 from The Motley Fool entitled “Hotel Investors May Be Ignoring the Airbnb Threat” and February 2018 from Brand Finance entitled “Hotels 50 2018 – The annual report on the most valuable hotel brands”, respectively. The latter, under the heading, “Make room for Airbnb” contains the following: “Perhaps the biggest threat to the hotels industry is the growth of online community accommodation sites like Airbnb. Though the brand is not included in the Brand Finance Hotels 50 league table by virtue of not owning properties themselves Airbnb’s brand value rose by more than 51% to over US\$5.5 billion this year”;
- The opponent has advertised and promoted the services provided under its trade mark through, inter alia, online and print media. Exhibit 12 contains a range of articles provided in support (including from *The Guardian*), all of which are dated prior to the date of the application for registration and all of which relate to, or originate in, the UK;
- “21. The Opponent also uses a variety of social media outlets to promote both the Airbnb brand and the AIRBNB Mark, as well as to communicate its business activities to its community of users worldwide. The AIRBNB Mark is used as the handle for all of the Opponent's social media accounts and features heavily on the various social media pages [as at 18 July 2018 the figures were as follows] Facebook: nearly 14 million likes and followers; Instagram: 3.1 million followers; Twitter: 662,000 followers; YouTube: more than 132,000 subscribers, more than 105 million views. All such social media sites are available to and accessed by users within the UK and worldwide”; exhibit 13 is provided in support;
- Exhibits 14 (dated 16 December 2016 from YouGov Brand Advocacy Rankings), 15 (dated February 2018 from Brand Finance “Global 500 2018”) and 16 (dated 2016-2017 from CoolBrands) are provided to show, inter alia, where the opponent’s brand has appeared in various surveys. I note, for example, that in

the CoolBrands survey which indicates it offers “An insight into some of Britain’s coolest brands”, the Airbnb brand is ranked 12th, behind, for example, Google® (ranked 11th) but ahead of brands such as Bose® (14th), Chanel® (19th) and Ray-Ban® (20th);

- In February 2017, the European Commission issued a report entitled “Exploratory study of consumer issues in online peer-to-peer platform markets”, “Task 4” of which is a case study in relation to the opponent (exhibit 17 refers). Ms Del Valle states:

“25...The results from the consumer experience survey of respondents from 10 EU countries, including the UK...show that:

“Given that peer consumers and peer providers are broadly positive about their experiences of using AirBnB, it is not surprising that large majorities, over 86. 7% of peer consumers and 72. 3% of peer providers intend to use the platform again. Very few peer consumers or peer providers say they are not likely (at all) to use platform again.”

“Satisfaction levels of peer consumers using AirBnB are slightly higher than average in the sharing/renting accommodation market and the average of the five sectors: 87. 1 % were satisfied or very satisfied on AirBnB, compared to the sharing/renting accommodation market average of 82. 8% and the all sector average of 83. 4%.”

- Exhibit 18 consists of references to the opponent “taken from articles published in the UK” all of which pre-date the filing of the application. Ms Del Valle notes the following entries:

Ideal Home: “The best Airbnb UK properties for a quirky staycation”, dated 25 April 2017; *“Whether you fancy chilling in a tree house, gazing at the stars, or living in a fairytale cottage, Airbnb has an amazing selection of quirky accommodation for you.”*

PC Magazine: “21 crazy but amazing Airbnb rentals you should book now”, dated 13 April 2017; *“Don’t stay in a boring hotel on your next trip. Airbnb has some truly amazing (and strange) listings.”*

Good Housekeeping: “14 of the most amazing AIRBNB properties in the UK”, dated 8 February 2017; *“Whether you’re looking to stay in a beautiful period property or a modern city-centre apartment, Airbnb has made a hidden gems across the UK available for tourists to stay in.”*

The Telegraph: “The best of Airbnb in Britain”, dated 11 February 2016: *“Whether you want to rent a castle for a week or a bed for the night, Airbnb is now the starting point for many middle-class travellers”.*

Metro: “13 unusual places you can stay with Airbnb in the UK”, dated 7 July 2014. *“Enter Airbnb: the community website determined to find you the perfect vacation destination and the answer to our respite-requiring prayers.”*

- The opponent “has received extensive media attention, with celebrity endorsements...” Exhibit 19 consists of examples of such endorsements. While all of the articles provided pre-date the filing date of the application, they all relate to the US;
- The opponent has “entered into numerous sponsorships and partnerships”. Exhibit 20 consists of examples of such sponsorships and partnerships, a

number of which relate to the UK i.e. the sponsorship of the Manor F1 Team based in Banbury (5 June 2015) and the partnership with the National History Museum (11 August 2017);

- The opponent's business has won a number of "awards and accolades". Examples are provided in exhibit 21. While I do not intend to list these awards here, I note that a number of these awards relate to the EU/UK and pre-date the filing of the application, for example, the 2016 "Meaningful Brand of the Year" at the UK's Drum Marketing Awards.

10. Finally, Ms Del Valle turns her attention to what she describes as "Alignment of the AIRSORTED mark with AIRBNB." She states:

"31. The Applicant has applied for the trade mark AIRSORTED for services that compete directly with, or are complementary to, the services provided by the Opponent. It is my view that the Applicant has done so with the intention of creating a clear link, connection or relationship with the Opponent. This view is supported by the evidence...which shows how the Applicant has marketed and promoted its services alongside reference to the Opponent..."

11. Exhibit 22 consists of the evidence to which Ms Dal Valle refers. It consists of seven pages. The first two pages consist of social media posts originating from the applicant. The first, dated 16 February 2017, is from Dublin and contains the following:

"Visit www.Airsorted.ie. to discover how much your home could make on Airbnb."

The second is from after the material date (July 2017) and originates in Germany. It contains the following:

“We’ve been busy spreading the word! Have you spotted any of our buses yet?
#airbnb#airsorted.”

The third page consists of a social media post. In view of the provisions of the Data Protection Act 2018, the names of those making or responding to such posts have been anonymised; I shall refer to the individuals by their initials only. The post, which is from after the material date (June 2017), is from DP. It contains the image shown below, which the opponent explains is “one of the applicant’s UK advertisements.”



DP comments on the above image thus:

“I just feel like Sara is breaking a law, or winning in a shitty race I’m not able to enter. And don’t start me on those smugly folded arms.”

In its submissions, the opponent notes that a reply to that post from RM contains the following: “@Airbnb”.

The fourth page consists of a social media post by GD dated 30 March 2016. I note the advertisement on which GD comments contains, inter alia, the following:

“We’re Airsorted. On our website you’ll discover a clever calculator that shows you how much your property could be making on Airbnb. And what’s more, we look after the whole process...So, that’s Airsorted then.”

GD comments:

“Interesting ad on the tube: business growth on business innovation
#Airbnb#Airsorted#sharing economy#sharedeconomy.”

The fifth page consists of a social media post from RCJ from after the material date (August 2017). It contains the image shown above and is entitled: “Professionalism of AirBnB continues – wonder how close the regulators are looking?”

The sixth page consists of a social media post from SG from after the material date (June 2017) commenting on the above image SG states:

“Sara is contributing to London’s housing squeeze, hassle free! Also where tf is Sara’s flat located?”

The seventh page consists of an article from proptechnews.com dated 4 February 2017 which includes the following:

“Airbnb management platform Airsorted has raised £1.5m in a funding round led by Concentric, with participation from 500 startups and Pi Labs. The firm said it plans to use the funds to continue to expand its operations. Founded in 2015, Airsorted provides a hosts management service for entire home lettings on Airbnb with a number of services. These include listing creation, professional

cleaning, hotel quality linens, guest vetting, account management, price optimisation, guest communications, 24hr check-in, replenishments and property maintenance.”

12. Ms Del Valle states:

“31...In my view, the examples demonstrate unequivocally that the Applicant intended to indicate to consumers there is a clear link between the two companies, when the Applicant is simply a co-host on the Airbnb platform without a special commercial relationship...”

13. That concludes my summary of the opponent’s evidence to the extent I consider it necessary.

DECISION

14. The opposition is based upon sections 5(2)(b) and 5(3) of the Act which read as follows:

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

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

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

(3) A trade mark which is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation

in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

15. An earlier trade mark is defined in section 6 of the Act, which states:

“6. - (1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

16. The two trade marks relied upon by the opponent qualify as earlier trade marks under the above provisions. Given the interplay between the dates on which the opponent’s trade marks were entered in the register and the publication date of the application for registration, only no. 9376468 is subject to the proof of use provisions contained in section 6A of the Act. In its Notice of opposition, the opponent states that it has used this earlier trade mark in relation to all the services for which it is registered and upon which it relies, and in its counterstatement, the applicant asks the opponent to make good that claim.

My approach to the proceedings/the applicant's request for proof of use

17. The opponent relies upon two earlier trade marks. Both are EUTMs and both are for the same trade mark i.e. the word AIRBNB presented in block capital letters. However, only no. 9376468 is subject to proof use. The trade mark that is not subject to proof use i.e. no. 11933611, is registered in, inter alia, the same classes as the application for registration. Consequently, I shall begin by conducting the comparison on the basis of EUTM no. 11933611, only returning to no. 9376468 if I consider it appropriate to do so.

The objection based upon section 5(2)(b)

Section 5(2)(b) – case law

18. The following principles are gleaned from the decisions of the courts of the European Union in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the

imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

19. The competing goods and services are as follows:

Opponent's goods and services	Applicant's services
<p>Class 9 - Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer hardware; computer peripherals; computer software; computer software for mobile devices; fire-extinguishing apparatus; downloadable connected software platform; software platform that facilitates the provision of information, peer-to-peer interaction and transactions, and the booking of temporary accommodations in the fields of travel, lodging, dining, and entertainment; application programming interface (API)</p>	<p>Class 35 - Marketing services including creation of online listings for others, photographing properties to promote those properties on rental platforms, copy writing and price optimisation services all of which being related to the promotion of short term and holiday rental accommodation; marketing consultation services relating to online listings, photography, copy writing and price optimisation all of which being related to the promotion of short term and holiday rental accommodation; promotional services of short term and holiday rental accommodation on third party websites; providing consumer product and service information via the Internet including via on-line computer databases and on-line searchable databases featuring consumer information on a wide variety of topics of general interest to the consuming public of short term and holiday rental accommodation; information, consultancy and advisory services relating to the aforesaid.</p> <p>Class 36 - Real estate and property management services including property listing services, price optimisation services, cleaning, maintenance and laundry services, and account</p>

<p>software.</p> <p>Class 35 - Business consulting and management services; business consulting and management services in the nature of arranging, organizing, advising about and providing various services, including photography services and cleaning services; advertising; business management; business administration; office functions; providing a web site featuring the ratings, reviews and recommendations for commercial purposes posted by users; Providing a web site featuring the ratings, reviews and recommendations of lodging, accommodations, travel, dining, and entertainment-related establishments for commercial purposes posted by users; providing online business directories; providing online business directories featuring temporary accommodations; consulting services for owners of rental properties, namely assisting property owners to better advertise their property over the internet and to create their rental listings in order to maximize interest.</p> <p>Class 36 - Consulting services, namely, rental property consulting services.</p> <p>Class 37 - Providing, organizing and arranging cleaning services; consulting services for owners of rental properties, namely cleaning services.</p> <p>Class 39 - Online journals, namely, blogs and video logs in the fields of travel around the world; providing information in the fields of travel; social and collaborative</p>	<p>management services, all of which services relating to the management of short term and holiday rental accommodation; electronic commerce payment services, namely, processing payments for the purchase of goods and services generally associated with short term and holiday rental accommodation via an electronic communications network; information, consultancy and advisory services relating to the aforesaid.</p> <p>Class 43 - Management and consultation services relating to the provision of short term and holiday rental accommodation reservation services; check in services (up to 24 hours per day) managing guest accommodation; accommodation bureaux services [hotels, boarding houses]; booking services for short term and holiday rental accommodation; medical tourism services being the reservation or booking of hotels or temporary accommodation in order to obtain health care; providing information, including on-line, about services for providing temporary accommodation; provision of information relating to the availability and booking of temporary accommodation; temporary accommodation booking and reservation services provided in relation to a customer loyalty or frequent buyer scheme; temporary accommodation booking and reservation services provided in relation to a frequent flyer scheme; provision and rental of linen and towels for short term and holiday rental accommodation; information, research and advisory services relating to all of the aforementioned; all of the aforementioned services including but not limited to the provision of such services electronically by means of computers, computer networks, the Internet, wireless networks, national</p>
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travel.

Class 41 - Social club services; organizing and hosting meet-ups and events; online journals, namely blogs and video logs featuring multimedia content; online journals, namely, blogs and video logs in the fields of entertainment around the world; photography services; providing information in the fields of entertainment; education; providing of training; entertainment; sporting and cultural activities; providing, organizing and arranging photography; social and collaborative entertainment services; consulting services for owners of rental properties, namely facilitation of photography services.

Class 42 - Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software; providing temporary use of non-downloadable, web-based, and cloud-based software; software as a service (SAAS) services; platform as a service (PAAS) services; providing an online non-downloadable, web-based and cloud-based software platform; providing an online non-downloadable, web-based, and cloud-based connected software platform that facilitates the provision of information, peer-to-peer interaction and transactions, and bookings in the fields of travel, lodging, dining, and entertainment; application service provider featuring application programming interface (API)

and international telecommunications networks; information, consultancy and advisory services relating to the aforesaid.

Class 45 - Guest verification and vetting services.

<p>software.</p> <p>Class 43 - Online journals, namely, blogs and video logs in the fields of lodging and dining around the world; providing information in the fields of lodging and dining; social and collaborative lodging and dining.</p> <p>Class 45 - Legal services; security services for the protection of property and individuals; personal and social services rendered by others to meet the needs of individuals; authentication services; travel and lodging-related authentication services; consulting services for owners of rental properties, namely security services; concierge services; real property security services, in the nature of remote property locking and security controls; providing online and offline social networking and introduction services; providing a social networking website.</p>	
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20. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the Court stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

21. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

22. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

23. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court (“GC”), stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

24. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the GC stated:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

25. Both parties’ specifications include the word “namely”. Guidance on how to treat this word is contained in the addendum to the Trade Mark Registry’s Classification Guide. It reads as follows:

“Including, for example, namely, as well as, in particular, specifically i.e.

While not desirable in specifications since it encourages tautology, such wording should usually not be changed. Such terms are not allowable in Class 35 (with the exception of “namely” see below) for specifications covering retail services as they do not create the legal certainty that is required. However, in other class the terms may be allowed. For example we would allow:

Biocides including insecticides and pesticides Paper articles of stationery in particular envelopes Dairy products namely cheese and butter

Note that specifications including “namely” should be interpreted as only covering the named Goods, that is, the specification is limited to those goods. Thus, in the above “dairy products namely cheese and butter” would only be interpreted as meaning “cheese and butter” and not “dairy products” at large. This is consistent with the definitions provided in Collins English Dictionary which states “namely” to mean “that is to say” and the Cambridge International Dictionary of English which states “which is or are”.

26. I note that in relation to the similarity of the competing goods and services, in its written submissions, the applicant states:

“4.1 The class 43 specifications of the opponent’s marks contain services which are not similar to the services covered by the class 43 of the application.”

27. I have noted the above only to indicate that the applicant offers no submissions as to why it considers the services in the remaining classes i.e. 35, 36 and 45 are not similar. When one reviews the competing specifications in the remaining classes (which I will do shortly), it is, in my view, an irresistible inference that the applicant accepts that the competing services in the remaining classes are, at the very least, similar.

Class 35

28. The applicant's specification consists of, broadly speaking, a range of marketing, marketing consultation, promotion and information, consultancy and advisory services relating to short term and holiday rental accommodation. The opponent's specification includes, inter alia, "providing a website featuring the ratings, reviews and recommendations of lodging, accommodations, travel, dining, and entertainment-related establishments for commercial purposes posted by users", "providing online business directories featuring temporary accommodations" and "...assisting property owners to better advertise their property over the internet and to create their rental listings in order to maximize interest." It also includes for example, the broad term "advertising", which would include all of the applicant's marketing and promotional services. Considered overall, if not identical (either literally or on the *Meric* principle), the competing services are, in my view, highly similar.

Class 36

29. The opponent's specification is to be construed as consisting of consulting services relating to rental properties. That, in my view, is broad enough to include all the services in the applicant's specification, all of which also relate to short term and holiday rental accommodation. As a consequence, the competing services are to be regarded as identical on the principle outlined in *Meric*. However, even if I am wrong in that conclusion, given, inter alia, the similarity in (i) the areas of trade of interest to the parties, (ii) the intended purpose of the services, (iii) the average consumer of the services and (iv) what is likely to be the complementary nature of the various services, they are, in my view, once again, similar to a high degree.

Class 43

30. Broadly speaking the applicant's specification includes a range of services associated with temporary accommodation, short term and holiday rental

accommodation, the provision and rental of linen and towels for the same and information, research, advisory and consultancy services in relation to such services. The opponent's specifications include "business consulting and management services in the nature of arranging, organising, advising about and providing various services, including...cleaning services..." (class 35), "rental property consulting services" (class 36), "providing, organising and arranging cleaning services; consulting services for owners of rental properties, namely cleaning services" (class 37) and, inter alia, "providing information in the fields of lodging and dining; social and collaborative lodging and dining" (class 43). The similarity in, for example, the opponent's (i) cleaning services and (ii) information services in relation to lodging to the applicant's (i) rental of linen and towels and (ii) information, advisory and consultancy services is, in my view, self-evident. As the competing services which remain are, in my view, likely to be regarded by the average consumer as a suite of closely connected services which are likely to be provided by the same commercial undertaking, they are, in my view, to be regarded as, at least, complementary and, as a consequence, I consider them to be similar to at least an above average degree.

Class 45

31. The applicant's services of "guest verification and vetting services" would be encompassed by both "authentication services" and "travel and lodging related authentication services" included in the opponent's specification and are to be regarded as identical on the principle outlined in *Meric*.

The average consumer and the nature of the purchasing act

32. As the case law above indicates, it is necessary for me to determine who the average consumer is for the services at issue. I must then determine the manner in which these services are likely to be selected by the average consumer in the course of trade. 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.”

33. The average consumer of the services at issue is a member of the general public or business user. While aural considerations are likely to play their part (in oral recommendations for example), as the evidence shows, visual considerations are likely to dominate the selection process, the average consumer having encountered the trade marks in printed form in hard copy and on-line. The degree of care displayed will vary depending on the nature of the services being selected. For example, I would expect an average consumer to pay a relatively low degree of attention to the selection of a travel related blog and a fairly high degree of attention to the selection of an undertaking whose services relate to the offering of their home as temporary accommodation.

Comparison of trade marks

34. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

35. It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions they create.

36. I begin by reminding myself that in *Ravensburger AG v OHIM*, Case T-243/08, the GC held:

“27. It is appropriate at the outset to reject that complaint as unfounded. The reputation of an earlier mark or its particular distinctive character must be taken into consideration for the purposes of assessing the likelihood of confusion, and not for the purposes of assessing the similarity of the marks in question, which is an assessment made prior to that of the likelihood of confusion (see, to that effect, judgment of 27 November 2007 in Case T-434/05 *Gateway v OHIM – Fujitsu Siemens Computers (ACTIVY Media Gateway)*, not published in the ECR, paragraphs 50 and 51).”

37. The trade marks to be compared are:

Opponent's trade mark	Applicant's trade mark
AIRBNB	AIRSORTED

38. The applicant's trade mark consists of the word AIRSORTED presented in block capital letters. Although no part of the trade mark is highlighted or emphasised in any way, the fact that it consists of the conjoining of two very well-known English language words i.e. "AIR" and "SORTED" is, in my view, unlikely to escape the average consumer's attention. Regardless, the overall impression it conveys and its distinctiveness lies in the word as a whole.

39. The opponent's trade mark also consists of a single word presented in block capital letters, no part of which is highlighted or emphasised in any manner. Like the applicant's trade mark, I think the average consumer will note that it begins with the word "AIR" followed by the letters "BNB". In relation to the letters "BNB", it is possible that the average consumer will equate these letters with the abbreviation "B&B" meaning "bed and breakfast" (as per collinsdictionary.com). However, it is equally likely they will accord the letters no significance. However, like the applicant's trade mark, the overall impression it conveys and its distinctiveness lies in the word of which it consists.

The visual, aural and conceptual comparison

40. The competing trade marks consists of six and nine letters respectively. They only coincide in the first three letters i.e. "A-I-R". Aurally, the competing trade marks consist of three and four syllables respectively i.e. AIR-SORT-ED and AIR-B-N-B; the first syllables are identical. In its submissions, the opponent characterises the competing trade marks as being "at a minimum moderately similar", whereas I would pitch the degree of visual and aural similarity as fairly low.

41. In relation to conceptual similarity, in its written submissions, the opponent states:

"39. The Opponent submits that the similarity is drawn closer by the conceptual connection between the marks. Due to the Opponent's business being revolutionary in the hospitality industry and well known in the field in which both

parties operate (as supported by the Opponent's evidence), the Applicant's mark would be seen to mean "Air(bnb) sorted", i.e. use of the Applicant's services would assist with 'sorting out' Airbnb listings or related services in some manner..."

42. As is made clear in *Ravensburger*, that is not the correct approach. What I must do at this stage of my decision is to compare the competing trade marks on the basis of the words themselves. Later in its written submissions, the opponent states:

"57... The term AIRBNB is highly distinctive as it does not have any ordinary meaning in the English language or in relation to the services offered by the Airbnb Marks..."

43. While both trade marks are likely to evoke the concept of air, when considered as wholes, neither is likely, in my view, to convey any concrete conceptual impression to the average consumer.

Distinctive character of the earlier trade mark

44. The distinctive character of a trade mark can be appraised only, first, by reference to the goods and services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade marks to identify the goods and services for which they have been registered as coming from a particular undertaking and thus to distinguish those goods and services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

45. I have already concluded that the opponent's trade mark is unlikely to convey any concrete conceptual message to the average consumer. Considered absent use, the opponent's trade mark enjoys an above average degree of inherent distinctive character.

46. As to the opponent's claim to enhanced distinctive character through use, it is of course only use in the United Kingdom that is relevant. In its written submissions, the applicant comments on the opponent's evidence thus:

"2.2 It is up to the Opponent to provide both proof of use and also in this case evidence to support its claim that its marks have a reputation. This cannot be presumed by the UKIPO. The Opponent is under an obligation to provide concrete evidence of this. The Applicant draws the attention of the UKIPO to the fact that:-

No financial figures/turnover figures have been given in respect of the supply of services under the Opponent's marks. In particular, no figures have been given that the turnover was over a specified amount.

No figures have been given from amounts spent advertising the services under the Opponent's mark. In particular, no figures have been given that the advertising spend was over a certain amount.

The Applicant submits that these figures should be readily available and could have been submitted but were not.

2.4...the Opponent has filed a great deal of evidence, the vast majority of it is not relevant to the territory in question or post-date the date of filing of the opposition and therefore should not be taken into account or considered either for the proof of use or reputation."

47. The opponent is an undertaking based in the USA; it has provided evidence which indicates that it was founded in 2008. Its core business is the provision of an online marketplace which allows users to view and book, inter alia, accommodation. While I note the opponent has registered its AIRBNB trade mark in block capital letters, for the most part, it has used it in title case i.e. Airbnb; that is not, however, a point that counts against the opponent. Its airbnb.co.uk website was registered in April 2009 and by June 2018, this website was ranked 105th most popular in the UK with, unsurprisingly, 87.5% of the visitors to the site coming from the UK. The UK is the opponent's 5th top country (behind the US, France, Italy and Spain) and as of August 2017, there were 175,000 listings in this country. In 2017, approximately 7.4 million inbound guests stayed in AIRBNB listings in the UK and 9.5 million outbound guests from the UK stayed in AIRBNB listings in other destinations. Prior to the date of the application, the opponent had promoted its services in the UK by online and print media and via social media and by 2016-2017, CoolBrands ranked the Airbnb brand the 12th "coolest" brand in the UK (ahead of brands such as Chanel® and Ray-Ban®.)

48. A range of articles all dated prior to the date of application are provided from well-known publications in the UK, for example, *Ideal Home*, *Good Housekeeping* and *The Telegraph*, all commenting on the opponent's business. In addition, the opponent has entered into a number of sponsorships and partnerships with businesses based in the UK and has won a range of awards in the UK. Finally, in 2017 the opponent's business was the subject of a case study by the European Commission.

49. As is so often the case in proceedings before this tribunal, the opponent's evidence is far from perfect and, as a consequence, a number of the applicant's criticisms of its evidence are justified. In particular, no turnover figures achieved under, or amounts spent on promoting the opponent's business conducted under the trade mark (or even estimates) have been provided. In addition, a good deal of the evidence post-dates the filing of the application, does not appear to relate to the EU or UK or, even when it is likely to (the social media data for example), is not split by country.

50. However, notwithstanding those shortcomings, when considered as a totality, it would, in my view, be unrealistic for me not to conclude that by the material date, the use the opponent had made of its AIRBNB trade mark in the UK had built upon its inherent credentials (at least in relation to its core business). Consequently, I am satisfied that by the material date, the opponent's AIRBNB trade mark had, in relation to its core business, a high degree of distinctiveness.

Likelihood of confusion

51. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

52. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and services down to the responsible undertakings being the same or related.

53. Earlier in this decision I reached the following conclusions:

- While some of the competing services are to be regarded as identical, all of the competing services are, at the very least, similar to an above average degree;

- The average consumer is a member of the general public or business user who, whilst not forgetting aural considerations, is likely to select the services at issue by predominantly visual means, paying a varying degree of attention during that process;
- The competing trade marks have a fairly low degree of visual and aural similarity and are conceptually similar to the limited extent they are both likely to evoke the concept of air;
- Absent use, the opponent's earlier trade mark enjoys an above average degree of inherent distinctive character;
- The use the opponent has made of its earlier trade mark has, in relation to its core business, enhanced its degree of inherent distinctive character, resulting in a trade mark which enjoys a high degree of distinctive character.

54. In its written submissions, the opponent relies on the evidence of what it regards as confusion between the competing trade marks (provided as exhibit 22), to which I shall return shortly. It further relies upon the experience of the opponent's UK Public Policy Manager. Similarly, attached to the applicant's submissions were pages from the opponent's website together with evidence of the state-of-the-register. This additional "evidence" from both parties is not in the correct evidential format and neither party has requested leave to have it admitted into the proceedings. As a consequence, the "evidence" of the opponent's UK Public Policy Manager and the attachments to the applicant's written submissions (and the submissions based upon them), will play no part in my decision.

55. I have already concluded that there is a fairly low degree of visual and aural similarity between the competing trade marks and that when considered as totalities neither party's trade mark will convey any concrete conceptual message to the average

consumer. Proceeding on that basis, even if: (i) identical services are in play, (ii) the opponent's AIRBNB trade mark enjoyed a high degree of distinctiveness for all the services relied upon and (iii) the average consumer paid only a low degree of attention during the selection process (thus making him/her more susceptible to the effects of imperfect recollection), the differences between the competing trade marks are, in my view, sufficient to militate against a likelihood of direct confusion.

56. That leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained the difference between direct and indirect confusion stating:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

57. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

58. I begin by reminding myself that I have found the competing trade marks to be visually and aurally similar to a fairly low degree. However, the advertisement I have reproduced above is, in my view, relevant. Although the comments on this advertisement are from after the material date, I do not rely upon them for the conclusions which follow. Rather, the fact that the advertisement was in use in proximity to the material date is, in my view, a relevant example of how average consumers may encounter the competing trade marks in the course of trade.

59. In reaching a conclusion, I shall assume that the average consumer will pay a high degree of attention during the selection process (thus making him/her less prone to the effects of imperfect recollection). I shall also factor-in the arbitrary nature of the opponent's AIRBNB trade mark and the strength of the reputation in it in the UK in relation to the opponent's core business. Having done so, it is, in my view, likely to lead a significant proportion of average consumers to conclude that in relation to all the services applied for (i.e. even if they are only similar to a very low degree), the applicant's trade mark is, for example, a sub-brand used by the opponent. That, in my view, will result in a likelihood of indirect confusion and the opposition based upon section 5(2)(b) of the Act succeeds accordingly.

Conclusion under section 5(2)(b) of the Act

60. The opposition under section 5(2)(b) of the Act based upon EUTM no. 11933611 succeeds in full.

The objection based upon section 5(3) of the Act

61. Having concluded that there will be indirect confusion, it is not strictly necessary for me to consider this additional ground; I will, however, do so. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case

252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the

earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

62. In *General Motors*, Case C-375/97, the CJEU held:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

63. In Case C-408/01, *Addidas-Salomon*, the CJEU held:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

64. In *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, the CJEU held:

“20. By its first question, the national court in essence asks the Court, first, to clarify the meaning of the expression ‘has a reputation in the Community’, by means of which, in Article 9(1)(c) of the regulation, one of the conditions is laid down which a Community trade mark must fulfil in order to benefit from the protection accorded by that provision and, second, to state whether that condition, from a geographical point of view, is satisfied in a case where the Community trade mark has a reputation in only one Member State.

21. The concept of ‘reputation’ assumes a certain degree of knowledge amongst the relevant public.

22. The relevant public is that concerned by the Community trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector (see, by way of analogy, *General Motors*, paragraph 24, with regard to Article 5(2) of the directive).

23. It cannot be required that the Community trade mark be known by a given percentage of the public so defined (*General Motors*, by way of analogy, paragraph 25).

24. The degree of knowledge required must be considered to be reached when the Community trade mark is known by a significant part of the public concerned by the products or services covered by that trade mark (*General Motors*, by way of analogy, paragraph 26).

25. In examining this condition, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it (*General Motors*, by way of analogy, paragraph 27).

26. In view of the elements of the main proceedings, it is thus for the national court to determine whether the Community trade mark at issue is known by a significant part of the public concerned by the goods which that trade mark covers.

27. Territorially, the condition as to reputation must be considered to be fulfilled when the Community trade mark has a reputation in a substantial part of the territory of the Community (see, by way of analogy, *General Motors*, paragraph 28).

28. It should be noted that the Court has already ruled that, with regard to a Benelux trade mark, it is sufficient, for the purposes of Article 5(2) of the directive, that it has a reputation in a substantial part of the Benelux territory, which part may consist of a part of one of the Benelux countries (*General Motors*, paragraph 29).

29. As the present case concerns a Community trade mark with a reputation throughout the territory of a Member State, namely Austria, the view may be

taken, regard being had to the circumstances of the main proceedings, that the territorial requirement imposed by Article 9(1)(c) of the regulation is satisfied.

30. The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

65. In *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC (IPEC), Judge Hacon considered whether an EU trade mark registered for restaurant services had a reputation under article 9(2)(c) of the EU Trade Mark Regulation (which is equivalent to s.10(3) of the Trade Marks Act). The judge summarised the law as follows:

“69. I draw the following from the judgments of the Court in *PAGO* and *Iron & Smith* and from the opinion of Advocate General Wahl in *Iron & Smith*:

(1) An EU trade mark has a reputation within the meaning of art.9(2)(c) if it was known to a significant part of the relevant public at the relevant date.

(2) The relevant public are those concerned by the products or services covered by the trade mark.

(3) The relevant date is the date on which the defendant first started to use the accused sign.

(4) From a geographical perspective, the trade mark must have been known in a substantial part of the EU at the relevant date.

(5) There is no fixed percentage threshold which can be used to assess what constitutes a significant part of the public; it is proportion rather than absolute numbers that matters.

(6) Reputation constitutes a knowledge threshold, to be assessed according to a combination of geographical and economic criteria.

(7) All relevant facts are to be taken into consideration when making the assessment, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by undertaking in promoting it.

(8) The market for the goods or services in question, and from this the identity of the relevant public, ought to assume a paramount role in the assessment.

(9) The territory of a single Member State (large or small) may constitute a substantial part of the EU, but the assessment must be conducted without consideration of geographical borders.”

66. In the above case, the registered EU trade mark had been used for 8 months prior to the relevant date in the proceedings, in relation to 7 restaurants, mainly in Austria.

The Judge concluded as follows:

“85 In July 2015 the Trade Mark was far from being known throughout Austria. It had not become known outside Austria, save possibly to a very limited extent in Mönchengladbach. It was known in two local areas of Vienna, two in Linz, one in Salzburg and one in Pasching. No figure has been attempted for the share of the

European Union restaurant business held by the restaurants trading under the mark, but it must have been very small indeed, even if presented as a share of the burger restaurant business. Marketing was largely confined to social media sites, although it is not clear how much of this had been done by July 2015.

86 In my view, although at the relevant date the Trade Mark had a reputation of some sort by dint of restaurants having traded under the Trade Mark, it did not have a reputation in the Union within the meaning of art.9(2)(c).”

Reputation

67. I have already commented on the opponent’s evidence insofar as it relates to the United Kingdom in paragraphs 47-50 above. I remind myself that I concluded that in relation to its core business i.e. the provision of an online marketplace which allows users to view and book accommodation, in the UK, its AIRBNB trade mark enjoyed a high degree of distinctive character. In *Burgerista Operations GmbH v Burgista Bros Limited*, the Judge concluded, inter alia:

“(9) The territory of a single Member State (large or small) may constitute a substantial part of the EU, but the assessment must be conducted without consideration of geographical borders.”

68. I am satisfied that at the material date, the use the opponent had made of its AIRBNB trade mark in relation to its core business in the UK alone is sufficient for it to have the qualifying reputation necessary to get its objection based upon section 5(3) of the Act off the ground. In addition, notwithstanding its various shortcomings, when one views the opponent’s evidence as a totality in relation to its core business activities in the EU, that conclusion is supported by, in particular, the European Commission’s case study from February 2017 (provided as exhibit 17) and the fact that France, Italy and Spain are the opponent’s second to fourth largest markets after the US.

The Link

69. Having concluded that the applicant's trade mark will result in indirect confusion, it follows that the requirement for a link to be made is satisfied. Had I not found indirect confusion, in reaching a conclusion on whether a link will be made, I would have needed to consider a number of factors including: the degree of similarity between the respective trade marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier trade mark's reputation and distinctiveness.

70. Notwithstanding the fairly low degree of visual and aural similarity between the competing trade marks, given what I regard as the (at least) fairly close similarity between the opponent's core services and those of the applicant, the obvious overlap in the relevant market and consumers and, in relation to its core services, the strength of the opponent's reputation in its AIRBNB trade mark and the high degree of distinctiveness it enjoys, had it been necessary, I would have found the necessary link would be made.

The heads of damage

Unfair advantage

71. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded:

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a

particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

72. However, I also note that more recently, in *Argos Limited v Argos Systems Inc* [2018] EWCA Civ 2211, Floyd LJ (with whom Lord Kitchen and Sir Colin Rimer agreed) stated:

“108. That brings me to the central question of whether ASI’s use of the sign ARGOS in relation to the service of provision of advertising space took unfair advantage of the trade mark. I reject Mr Mellor’s contention that, in a case such as the present, unfairness is established by the fact of economic advantage and no more. So to hold would be to empty the word “unfair” of any meaning. Like the Court of Appeal in *Whirlpool* I do not consider the effect of the CJEU’s judgment in *L’Oreal* to go that far.”

73. In relation to unfair advantage, in its submissions the opponent states:

“80. The existence of such a link in the minds of consumers will mean that when services covered by the Application are offered to the relevant public in the UK, the benefit of the Opponent’s marketing of and investment in the Airbnb Marks, and the resulting extraordinary reputation enjoyed by the Airbnb Marks, would be unfairly transferred to the Application and the services offered under it...The Applicant would obtain a real economic advantage by ‘free-riding’ off of the

Opponent's goodwill and reputation and the power of attraction of the Airbnb Marks. Furthermore, by deliberately creating a link with the Opponent's Airbnb Marks, the Application will benefit from the image of professionalism, quality and reliability that the Airbnb Marks convey to consumers by virtue of their vast reputation.

81. The public are likely to become more aware of the Application because of the link/association with the Opponent's Airbnb Marks. The economic advantage gained by the Applicant as a result of this link and association with the Opponent will include increased demand for and sales of its services (to an extent disproportionately high in comparison with the size of the Applicant's promotional investment in its mark).

82. Indeed, the reputation of the Airbnb Marks means that the Applicant can introduce its services to the market under the Application without incurring the risk and cost which would be present were the Applicant to introduce the services under a mark which did not include the element 'AIR'."

74. Having found that there will be indirect confusion, it follows that there will also be unfair advantage. I will, however, also consider the position on the basis that I had not found indirect confusion. In doing so, I note that in *Argos Limited v Argos Systems Inc*, the court held that unfairness is not established by the fact of economic advantage and no more.

75. However, as the evidence makes clear, the applicant's business is based upon supplying its services to the opponent's customers. Given, as the evidence shows, the reputation the opponent's AIRBNB trade mark enjoys and the image it portrays (for example, as a "cool" brand), the use of the word "AIR" in the applicant's trade mark is likely, in my view, to make consumers more inclined to use the services provided under its AIRSORTED trade mark than might otherwise have been the case. That, in my view,

results in an obvious advantage to the applicant, as it would free-ride on the reputation the opponent had established without having to go through the marketing effort and expense of educating its customers in the same manner as did the opponent.

76. As to whether the advantage is unfair, the applicant could have chosen any trade mark under which to conduct its services. In those circumstances, it seems highly likely that the inclusion of the word “AIR” by it in its AIRSORTED trade mark was to create in the relevant consumer’s mind a connection with the opponent and its business. That, in my view, is sufficient to result in the advantage gained being regarded as unfair. As a consequence, the objection based upon unfair advantage succeeds.

Detriment to repute - tarnishing

77. In *Unite The Union v The Unite Group Plc* , Case BL O/219/13, Ms Anna Carboni as the Appointed Person considered whether a link between an earlier mark with a reputation and a later mark with the mere potential to create a negative association because of the identity of the applicant or the potential quality of its goods/services was sufficient to found an opposition based on detriment to reputation. She stated:

“46. Indeed, having reviewed these and other opposition cases, I have not found any in which the identity or activities of the trade mark applicant have been considered in coming to a conclusion on the existence of detriment to repute of an earlier trade mark. I can understand how these matters would form part of the relevant context in an infringement case, but I have difficulty with the notion that it should do so in an opposition. After all, many, if not most, trade mark applications are for trade marks which have not yet been used by the proprietor; some are applied for by a person or entity that intends to license them to a third party rather than use them him/itself; and others are applied for by an entity that has only just come into existence.

47. I do not exclude the possibility that, where an established trading entity applies to register a mark that it has already been using for the goods or services to be covered by the mark, in such a way that the mark and thus the trader have already acquired some associated negative reputation, perhaps for poor quality goods or services, this fact might be taken into account as relevant “context” in assessing the risk of detriment to repute of an earlier trade mark. Another scenario might be if, for example, a trade mark applicant who was a known Fascist had advertised the fact prior to the application that he was launching a new line of Nazi memorabilia under his name: I can see how that might be relevant context on which the opponent could rely if the goods and services covered by the application appeared to match the advertised activities. But I would hesitate to decide an opposition on that basis without having had confirmation from a higher tribunal that it would be correct to take such matters into account.”

78. In its submissions, the opponent states:

“87. Further detriment may result if the services offered by the Applicant are of an inferior quality to those offered by the Opponent. This in turn could lead to a tarnishing of the reputation the Opponent enjoys in its Airbnb Marks in the UK. Any such damage to the Opponent’s reputation could result in a loss of confidence in its brand by consumers, as well as lead to decreased use or sales of its branded services.

88. Furthermore, the Opponent submits that given the clear link/association between the Application and the Airbnb Marks, detriment to the reputation of the Opponent’s Airbnb Marks may (and indeed is) occurring as a result of the Applicant’s advertising campaigns. As discussed...the Applicant’s adverts have received less than favourable reactions from the general public...”

79. In relation to the opponent's first submission, there is nothing to suggest that the applicant's services are of poor quality. On the basis of the comments in *Unite The Union v The Unite Group Plc*, I reject this submission.

80. As to its second submission, the only evidence that may be relevant is that provided as exhibit 22. It is true that some of the social media posts include comments such as:

"I just feel like Sara is breaking a law, or winning in a shitty race I'm not able to enter. And don't start me on those smugly folded arms";

"Sara is contributing to London's housing squeeze, hassle free! Also where tf is Sara's flat located?";

"...and I walk past these posters, we yell at Sara";

"...I hate this ad."

81. However, there is, in my view, nothing inherent in the services applied for or in the AIRSORTED trade mark itself that would create any negative connotation that would transfer to the earlier trade mark. As a consequence, the objections based upon tarnishing fail.

Detriment to distinctive character - dilution

82. In *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, the CJEU stated:

"34. According to the Court's case-law, proof that the use of the later mark is, or would be, detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the

goods or services for which the earlier mark was registered, consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*Intel Corporation*, paragraphs 77 and 81, and also paragraph 6 of the operative part of the judgment).

35. Admittedly, paragraph 77 of the *Intel Corporation* judgment, which begins with the words '[i]t follows that', immediately follows the assessment of the weakening of the ability to identify and the dispersion of the identity of the earlier mark; it could thus be considered to be merely an explanation of the previous paragraph. However, the same wording, reproduced in paragraph 81 and in the operative part of that judgment, is autonomous. The fact that it appears in the operative part of the judgment makes its importance clear.

36. The wording of the above case-law is explicit. It follows that, without adducing evidence that that condition is met, the detriment or the risk of detriment to the distinctive character of the earlier mark provided for in Article 8(5) of Regulation No 207/2009 cannot be established.

37. The concept of 'change in the economic behaviour of the average consumer' lays down an objective condition. That change cannot be deduced solely from subjective elements such as consumers' perceptions. The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds.

38 The General Court, at paragraph 53 of the judgment under appeal, dismissed the assessment of the condition laid down by the *Intel Corporation* judgment, and, consequently, erred in law.

39. The General Court found, at paragraph 62 of the judgment under appeal, that ‘the fact that competitors use somewhat similar signs for identical or similar goods compromises the immediate connection that the relevant public makes between the signs and the goods at issue, which is likely to undermine the earlier mark’s ability to identify the goods for which it is registered as coming from the proprietor of that mark’.

40. However, in its judgment in *Intel Corporation*, the Court clearly indicated that it was necessary to demand a higher standard of proof in order to find detriment or the risk of detriment to the distinctive character of the earlier mark, within the meaning of Article 8(5) of Regulation No 207/2009.

41. Accepting the criterion put forward by the General Court could, in addition, lead to a situation in which economic operators improperly appropriate certain signs, which could damage competition.

42. Admittedly, Regulation No 207/2009 and the Court’s case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.

43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on ‘an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case’.

83. The required change in economic behaviour may be inferred. In *32Red Plc v WHG (International) Limited and others* [2011] EWHC 665 (Ch), Henderson J. held that a change in consumers’ economic behaviour could be inferred from the inherent probabilities of the situation. He stated:

“133. Is there evidence of a change in economic behaviour brought about by the use of the Vegas signs? In the nature of things, direct evidence of such a change is likely to be hard to find in cases of the present type, although Mrs F provides a suggestive example of a customer who was nearly persuaded to change her allegiance as a result of a perceived connection between 32Red and 32Vegas. However, I see no reason why I should not have regard to the inherent probabilities of the situation, and in particular to the contrast between the marketing models of the two casinos. The similarity of their names, and the fact that 32Vegas was always operated as one of a number of linked casinos on the carousel model, lead me to conclude that an average online gambler would have been far readier to switch his allegiance from 32Red to 32Vegas, or to play with 32Vegas in the first place, than he would have been in the absence of such similarity. These are changes in economic behaviour, and I am satisfied on the balance of probabilities that such changes are likely to have occurred to a significant extent.”

84. In its submissions, the opponent states:

“84. Furthermore, use and registration of the Application by the Applicant would reduce the distinctiveness of the Opponent’s Airbnb Marks, as well as the ability of the Opponent to clearly identify its Airbnb Marks and branded services in the market place. The existence of a highly similar trade mark for identical or highly similar/complementary services will result in the Opponent no longer having exclusivity in its Airbnb Marks, which of course is a benefit of trade mark registration. The likelihood of detriment to distinctive character increases when the distinctive character of the earlier mark is particularly strong...This is highly relevant in this instance as the Airbnb Marks benefit from the very highest levels of distinctiveness.”

85. The opponent submits that a change in economic behaviour will occur for the following reasons:

“a) If the Application is allowed to proceed to registration then the Airbnb Marks, which used to arouse immediate association with the services for which they are registered, will no longer be capable of doing so. As a result, there is a clear probability of damage to the advertising function of the Airbnb Marks and their ability to build up and retain brand loyalty. The economic value of the Airbnb Marks will be impaired as a consequence of use of the Application, in the sense that consumers of the services for which the Airbnb Marks are registered and known will be less inclined to associate such services immediately with the Opponent that has built up the reputation of the Airbnb Marks. This must be considered a change in the economic behaviour of such consumers;

(b) When the Application is used in the market place, consumers of the Opponent’s services offered under the reputed Airbnb Marks may well believe some form of commercial link/association between the two entities and purchase the Applicant’s services on this basis when otherwise they may not have done so;

(c) Consumers of the Opponent’s services may well purchase fewer such services if the Opponent’s Airbnb Marks cease to be linked (or are less immediately linked) with the Opponent’s reputation for high quality and reliability... see...the less than favourable reaction the Applicant’s advertisements have received, and which has been mistakenly associated with the Opponent); and

(d)...”

86. I have already commented upon the extent and nature of the opponent's reputation in its AIRBNB trade mark. While I accept that a further trade mark with the prefix "AIR" in relation to at worst complementary services to those of the opponent is likely to diminish the hold the opponent's AIRBNB trade mark may have on the relevant consumer, I do not, however, agree with the conclusions the opponent reaches as to how this translates into a change in economic behaviour.

87. However, I do agree that given the extent and nature of the opponent's reputation in its AIRBNB trade mark, the inclusion in the applicant's trade mark of the word "AIR", may lead to relevant consumers believing that some form of commercial link or association exists between the parties. That, in turn, may result in the relevant consumer utilising the applicant's services as opposed to those of the opponent, which might not have otherwise been the case had they adopted a trade mark which did not include the "AIR" prefix. In my view, that may result in a change in the economic behaviour of a potential customer of the opponent resulting in a potential diversion of trade. As a consequence, the objection based upon dilution succeeds.

Overall conclusion

88. The opposition based upon section 5(2)(b) and 5(3) succeeds and, subject to any successful appeal, the application will be refused.

Costs

89. As the opponent has been successful, it is entitled to a contribution towards its costs. Awards of costs in proceedings are governed by Annex A of Tribunal Practice Notice ("TPN") 2 of 2016. In its written submissions, the applicant comments on the opponent's evidence thus:

“2.1...However this appears to be to a large extent generic evidence in respect of use of Airbnb worldwide. The evidence has not to any great extent been tailored to the particular circumstances of this opposition...”

90. As I hope I have made clear during the course of this decision, the applicant’s criticisms of the opponent’s evidence have merit. Applying the guidance in the TPN and making a “rough and ready” reduction to the amount I would have otherwise have awarded to the opponent in respect of its evidence, I award costs to the opponent on the following basis:

Filing the Notice of Opposition and reviewing the counterstatement:	£200
Preparing evidence:	£800
Written submissions:	£300
Official fee:	£200
Total:	£1500

91. I order Airsorted Limited to pay to Airbnb, Inc the sum of **£1500**. This sum is to 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 01st day of May 2019

C J BOWEN
For the Registrar

EUTM no. 9376468

Class 35 - Providing online business directories featuring temporary lodging; providing an online interactive website obtaining users comments concerning business organizations, service providers, and other resources; providing information, namely, compilations, rankings, ratings, reviews, referrals and recommendations relating to business organizations, service providers, and other resources using a global computer network; advertising and promotion services and related consulting; preparation of custom or non-custom advertising for businesses for dissemination via the web; dissemination of advertising for others via a global communications network; online advertising services for others, namely, providing advertising space on internet web sites; providing a searchable online advertising guide featuring the goods and services of online vendors; providing a searchable online evaluation database for buyers and sellers; advertising and advertisement services; customer loyalty services and customer club services for commercial, promotional and advertising purposes; promoting the goods and services of others; on-line trading services to facilitate the sale of goods and services by others via a computer network and providing evaluative feedback and ratings of sellers' goods and services, the value and prices of sellers' goods and services, buyers' and sellers' performance, delivery, and overall trading experience in connection therewith; advertising and advertisement services; on-line trading services in which seller posts items to be auctioned and bidding is done electronically, and providing evaluative feedback and ratings of sellers' goods and services, the value and prices of sellers' goods, buyers' and sellers' performance, delivery, and overall trading experience in connection therewith; advertising and information distribution services, namely, providing classified advertising space via the global computer network; providing consumer product and service information via the Internet; providing an online business information directory on the Internet; computerized database management; providing on-line computer databases and on-line searchable databases featuring classified listings and want ads; classified listings for rentals of a wide-variety of consumer and business goods; computer services, namely, providing on-line computer databases and on-line searchable databases featuring consumer information on a wide variety of topics of general interest to the consuming public; business management; business administration; office functions; providing online computer database and online searchable databases featuring rental and leasing advertisements for housing, apartments, condominiums, townhouses, real estate and commercial real estate.

Class 36 Providing an online interactive website featuring the listing and rental of temporary lodging; providing online computer database and online searchable databases featuring information, listings and announcements about housing, apartments, condominiums, townhouses, real estate, commercial real estate; real estate listing, rental and leasing services for residential housing, apartments, rooms in homes,

sublets, vacation homes, cabins and villas and office space in commercial properties on a global computer network; providing reviews and feedback about listers and renters of real estate, from virtual communities and from social networking sites; electronic commerce payment services, namely, processing payments for the purchase of goods and services via an electronic communications network; providing purchase protection services in the field of on-line trading of goods and services by others via a global computer network; Insurance; financial affairs; monetary affairs; real estate affairs.

Class 38 - Providing online interactive bulletin board for transmission of messages among computer users concerning listing, rental and leasing of real estate; electronic mail service; providing online electronic bulletin boards for transmission of messages among computer users concerning rankings, ratings, reviews, referrals, and recommendations relating to business organizations and service providers; telecommunications services, namely, the electronic transmission of data and information; providing an online, interactive bulletin board for the transmission of messages among computer users concerning hobbies, collectibles, trading, and the sale of goods and services via a global communications network; providing on-line forums and discussion groups for transmission of messages among computer users; electronic mail subscription services; and electronic transmission of images; telecommunications.

Class 39 - Online trip and travel recommendations and reservation services; providing travel information over global computer networks, namely, providing search services for travel listings, travel information and related travel topics and for making reservations and bookings for transportation; providing travel information via a global computer, namely, providing reviews and recommendations of local attractions (sightseeing services); listing, arranging and reservation services for the sharing of vehicles and rides among vehicle owners and individuals seeking transportation, over a global computer network; listing, arranging and reservation services for the temporary parking of vehicles at listers' residences or businesses by vehicle owners seeking parking, over a global computer network; providing a website featuring information listings and bookings of car sharing and temporary parking services; providing a web site featuring listings and information concerning peer-to-peer transportation services; transport; packaging and storage of goods; travel arrangement; travel agency services, namely, making reservations and bookings for transportation.

Class 41 - Providing online newsletters featuring lodging and travel information and reviews of lodging and travel providers; social club services, namely, arranging, organizing and hosting social events, get-to-gathers, parties and meet-ups for club members; special event and party planning and coordination services; education; providing of training; entertainment; sporting and cultural activities.

Class 42 - Computer services, namely, hosting online web facilities for others for organizing and conducting online meetings, gatherings, and interactive discussions; and computer services in the nature of customized web pages featuring user-defined

information, personal profiles and information; scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software.

Class 43 - Arranging temporary housing accommodations; providing online reservation services for temporary lodging; travel agency services, namely, making reservations and bookings for lodging; providing temporary lodging information via the Internet; services for providing food and drink; temporary accommodation; providing travel information over global computer networks, namely, providing search services for lodging.

Class 45 - Providing a social networking web site for entertainment purposes; legal services; security services for the protection of property and individuals; personal and social services rendered by others to meet the needs of individuals.