

O-552-19

TRADE MARKS ACT 1994

**TRADE MARK REGISTRATION NO. 3266642
BY SAILWEEK LIMITED
FOR THE TRADE MARK**

sailweek

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY
UNDER NO. 502159
BY NAVIGATE TRAVEL LIMITED**

Background and pleadings

1. Trade mark registration number 3266642 **sailweek** stands registered in the name of SailWeek Limited (“the proprietor”) (previously called Sail Week Croatia Limited). The mark was filed on 27 October 2017 and registered on 23 March 2018 in respect of the following services:

Class 39 Travel agency and tourist services; travel agency and tourist services relating to sailing holidays; chartering, rental and leasing of yachts; chartering, rental and leasing of marine vessels; yacht rental; arrangement of tours and cruises.

Class 41 Education services; entertainment services; arranging of courses and training relating to sailing, the use of boats/yachts and their equipment, chart and map reading, first aid and survival; conducting of courses and training relating to sailing, the use of boats/yachts and their equipment, chart and map reading, first aid and survival; organization of sailing activities and competition.

2. On 16 July 2018, Navigate Travel Limited (“the applicant”) applied for a declaration of invalidity of the trade mark on the basis of sections 3(1)(b), 3(1)(c) and 3(1)(d) of the Trade Marks Act 1994 (“the Act”). The invalidation action is, under each of these grounds, directed against all of the services of the application. The applicant’s claims are as follows:

- i) Under s. 3(1)(b), that the mark is devoid of any distinctive character in relation to sailing holidays of one week’s duration;
- ii) Under s. 3(1)(c), that the mark consists of the words “sail” and “week” conjoined and that this is a term used to describe a sailing holiday of one week’s duration;

iii) Under s. 3(1)(d), that the mark has become customary in the current language or in the established practices of the trade to designate services in order to provide the consumer with a sailing holiday of one week's duration.

3. The proprietor filed a counterstatement denying each of the claims made. Further, the proprietor claims that the mark has acquired distinctiveness because of the use which has been made of it in the UK and EU since 2013.

4. Both parties filed evidence. Neither party requested a hearing. The proprietor filed written submissions in lieu, which I will bear in mind. The proprietor is represented by Blake Morgan LLP, while the applicant is represented by Williams Powell.

Evidence

5. I have read all of the evidence filed by the parties. Only the relevant material is summarised.

Applicant's evidence

6. The applicant's evidence is provided in six witness statements, the first being that of Ian Tollett, a trade mark attorney at the applicant's professional representatives. The primary purpose of Mr Tollett's statement is to introduce into evidence material filed in previous IPO and EUIPO proceedings, namely the first witness statements of Daniel Painter, Dai Thomas, Nick Sawyer, Roger Dunstan and Benjamin Smith. Mr Tollett also exhibits a previous decision of this tribunal, which does not bind me though I confirm that I have read it.¹

7. The lion's share of the applicant's evidence is provided by Daniel Painter, one of the directors of the opponent. Mr Painter's first witness statement is dated 22 December 2016. He provides at exhibit 1 a number of prints from Facebook, Instagram and Twitter

¹ Exhibit IT6.

which include “#sailweek”, “#SailWeek” or the words “Sail Week”. For the majority, given the .com suffixes to the web pages, references to places such as Melbourne and Amsterdam, the use of foreign languages in the text and the absence of other information, it is not clear either that the activities took place in the UK or that the comments were posted by individuals with a connection to the UK. I note, however, that there is a Facebook print from Edinburgh University’s Sailing Club page regarding the “EUSC Summer Sail Week trip to Croatia”; there is subsequent reference to “SSW”.² There are also prints from “Summer Sail Week”, based in London, which appears to be a provider of sailing trips in Croatia which uses these words with a device as part of its branding.³

8. Similar evidence from Facebook dated between 2007 and 2016 is provided at exhibit 2, which is a result of searches for the term “Sail Week”. Not all are uses of “sail week” as a term: the results include combinations such as “Distance Sail - Week 9” (p. 25) and “Fun Sail week end” (p. 28). There are, however, references, for example, to “Tobago sail week” (p22), “Malmö Sail Week” (p. 33), “Antigua Sail Week” (p. 34), “Aegean Sail Week” (p. 64), a “Fish/Sail week” (p. 26), “Big Sail Week” (p. 28) and “sail week” (e.g. pp. 28, 30, 36, 39, 62). There are posts from the same “Summer Sail Week” company shown in exhibit 1, including statements such as “Bath Uni does Summer Sail Week” (e.g. pp. 42-43). Similar posts from 2013 for “Leeds does Summer Sail Week” and the same for Dundee, are shown.⁴ A post dated 2014 refers to SummerSailWeek, described as “THE summer event for British students”.⁵ There is also a post from Exeter University Sailing Club regarding the launch of “Summer Sail Week 2017”.⁶ It is unclear whether a post regarding “Brighton Summer Sail week” is a reference to Brighton in the UK or elsewhere.⁷ There are also instances of apparent use of “Sail Week Croatia” as well as “Adventure Sail Week”, “Ultra Sail Week” and “Party Sail Week” by the

² pp. 10-12.

³ pp. 16-18.

⁴ For example, pp. 42-47.

⁵ p. 48.

⁶ p. 66.

⁷ p. 41.

proprietor, (see, for example, pp. 48 and 49 (both 2014) and p. 54 (2015)). The proprietor's profile tag includes a device.

9. A number of prints showing other parties' use of "sail week" are provided at exhibit 3. The first is dated February 2016 where a company apparently called "Cro sail" describes its "ULTRA EUROPE CROATIA SAIL WEEK 2016", which is a week's sailing holiday. The second is a print from nicholsonyachts.com regarding "Antigua Sail Week 2016". This company appears to be based in the USA. A third set of prints is from wanderable.com, also dated 2016, in which "Sardinia Sail Week" is advertised. This appears to be a week's sailing holiday in Sardinia (there is reference to a weekly change of linen and daily cleaning of cabins). I note, however, that the contact details give opening hours in Pacific Standard Time. There is a page headed "Sail Week", said to be from the website of North Lincolnshire and Humberside Sailing Club. Finally, there are prints from www.plasmenai.co.uk (with a copyright date of 2015) regarding the "Family Sail Week (Child)" for families to spend a week learning to sail.

10. The second statement of Daniel Painter, filed in response to the proprietor's evidence, is accompanied by exhibits DP1 to DP7, with DP4 to DP7 being the second statements of Dai Thomas, Nick Sawyer, Roger Dunstan and Benjamin Smith. DP1 is a decision of the EUIPO cancellation division regarding the mark "sailweek". I have read it but it is neither binding nor persuasive.

11. DP2 consists of prints of the proprietor's website. I do not consider it necessary to detail their content here.

12. DP3 consists of prints from Instagram which show use of "sailweek" either as a hashtag or as part of the company name. They are dated between March 2017 and 7 March 2019. None appears to be connected with the proprietor. Only two pages, from the University of Manchester, clearly relate to the UK. These refer to "Summer Sail Week"—a week on a yacht.

13. In their evidence, Mr Thomas, Mr Sawyer, Mr Dunstan and Mr Smith all state that they have held or hold various roles in the sailing world. Their statements, both first and second, all follow the same pattern and appear to have been solicited for proceedings. Each witness gives his understanding of the term “sail week” and claims that they would not perceive the term as indicative of origin. The same information is essentially reiterated in their second statements, with confirmation that nothing has caused them to alter their perception of the term since their first statements.

Proprietor’s evidence

14. This consists of the witness statement of Vincent Radonich, one of the Directors of the proprietor company.

15. Mr Radonich states that the proprietor has been offering sailing holidays and ancillary goods/services including transport, tours and events under the mark “SAILWEEK” since 2012.⁸ He states that the destinations for the holidays provided by the proprietor are predominantly in Croatia but that the business is based in the UK and that a “large proportion” of the proprietor’s customers come from the UK; between January 2016 and October 2017, 28% of the proprietor’s customers were from the UK.⁹ He gives the proprietor’s total number of customers to October 2017 as 6,611 and 9,350 by July 2018.¹⁰

16. Approximate revenue is given as follows:¹¹

2013	£27,000	2014	£186,000	2015	£595,000
2016	£1.3m	2017	£2.1m		

Company accounts for the relevant periods are provided in support.¹² It is not entirely clear from where Mr Radonich’s figures derive, as revenue is not shown in the

⁸ Radonich, §5.

⁹ Radonich, §§7-8.

¹⁰ Radonich, §8.

¹¹ Radonich, §9.

accounts. I note, however, that turnover in the 2015 accounts is £612,566, with £204,414 reported for the previous year, and that from 2015 the company's debtors have increased each year, to £150,846 as at 31 October 2017.

17. Prints from various of the websites operated by the proprietor are provided.¹³ Most show the marks reproduced below, or variants thereof which replace "croatia" with "greece", "caribbean" or "academy", all of which are said to be the logos in use since October 2016 and used throughout the proprietor's marketing and branding:¹⁴



All of the web pages relate to week-long sailing holidays in Croatia. Where a date is visible, it is the printing date of 25 October 2017. Some of the prints refer to 2017 holidays (e.g. p. 74); given that 2018 holidays were being advertised in October 2017 (p.77), it is likely that the 2017 holidays were available in late 2016 or early 2017 at the latest. "Party SailWeek", "Adventure SailWeek" and "Ultra SailWeek" are all offered as options. A website print indicates videos were available regarding trips from 2016/2017.¹⁵ The following statement appears on prints from www.sailweek.net (pp. 51, 91), www.sailweek.info (p. 57) and www.sailweek.eu (p. 58): "We offer a fully inclusive sail weeks where you can explore, relax and enjoy Croatia, Greece and Caribbean" (all sic). I note that there is a comment that "most of our guests do repeat SailWeek", that "only with sailweek" are departures from the centre of Split and that there are references

¹² Exhibit 1, pp. 1-28.

¹³ pp. 34, 40, 51, 57, 58, 64-96.

¹⁴ Radonich, §13.

¹⁵ p. 78.

to “your SailWeek” and booking “SailWeek” early.¹⁶ Contact details are provided, which give the London office number and opening hours.¹⁷

18. There is an undated print regarding the “SailWeek Academy”, with skipper and hostess training available for participants who wish to work in the nautical industry.¹⁸ Further prints, which bear the Sailweek Croatia logo shown above, regarding the “SAILWEEK SKIPPER ACADEMY” and the “SAILWEEK HOSTESS ACADEMY” are in evidence.¹⁹

19. A further logo visible on one webpage, again undated, which offers sailing holidays in Croatia (“Sail Split-Hvar-Vis”) and posits the question “WHY SAIL WEEK CROATIA?”, is reproduced below:²⁰



20. There is also use of the following logo on web pages offering sailing trips, including those of a week’s duration²¹:



The details are not at all clear but it appears that at least the latter two are from 2016. There is also one example from March 2018 where the page is titled “WELCOME TO SAILWEEK” with no accompanying device.

21. Prints from the proprietor’s Facebook page and associated reviews dated between August 2015 and September 2018 are provided.²² They include reviewers expressing their thanks to “sailweek Croatia”/ “Sailweek”/ “Sail Week”. There are also comments such as: “go sailweek Croatia” (p. 102), “the Sailweek concept is amazing” (p. 104),

¹⁶ pp. 74, 76, 87.

¹⁷ p. 95.

¹⁸ pp. 64, 89.

¹⁹ p.79.

²⁰ p. 66.

²¹ pp. 67-70.

²² pp. 101-121.

“Sailweek has been amazing” (p. 105), “Sail week was unforgettable” (p. 113), “book a trip with sailweek” (p. 114), “Sailweek was hands down an EPIC week [...] We are already planning another sailweek” (p. 104), “Sailweek is definitely the best way to see Croatia” (p. 117), “See you next summer sail week!” (p. 118), “my only regret about Sail Week Croatia is that I didn’t experience it sooner in life” (p. 119), “Sail week Croatia gave us the most amazing week!” (p. 121), as well as “our other sail week crew member” (p. 103), “this week is brutal (Ultra party sail week that is)” (p. 116). Two reviews mention the UK (pp. 104 and 120). Both “SailWeek” and the logo shown below are visible on what appears to be the proprietor’s Facebook home page:



22. There are similar reviews from Trust Pilot, dated 2018, and from Instagram, dated between August 2016 and July 2018 in which the company is referred to as “Sailweek” and the hashtag “#sailweek” is used by previous customers.²³ The proprietor’s branding (on its boats/sails) is visible alongside many of the uses of “#sailweek”. There is only one explicit reference to the UK (p. 141).

23. A number of copies of reservations are provided, which show the “sailweek Croatia” mark reproduced at paragraph 17, above, and which identify the tour (Party Sail Week, Ultra Sail Week).²⁴ They are dated between July 2016 and August 2018. Prices are all in euros and no customer details are shown. There is also arrival/welcome material dated between November 2016 and July 2018.²⁵ There are various references to “SailWeek”, including notes about “[a]fter finishing your SailWeek” (e.g. p. 169). I note that advice is given regarding exchange rates for sterling, euros, US, Australian, New

²³ pp. 122-153.

²⁴ pp. 154-166

²⁵ pp. 167-197.

Zealand and Canadian dollars and that reminder emails dated 2018 include telephone contact numbers for the UK, US/Canada, Australia and New Zealand.

24. There are a number of photographs of the word “sailweek” being used, alone and in conjunction with other material, on boats, cars, clothing and wristbands. These are said to date from August 2017 to July 2018. There is no indication that any of this use was in the UK.

25. An article about the proprietor’s offering is included.²⁶ It appears to be written by someone based in the US.

26. Mr Radonich gives advertising figures of £139,000 to October 2017, and £79,000 between October 2017 and July 2018.²⁷ He states that the proprietor is reliant on digital marketing; he mentions some travel agencies, none of which appears to be a UK company. Google adverts used in the period 2017-2018 are provided, which use “SailWeek” in combinations such as “Adventure SailWeek” accompanied by the following logo:²⁸



27. There is one example of the use of “SailWeek Greece” with no accompanying device, for an island-hopping holiday.²⁹

28. A Google search for “sailweek”, a list of Google campaigns and invoices for Google AdWords, the latter dated between January 2016 and June 2018, with the figures redacted, are in evidence.³⁰ There are also invoices from Facebook regarding

²⁶ pp. 228-233.

²⁷ Radonich, §20.

²⁸ Pp. 234-258

²⁹ p. 250.

³⁰ pp. 259-271.

campaigns run by the proprietor between July 2016 and June 2018.³¹ Many do not specify the territory but a number of the campaigns appear to be directed at the UK. Of these, “impressions” are in the thousands, for the most part up to approximately 10,000, though there is one instance of over 120,000 “impressions” in February 2017 (p. 278). It is not explained what an “impression” is; I note that “link clicks” are itemised separately. Mr Radonich states that the Facebook advertising is “mostly centred on the SailWeek Facebook page, post engagement boost, special adverts where people are directed to the Facebook page, adverts for specific offers and worldwide promotion of videos released on the Facebook page”.³² He confirms that “the adverts that appear feature our SAILWEEK mark”.³³

Decision

29. In invalidation proceedings, s. 3 has application because of the provisions of s. 47(1), which reads:

“47. – (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid of, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered”.

30. The relevant parts of s. 3 of the Act read:

³¹ pp. 272-289.

³² Radonich, §23.

³³ Radonich, §24.

“3(1) The following shall not be registered –

(a) [...]

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it”.

31. The impact of the above is that, if the mark had acquired distinctive character by the filing date, the proviso to s. 3 applies. If that is not the case but the mark has acquired distinctiveness subsequent to registration, the proviso to s. 47 will apply.

32. I bear in mind that the above grounds are independent and have differing general interests. It is possible, for example, for a mark not to fall foul of section 3(1)(c), but still be objectionable under section 3(1)(d) and/or 3(1)(b) of the Act: *SAT.1 SatellitenFernsehen GmbH v OHIM*, Case C-329/02 P at [25].

33. The position under the above grounds must be assessed from the perspective of the average consumer, who is deemed to be reasonably observant and circumspect: *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04. The proprietor submits that the relevant consumer is “average end-users and retail consumers”.³⁴ The applicant has not made specific submissions on the point. It seems to me that the

³⁴ Submissions, §19.

average consumer will consist of members of the public, as well as professional users, particularly those in the sailing fraternity. The services cover a range of activities, not all of which will be selected with the same level of attention; there will also be variation across the categories. However, the member of the public is likely to take some care to choose, for example, the right destination or route, or the appropriate training. This will result in at least a medium degree of attention when purchasing any of the contested services. Some of the services in class 41, such as survival training, may be purchased with greater care, given that the quality and content of the services is critical, and will thus attract a reasonably high level of attention.

34. Professional users are likely to take more care in the purchase, as their needs may be specific or sophisticated, or greater sums may be involved. They will pay at least a reasonably high level of attention to the selection of the services, rising to a high level for some of the services in class 41 such as survival training, for which the consequences of inadequate instruction are more serious.

Section 3(1)(c)

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

“91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

“33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save

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

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

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

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No

40/94, it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

And

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

Koninklijke KPN Nederland, paragraph 86, and *Campina Melkunie*, paragraph 19).

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

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

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

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

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

36. In *Campina Melkunie BV and Benelux-Merkenbureau*, Case C-265/00, the Court of Justice of the European Union (“CJEU”) stated that:

“39. As a general rule, the mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics within the meaning of Article 3(1)(c) of the Directive even if the combination creates a neologism. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications

which may serve, in trade, to designate characteristics of the goods or services concerned.

40 However, such a combination may not be descriptive within the meaning of Art.3(1)(c) of the Directive, provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word mark, which is intended to be heard as much as to be read, that condition will have to be satisfied as regards both the aural and the visual impression produced by the mark.

41 Thus, a mark consisting of a neologism composed of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, is itself descriptive of those characteristics within the meaning of Art.3(1)(c) of the Directive, unless there is a perceptible difference between the neologism and the mere sum of its parts: that assumes that, because of the unusual nature of the combination in relation to the goods or services, the word creates an impression which is sufficiently far removed from that produced by the mere combination of meanings lent by the elements of which it is composed, with the result that the word is more than the sum of its parts”.

37. I note that the proprietor complains that the applicant’s position is inconsistent because the applicant claims to use “Sail Week” as a brand. Whether that is the case or not, there is no evidence before me of the applicant’s own use, nor does the applicant rely upon relative rights. The only question before me is whether the trade mark is objectionable under ss. 3(1)(b), (c) and (d).

38. The evidence filed by the applicant is not particularly persuasive. Very little of it clearly relates to the UK. There are two examples of “Sail Week” being used to describe week-long UK sailing events, from North Lincolnshire and Humberside Sailing Club and www.plasmenai.co.uk. There are also examples of “Summer Sail Week” being used by

a number of UK university sailing clubs. However, it is also plain from the evidence that there is a company which uses the brand “Summer Sail Week” (with device) to market its own sailing holidays. Many of the references to “Summer Sail Week” provided by the applicant appear to be references to this company, rather than descriptive or non-distinctive use of the phrase. As a good number of the uses appear to be on this company’s own social media pages and as the device is not easily articulated or replicated, it is unsurprising that only the words are used by third parties wishing to identify the company and I do not consider that this means that the words are inherently distinctive.

39. The words “sail” and “week” are far from uncommon. On the contrary, their individual meanings will be readily understood. The word “sail” is not confined to meaning the sheets attached to a boat to catch the wind but may be sailing as a verb or “a sail”, namely a voyage or trip in a ship/boat. I accept that a “sail week” may not be the natural way of expressing a week-long sail or a sailing week. I have carefully considered whether the substitution of “sail” for “sailing” will produce an impression far enough removed from the description “sailing week” to convey an origin message to the consumer. I come to the view that the differences are insufficient to alter the impression produced on the average consumer and that there will be no impact on the descriptive message conveyed. It is clear from *Campina Melkunie* that merely bringing together two descriptive elements is not sufficient to avoid an objection under s. 3(1)(c). In this case, it seems to me that the combination “sailweek” is no more than the sum of its parts and that the conjoining of the words in the combination “sailweek” makes no material difference: the individual elements will be identified and the same meaning will be conveyed to the average consumer.

40. I find that, *prima facie*, “sailweek” is excluded from registration under s. 3(1)(c) of the Act in relation to travel agency and tourist services, travel agency and tourist services relating to sailing holidays, chartering, rental and leasing of yachts, chartering, rental and leasing of marine vessels, yacht rental and arrangement of tours and cruises. This is because the term “sailweek” may serve, in trade, to designate the kind and/or

intended purpose of the services, all of which may provide week-long sailing activities. I have reached this conclusion without putting much weight on the applicant's evidence. It is clear that for a mark to fall foul of s. 3(1)(c) what is not required is actual descriptive use but that the mark is capable of being so used. The applicant's evidence does no more than support my view that according to the ordinary meanings of "sail" and "week", the mark "sailweek", is descriptive for the above services.

41. I also find that the contested mark is *prima facie* objectionable under s. 3(1)(c) for education services, entertainment services, arranging of courses and training relating to sailing, the use of boats/yachts and their equipment, chart and map reading, first aid and survival, conducting of courses and training relating to sailing, the use of boats/yachts and their equipment, chart and map reading, first aid and survival, organization of sailing activities and competition. This is because the term may be used to describe the services, which may involve or relate to a sailing week, including the subject matter of the services (also a characteristic). All of the services may be provided during a week on a boat, or concern the arrangement of courses/training which involve a week's sailing, for example a week-long sailing trip which would include or consist of safety briefings, essential skills training or entertainment; indeed, the evidence suggests that the proprietor itself promotes week-long sailing holidays chiefly on the basis of their being entertainment (e.g. party sail week).

Section 3(1)(b)

42. The principles to be applied under article 7(1)(b) of the CTM Regulation (which is now article 7(1)(b) of the EUTM Regulation and is identical to article 3(1)(b) of the Trade Marks Directive and s.3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) as follows:

"29. [...] the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or

service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

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

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain

categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Proctor & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37”).

43. Where a mark is descriptive for certain goods and services, it necessarily lacks the required distinctiveness to avoid objection under s. 3(1)(b). No other basis for the objection has been mooted. Therefore, it follows that “sailweek” is *prima facie* devoid of distinctive character for all of the contested services.

Section 3(1)(d)

44. In *Telefon & Buch Verlagsgesellschaft GmbH v OHIM*, Case T-322/03, the General Court summarised the case law of the Court of Justice under the equivalent of s.3(1)(d) of the Act, as follows:

“49. Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, by analogy, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31, and Case T-237/01 *Alcon v OHIM – Dr. Robert Winzer Pharma* (BSS) [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public’s perception of the mark (BSS, paragraph 37).

50. With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (*BSS*, paragraph 38).

51. Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering trade in the goods or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).

52. Finally, signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services covered by that mark are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark (see, by analogy, *Merz & Krell*, paragraph 37, and *BSS*, paragraph 40)".

45. In *Stash Trade Mark* BL O/281/04, Ruth Annand (sitting as the Appointed Person) provided further guidance, stating:

"33. In the event, I do not believe this issue of the interpretation of section 3(1)(d) is central to the outcome of the appeal. "Customary" is defined in the Oxford English Reference Dictionary, 1995 as: "usual; in accordance with custom". In my judgment, the Opponent has failed on the evidence to prove that at the relevant date STASH contravened section 3(1)(d) as consisting exclusively of signs or indications which have become customary either in the current language or in trade practices for the goods concerned".

46. I also bear in mind that in *Nude Brands Ltd v Stella McCartney Ltd*, [2009] EWHC 2154 Ch, Floyd J. stated that:

“29. Whilst the use by other traders of the brand name NUDE in relation to perfume may give those traders relative rights to invalidate the mark, it does not give those rights to any defendant. I am not at this stage persuaded that this evidence has a bearing on any absolute ground of invalidity. It certainly does not go as far as establishing ground 7(1)(d) - customary indication in trade. Ground 7(1)(b) is concerned with the inherent character of the mark, not with what other traders have done with it. The traders in question are plainly using the mark as a brand name: so I do not see how this use can help to establish that the mark consists exclusively of signs or indications which may serve to indicate the kind or quality or other characteristics of the goods, and thus support an attack under 7(1)(c)”.

47. Although there is evidence of the terms “sailweek” or “sail week” being used in relation to holidays involving sailing, much of the evidence is not clearly related to the UK. Such evidence as there is of UK use is very limited. Moreover, it is not at all clear that the uses of the term in relation to university sailing holidays are not, in fact, references to the same provider. The evidence does not establish that “sailweek” had by the date of application become a recognised term in the current language or in the bona fide and established practices of the trade, and is insufficient to support an objection under this ground. The ground under s. 3(1)(d) fails.

Acquired distinctiveness

48. The CJEU provided guidance in *Windsurfing Chiemsee*, Joined cases C-108 & C-109/97, about the correct approach with regard to the assessment of the acquisition of distinctive character through use. The guidance is as follows:

“51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.

53. As regards the method to be used to assess the distinctive character of a mark in respect of which registration is applied for, Community law does not preclude the competent authority, where it has particular difficulty in that connection, from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment (see, to that effect, Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 37)”.

49. In *Société des Produits Nestlé SA v Cadbury UK Ltd*, Case C-215/14, the CJEU considered a preliminary reference from the High Court of England and Wales which sought guidance about the legal test for showing that a trade mark had acquired a distinctive character. The CJEU understood the question as follows:

“By its first question the referring court asks, in essence, whether an applicant to register a trade mark which has acquired a distinctive character following the use which has been made of it within the meaning of Article 3(3) of Directive 2008/95 must prove that the relevant class of persons perceive the goods or services designated exclusively by that mark, as opposed to any other mark which might also be present, as originating from a particular company, or whether it is sufficient for that applicant to prove that a significant proportion of the relevant class of persons recognise that mark and associate it with the applicant’s goods”.

50. The CJEU answered the question in these terms:

“In order to obtain registration of a trade mark which has acquired a distinctive character following the use which has been made of it within the meaning of Article 3(3) of Directive 2008/95, regardless of whether that use is as part of another registered trade mark or in conjunction with such a mark, the trade mark applicant must prove that the relevant class of persons perceive the goods or services designated exclusively by the mark applied for, as opposed to any other mark which might also be present, as originating from a particular company.”

51. The Court of Appeal in England and Wales subsequently indicated that it understood the CJEU’s answer to mean:³⁵

- i) A non-distinctive mark can only acquire distinctive character if, as a consequence of the way(s) that it has been used, a significant proportion of the relevant public would, at the relevant date, have taken the mark, by itself, to mean that the goods/services sold under it are those of a single undertaking, which is responsible for their quality;

³⁵ [2017] EWCA Civ 358.

- ii) In answering this question it is necessary to distinguish between, on the one hand, mere recognition of the mark in the abstract and, on the other hand, the likely use of that mark during the course of trade, by the relevant public, for the purposes of distinguishing the source of the goods/services;
- iii) It is not necessary to show that a significant proportion of the relevant public have in the past placed reliance on the mark for this purpose.

52. The proprietor states that it has used the mark since 2012, though most of the evidence is dated 2015 or later. It is clear from the evidence that the holidays offered by the proprietor do not take place in the UK. That is not fatal to the proprietor's case. The territorial use does matter, however, as the question to be answered is whether a significant proportion of relevant UK consumers rely upon the word "sailweek" to distinguish the services of the proprietor. The evidence appears to show a variety of uses of the term "sailweek" alone on, for example, sails and clothing. However, as all of this use appears to take place in Croatia it does not assist.

53. £70,000 is said to have been spent on advertising between October 2017 and July 2018, with £139,000 spent previously. There is also some evidence that the proprietor has employed Facebook advertising which specifically targets customers from the UK. However, the scope and impact of any such advertising is not clear. The proprietor's evidence is that its revenue has grown to over £2 million in 2017. That is not an insignificant sum. It is said to have had 9,350 customers by July 2018, of whom 2,919 were in the period October 2017 to July 2018. On its own evidence, though, only 28% of its customers are from the UK. That means that UK figures are more likely to be in the region of £588,000 revenue and 2,600 total customers, of whom 817 were in the period October 2017 and July 2018, not taking into account any repeat custom. I am not persuaded that such figures represent a significant proportion of relevant consumers.

54. Nor am I persuaded that the use which has been made of the mark is liable to cause the consumer to rely upon the word "sailweek" alone to distinguish the services of the proprietor. The vast majority of the uses by the proprietor include a figurative device.

Whilst not particularly distinctive, it makes a contribution which will, in my view, assist the consumer in identifying the service provider, for example as distinct from the provider “Summer Sail Week”, which I note also uses a stylised sail device alongside the words. Any uses without the device are infrequent—too infrequent to be determinative—and their reach is unexplained. The proprietor’s claim to acquired distinctiveness is also weakened, in my view, by the entirely descriptive uses such as “Party SailWeek” in its own promotional material. All such uses are presented alongside use of the word “sailweek” with the sail device. Indeed, I have only been able to identify three examples in all of the evidence of the proprietor’s own use where “sailweek” is both not obviously descriptive and presented without other matter. There is nothing before me to show that it is the word “sailweek” alone which is relied upon to convey an origin message, as opposed to a descriptive one. It is true that many previous customers have left comments on the proprietor’s social media and Trust Pilot pages in which the company is referred to as “sailweek”, or by such a hashtag. It is also true that some of the proprietor’s introductory material features the word “sailweek” in the body of the text to refer to the company. However, as with the evidence discussed above, it is both difficult to reproduce a device and unnecessary for the purpose of distinguishing a provider when the comment is being left on that company’s own page. What the evidence does not, in my view, support, is the contention that the consumer would rely on “sailweek” alone and in the first instance to identify the proprietor’s services.

55. Taking all of the above into account, my view is that the evidence does not establish that “sailweek” alone has become distinctive of the proprietor. The use is not particularly long-standing, nor is its use in the UK sufficiently intensive to have resulted in the descriptive mark becoming an indicator of the services provided by a single undertaking.

Conclusion

56. The invalidation has succeeded in full. The registration will be deemed never to have been made.

Costs

57. The applicant has been successful and is entitled to an award of costs. Awards of costs are governed by Tribunal Practice Notice 2/2016. I award costs to the applicant on the following basis:

Official fee:	£200
Filing the application and considering the counterstatement:	£200
Filing evidence and considering the other side's evidence:	£800
Total:	£1,200

58. I order Sailweek Ltd to pay Navigate Travel Limited the sum of **£1,200**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19th day of September 2019

**Heather Harrison
For the Registrar
The Comptroller-General**