



Neutral Citation Number: [2024] EWHC 2565 (Ch)

Case No: IL-2023-000037

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INTELLECTUAL PROPERTY LIST (ChD)

Rolls Building
Fetter Lane
London, EC4A 1NL

8 October 2024

Before :

MICHAEL TAPPIN KC
(sitting as a Deputy Judge of the High Court)

Between :

SHORTS INTERNATIONAL LIMITED

Claimant

- and -

GOOGLE LLC

Defendant

SIMON MALYNICZ KC, DANIEL SELMI and LAURA ADDE (instructed by **Sheridans)**
for the Claimant

LINDSAY LANE KC and JESSIE BOWHILL (instructed by **Fieldfisher LLP) for the**
Defendant

Hearing date: 8 October 2024

Approved Judgment

The Deputy Judge:

1. The Claimant (“SIL”) owns a number of registered trade marks. The 656 mark looks like this:

SHORTS

2. The 615 mark looks like this:

SHORTSTV

3. The 664 and 669 marks are similar except they have white text on a black background.
4. Those marks were registered in 2018 for certain goods in Class 9 and certain services in Classes 38 and 41:

Class 9 - Sound, video and data recordings; cinematographic films; films for television; video and audio tapes, cassettes, discs; computer software; recorded television programmes; CDs, DVDs; electronic media; digital media; television games; electronic computer games; electronic entertainment software; all the aforesaid also supplied to or provided by telecommunications networks, mobile telephones, mobile media devices, on-line from a computer database or the Internet.

Class 38 - Broadcasting and transmission of television programmes; broadcasting and transmission of television programmes and games via telecommunications networks, mobile phones, mobile media and on-line from a computer database or the Internet.

Class 41 - Entertainment services; production, presentation and distribution of films, videos and television programmes; publication of computer games; distribution of computer games; including delivery of the aforesaid services by telecommunications networks, mobile phones, mobile media and online from a computer network or the Internet.

5. The 383 mark is the word mark "SHORTSTV". That was registered in 2019 for a large number of goods in Class 9 and services in Classes 38, 41 and 42.
6. The original grounds of invalidity pleaded by the Defendant (“Google”) were under sections 3(1)(b), (c) and (d), in other words, that the marks were descriptive and not distinctive.
7. By its re-amended Defence and Counterclaim Google sought a revocation for non-use of the 2018 marks in respect of certain of the goods and services for which those marks were registered, for example, in relation to Class 9:

“video and audio tapes, cassettes, discs; computer software; CDs, DVDs; games; electronic computer games; electronic entertainment software”.

8. That pleading, as I understand it, was first served in draft on 7th December 2023 and was consented to on 11th January 2024.
9. A re-amended Reply and Defence to Counterclaim was served, as I understand it, in draft on 13th March 2024 and it was consented to on 22nd May 2024. All the amended pleadings were formally served on 31st May 2024.
10. The re-amended Reply and Defence to Counterclaim denied the allegations of descriptiveness. Then it contained the following in paragraphs 8(c) and (d) of that pleading:

“c. Further, even if, which is not admitted and is required to be proved, the word "shorts" were to be a descriptive reference, such a reference could only describe short film content and nothing else. Google has provided no particulars as to how the words are descriptive, customary or otherwise lacking in distinctive character in respect of any good or service other than short film content as such. No particulars are provided as to how the marks are alleged to lack distinctiveness (e.g., by being descriptive or in customary use) in respect of any other good or any service listed in the Trade Marks, whether other film content (e.g., feature films, TV mini-series) or other goods or services entirely. Without prejudice to the generality of the foregoing, if and to the extent it is alleged that the word "shorts" is descriptive of film content other than short film content; or any computer software or app; or any of the other goods listed, or any service listed, such is denied.

d. In the premises, the counterclaim based on alleged lack of distinctiveness of the word SHORTS and/or SHORTS and TV combined (as to which see further at paragraph 10 and 10A below) is ineffective since even if made out in relation to short film content, it would leave intact the vast majority of goods and services covered by the marks either in the exact form as registered or by way of narrowing amendment to remove "short film content" i.e. it would leave intact goods and services that are still highly similar (if not identical) to the goods and services that are the subject of this infringement action;”

11. The evidence-in-chief was exchanged on 30th July 2024 and that in reply on 17th September 2024.
12. The skeletons were exchanged on Thursday 26th September 2024. In SIL's skeleton it admitted non-use in relation to certain goods and services for which revocation was sought.
13. In paragraph 2 of its skeleton SIL made the submission that:

“Short films or “shorts” have a run time that is shorter than ordinary feature films on commercial release, and generally have lower budgets, but otherwise share many characteristics of feature films, having actors, scenes a narrative structure, and having (or aspiring to have) professional-looking production in the way that they are made.”

14. In paragraph 3 it said:

“Shorts International [i.e. SIL] does not deny the currency or meaning of the word SHORTS to indicate such films. On the contrary it relies on it.”

15. In paragraphs 149 to 150 of its skeleton SIL reminded the court (referring to s.47(5) of the 1994 Act) that:

“where the grounds of invalidity exist in respect of only some of the goods and services for which a trade mark is registered, the trade mark shall be declared invalid as regards those goods and services only”

and then referred to what Mr Justice Arnold, as he then was, said in *Fidelity v Fidelis* [2018] EWHC 1097 (Pat) at [83]-[84], giving the example in that case.

16. Then in paragraph 151 it said:

“So even if, contrary to Shorts International's primary case, “short films” was objectionable under section 3, the most that it could impact would be “cinematographic films” in Class 9 and that could simply be remedied by excising “short films” from that specification (as a category of good), leaving the rest of the marks intact. The remaining goods are identical and/or highly similar to Google's YouTube Shorts user generated content; the invalidity counterclaim gets Google nowhere.”

17. In a supplementary skeleton served on Monday 30th September, Google complained that paragraph 2 of SIL's skeleton raised a new point and said that in order to adopt the approach which had been outlined in paragraphs 150 to 151 of its skeleton SIL needed to apply to amend. Google said that if SIL did so, it would seek to plead a case of invalidity on the ground of deceptiveness in relation to the remaining part of the specification.

18. During SIL's opening submissions at this trial on Wednesday 2nd October it did not accept that it needed to apply to amend, but agreed to produce a document showing what it said, as a fall-back position, the court should do by way of narrowing the specifications of goods and services. That document was sent to Google on the evening of Thursday 3rd October and sent to me before court on 4th October.

19. One can illustrate the proposal by looking at Class 9 for the 2018 marks. Ignoring some goods for which SIL accepted the mark has not been used but including computer software on which SIL's position has fluctuated, it would read:

“Sound, video and data recordings save for short films, cinematographic films save for short films, films for television save for short films, computer software, recorded television programmes save for short films, electronic media digital media, electronic entertainment software, all the aforesaid also supplied to or provided by telecommunications networks, mobile telephones, mobile media devices, online from a computer database or the internet.”

20. At the start of the hearing on 4th October Google said that SIL's document raised a number of issues, but the parties agreed it was not necessary to deal with them then and the evidence proceeded.
21. On the morning of Monday 7th October Google provided me with a note and an accompanying application notice and other accompanying documents. I was told by SIL that the application had not actually been issued, but I am sure it will now be issued.
22. Google maintained the position that SIL needed to apply to amend its specifications and said that it was too late to do so, and that it made its application by way of fall-back in case that was wrong. That application sought to amend its pleading to introduce not only deceptiveness as a new ground of invalidity, but also to expand the claim for revocation for non-use to include all the goods and services in the specifications of the 2018 marks as proposed to be amended in SIL's document of 6th October.
23. SIL asked for time to consider and at 8pm yesterday indicated by way of an e-mail from Mr Malynicz that it opposed the application and gave reasons why.
24. I shall deal first with Google's contention that SIL needs to apply to amend. I do not agree for the following reasons.
25. First, s.47(5) provides that:

“Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.”

So the court should only revoke a mark in respect of goods and services for which it is descriptive or otherwise non-distinctive.

26. Google accepted that there was no authority addressing the question of the appropriate pleading or procedure in cases of an amendment to the specification of goods and services arising out of a plea of invalidity under s.3(1).
27. However, I can see no reason why matters should be different when considering such a case and the application of s.47(5) from that which applies when considering a claim for revocation for non-use, which requires the application of s.46(5) which is in essentially identical terms:

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

28. There are many cases on how the court should apply s.46(5) following its findings as to the use made of a trade mark. One such case cited by Google in its opening skeleton is *Merck v Merck Sharp and Dohme* [2017] EWCA Civ 1834 in which the Court of Appeal said at [248]:

“Ultimately it is the task of the tribunal to arrive at a fair specification of goods or services, having regard to the use which has been made of the mark.”

29. That makes it clear that it is for the court to determine the appropriate scope of the specification of goods and services in the light of the evidence. While that will be guided by the submissions of the parties, I am not aware of any authority saying that the parties need to plead their cases as to what the consequences of non-use should be for the specification or for the trade mark owner to apply to amend the specification.
30. Indeed, I was referred by SIL to the judgment of Mr Justice Arnold in *Stichting BDO v BDO Unibank* [2013] EWHC 418 (Ch) at [59] to [68], which supports that approach and I can see no reason why matters should be different when considering s.47(5) and grounds for invalidity under s.3(1).
31. Secondly, in my view SIL adequately flagged its position in paragraphs 8(c) and (d) of its re-amended Reply and Defence to Counterclaim. It made it clear that if the grounds under s.3(1) succeeded, that could only be in respect of certain goods and services and that any declaration of invalidity should only extend to short film content.
32. I do not agree with Google that there is a material difference between short film content and short films, which is the wording used in SIL's 6th October document. In any event the precise wording is a matter for the court guided by the evidence and the parties' submissions.
33. Google also complains that paragraph 8(d) of the re-amended Reply and Defence to Counterclaim did not make it clear what goods and services could be the subject of the narrowing amendment. That is true and it would have been helpful if SIL had produced, earlier than 6th October, the document which it produced then, but equally Google did not follow up on paragraph 8(d) of the re-amended Reply and Defence to Counterclaim by asking for such a document.
34. For these reasons I do not accept that SIL needs to amend its pleadings to advance the position set out in its 6th October document.
35. Google also says that SIL's 6th October document gives rise to new substantive arguments which have not been addressed by the parties.
36. First, Google says that it would be necessary to consider whether the excision is consistent with *Postkantoor*. I agree, but I see no reason why that cannot be addressed by the parties in their closing submissions on the basis of the evidence.
37. Secondly, Google says it will be necessary to consider the wording and scope of the excision. It says the excision is not wide enough because it is limited to short films, whereas “shorts” is descriptive of a wider category of short form entertainment content. I agree that it will be necessary to consider that question but it is one which, as Google acknowledges, was live in any event.

38. Third, Google says the excision has been applied inconsistently to some goods and services but not others. I agree that it will be necessary to consider whether grounds of invalidity under s.3(1) apply to goods and services which remain covered in SIL's 6th October document, but that would have always been the case, given s.47(5).
39. Fourth, Google says there will be need for argument as to the impact on all the issues in the case such as descriptiveness, acquired distinctiveness and infringement. I agree that it will be necessary to take a more granular approach to these aspects, with greater focus on specific goods and services, than Google took in its opening skeleton, but that is not a reason for saying that SIL should not be entitled to submit that the marks are validly registered for goods and services covered by the specification and infringed by Google's activities.
40. Google's fifth and sixth points are that, on the basis of the specifications of goods and services set out in SIL's 6th October document, the marks are invalid for deceptiveness and the 2018 marks are liable to revocation for non-use. Whether Google should be permitted to raise those grounds is a separate matter which I shall consider next.
41. However, I reject Google's submission that it is too late for SIL to invite me to hold that if the marks are descriptive or otherwise non-distinctive for some of the goods and services for which they are registered, the marks should only be declared invalid to a limited extent, whether as set out in its 6th October document or otherwise.
42. I now turn to Google's application. In its note of 7th October Google said that it was not possible to deal at this trial with all the issues it said were raised by SIL's 6th October document. In particular, it said that:

“If SIL is permitted to pursue the amended specifications and Google is permitted to amend its pleading to reply on both deceptiveness and non-use, then a second hearing is likely to be needed.”
43. I have already explained why I do not agree that it is not possible to deal at this trial with the first four points which Google say would arise. So the only reason a need for a second hearing could arise would be as a result of Google's proposed amendments to plead deceptiveness and expand its non-use pleading.
44. A second hearing, which Google suggested in its note of 7th October should take place after 6th December 2024 so that it could also attack the 383 mark for non-use, would amount to an adjournment of the trial or at least part of it. That would mean that the amendments were very late amendments in the sense explained by Mrs Justice Carr in *Quah v Goldman Sachs* [2015] EWHC 759 (Comm) at [38], placing a very heavy onus on Google to show the strength of the new case and why justice to the parties and other court users require it to be able to pursue it.
45. However, at the hearing today it became common ground that there should not be an adjournment of any part of the trial and the question was whether I should allow the amendments for determination in the current hearing.

46. Even if the amendments would not cause the trial or part it to be adjourned, the proposed amendments are very late in the normal sense of the word and I need to be persuaded to exercise my discretion to allow them, having regard to the nature of the amendments, their timing, the reason for them being sought at this stage, the prejudice to Google of not being permitted to run them and the prejudice to SIL of having them run at this stage. The proposed amendments would also need to be satisfactory in terms of clarity and particularity, but no objection was taken to them on that ground. In addition, many of the cases refer to the importance of the party seeking to amend to show the strength of the case it wishes to advance.
47. I deal first with the timing of the amendments. In my judgment Google could have pleaded at the outset that the marks were deceptive insofar as they related to goods and services which were not related to short content, to sit alongside their plea that they were descriptive of goods and services related to short content. It could also have pleaded at the outset, or when introducing its plea of revocation for non-use, that the marks had not been used across the scope of each category in goods and services, having been used only in relation to short content.
48. Certainly, once SIL had flagged the point in its re-amended Reply and Defence to Counterclaim that the existing attacks only went to certain parts of the specification of goods and services, that should have alerted Google to the fact that it might need to attack the remaining parts of the specification. So in my judgment there is no good reason for Google seeking these amendments only at this late stage.
49. So I now turn to consider the prejudice to the parties and the merits of the points. The prejudice to Google if it is not allowed to plead the points is obvious.
50. SIL said that the deceptiveness point was a bad one because the present case did not satisfy the test for deceptiveness, but it accepted that the point was arguable. Most importantly, it agreed with Google that the deceptiveness issue does not require any further evidence. It seems to me that introducing deceptiveness now would simply require the parties to deal fairly briefly with the application of the law to the facts in their closing submissions and that could be achieved without disruption to the existing trial timetable. It seems to me that as a matter of case management it makes more sense for me to deal with the argument on its merits with the benefit of the parties' closing submissions than embark now on an assessment of the merits of the argument, especially as I have not had detailed submissions on that.
51. Turning to non-use, Mr Malynicz did not address non-use at all in his e-mail of yesterday evening. Following discussion between myself and Mr Malynicz today as to the scope of the proposed pleading of non-use compared with the existing pleading, Mr Malynicz said he could not point to any prejudice to the claimant if the new pleading of non-use was introduced. He said that the existing evidence of use covered the ground and he also accepted the point was properly arguable.
52. So for these reasons, while Google could and should in my view have applied to amend its pleading sooner, in my view the balance comes down in favour of allowing it to do so now, and in the exercise of my discretion I will allow Google's application to amend its pleading.