O-566-16

TRADE MARKS ACT 1994

IN THE MATTER OF AN APPLICATION UNDER NO 500989 BY WEBROOT INC
TO CANCEL REGISTRATION NO 2520347
IN THE NAME OF BRIGHT CLOUD TECHNOLOGIES LIMITED

Background

1. Registration No 2520347 stands in the name of Bright Cloud Technologies Limited ("the registered proprietor"). It has a filing date of 3 July 2009, was published on 14 August 2009 and was entered in the register on 23 October 2009. The registration is for a series of two marks as follows:

2. The goods and services for which the marks are registered are as follows:

Class 9

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

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

Class 35

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

Class 38

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

Class 42

Provision of technical consultancy services relating to information technology; engineering services relating to information technology; information services relating to information technology; provision of information relating to information technology; technical consultancy services relating to information technology; advisory services relating to computer software, security of electronically stored files, emails or electronic communications; advisory services relating to software firewalls; installation of computer software; maintenance of computer software; rental of computer software; updating of computer software; upgrading of computer software and computer infrastructure; computer software consultancy; on demand software; website design; **database design; website hosting services; remote hosting services; hosted applications services; configuration of computer software; diagnosis of faults in computer software; operating electronic information networks;** leasing of computer equipment; rental of computer software; leasing of data processing systems; rental of data carriers; rental of web servers; rental of space on web servers; **development of computer based networks;** programming of data processing equipment; computer programming services; **computer virus**

protection services; computer firewall services; data security services for computer networks; recovery of computer data; computer disaster recovery services; disaster recovery services for computer systems; on-line back-up services; advisory, information and consultancy services relating to all the aforesaid services.

3. Webroot Inc, ("the applicant") filed an application seeking to cancel the registration in its entirety. It does so under the provisions of section 46(1)(b) of the Trade Marks Act 1994 ("the Act") claiming the mark has not been used within the five year period 16 September 2010 to 15 September 2015. It therefore seeks revocation of the registration from 16 September 2015.

4. The registered proprietor filed a counterstatement in which it claimed that genuine use of the marks had been made "in the form in which registered or in a form differing in elements which do not alter the distinctive character of the mark, in the United Kingdom, in relation to the majority of the goods and services for which registered."

5. Annexed to the counterstatement is a schedule of the goods and services as registered. The schedule very helpfully lists each of the separate goods and services in turn and indicates for which of them the registered proprietor claims the mark has been used (or not). In addition, in its skeleton argument, the registered proprietor indicates that it no longer claims to have used the mark in respect of one more item. The registered proprietor accepts that the registration will be revoked for the goods and services for which it admits no use has been made. Those services for which use is claimed are those which I have set out above in bold text and it is with these in mind that I will consider the evidence filed.

6. The registered proprietor filed evidence in chief in the form of a witness statement of Duncan Little with exhibits DL1 and 2. The applicant did not file evidence but did file written submissions in lieu. Following a Case Management Conference, the registered proprietor was permitted to file evidence in response to those written submissions. This takes the form of a second witness statement by Mr Little with exhibits DL1-6. No further evidence was filed. Whilst I have read all of this material, I

do not summarise it here but will refer to it as necessary later in this decision. Matters came before me for a hearing where the registered proprietor was represented by Mr John Reddington of Williams Powell. The applicant was represented by Mr Hawkins of Noerr Alicante IP SL. Both parties filed skeleton arguments.

Decision

7. Section 46(1) of the Act states:

> "The registration of a trade mark may be revoked on any of the following grounds-
>
> > (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
> >
> > (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
> >
> > (c)…
> >
> > (d)...
>
> (2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
>
> (3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that

paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

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

6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or
(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date."

8. Section 100 of the Act is also relevant and reads:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

9. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited,* [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

> "I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:
>
> (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
>
> (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].
>
> (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].
>
> (4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

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

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

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

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

10. In *Awareness Limited v Plymouth City Council,* Case BL O/230/13, Mr Daniel Alexander Q.C. as the Appointed Person stated:

> “22. The burden lies on the registered proprietor to prove use…However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particular well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further, at paragraph 28:

> “28…I can understand the rational for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use with the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, a broader category is nonetheless appropriate for the specification, Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

11. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd*, BL O/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated:

"21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in Matsushita Electric Industrial Co. V. Comptroller-General of Patents [2008] EWHC 2071 (Pat); [2008] RPC 35:

> [24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not 'show' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

12. In considering the registered proprietor's evidence it is a matter of viewing the picture it paints as a whole, including whether individual exhibits corroborate each other. In Case T-415/09, *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, in

relation to the need to get a sense from the overall picture of the evidence, notwithstanding that individual pieces may not, of themselves, be compelling, the General Court stated:

> "53. In order to examine whether use of an earlier mark is genuine, an overall assessment must be carried out which takes account of all the relevant factors in the particular case. Genuine use of a trade mark, it is true, cannot be proved by means of probabilities or suppositions, but has to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (COLORIS, paragraph 24). However, it cannot be ruled out that an accumulation of items of evidence may allow the necessary facts to be established, even though each of those items of evidence, taken individually, would be insufficient to constitute proof of the accuracy of those facts (see, to that effect, judgment of the Court of Justice of 17April 2008 in Case C 108/07 P Ferrero Deutschland v OHIM, not published in the ECR, paragraph 36)"

13. Mr Little states that he is the managing director of the registered proprietor, a company which has undergone a number of changes of name but, since 7 January 2010 has been called BrightCloud Technologies Limited. This is a position he has held since the company's incorporation (which, in his witness statement, he initially says took place on 14 January 2000 but later says took place on 14 February 2000. Nothing hangs on the apparent discrepancy in the dates).

14. Mr Little states that the registered proprietor is a service provider whose customers:

> "…include charities, National Health Services, IT resellers, housing associations and local government, and a number of other medium-sized businesses. The services it provides are all designed to enable its customers to deliver better IT performance to their employees; the computer users".

15. Mr Little states that the registered proprietor "has used its trade mark, genuinely and consistently since 2009, in relation to the … services which constitute its core

business” and refers to the services set out in the counterstatement for which use has been claimed (as I have set out at paragraph 2 above). He states that the main services provided include:

- Managed or support services;
- Cloud hosting services;
- Secure remote access
- Back up services
- Disaster recovery services (DRaaS);
- Network management services/network optimisation/application optimisation services.

16. Mr Little has exhibited what he states is a representative selection of invoices dating from 2010 to 2015 and provides a table in which he cross references the invoices to those services for which use has been claimed. In its written submissions, the registered proprietor submits:

> “services are provided to customers in the context of fairly complex contracts. In most instances the contracts in question incorporate many different types of technological services. The full extent of the services is not in each case apparent from the description set out in the invoices, which are necessarily abbreviated”.

17. Mr Little states:

> “Each of the customer services as defined in a customer contract is made up of a number of different goods and services as defined individually by the trademark registration. For example a Hosting IT Application Service will also require network connectivity, IP services, Consultancy services, hosting of data, transmitting of data and many other things which combine to produce a Hosted IT Application Service for a single customer or application. In this way a single invoice to a customer for a hosted application would require a larger number of the individual services defined in the registration.”

18. The invoices in the exhibit are copies in black and white on headed paper which show the trade mark. They are:

- Pages 1-3, Invoice no 84187 dated 8 November 2010 and addressed to National Friendly in Bristol. Under the heading “Description” it states: “Schedule to Include hosting of the following virtual servers and associated storage, connectivity, licensing and backup:” and goes on to list a number of power servers, basic servers, Citrix servers along with SAN storage, Internet access, 120 licenses and desktop delivery. Additionally, it states “The following standby servers will be hosted in an alternative data centre for disaster recovery purposes” and under this heading is listed 13 power servers, 6 Basic servers and SAN Storage [which, d]uring DR invocation…will be accessed via: 6 x Citrix servers, 120 x Citrix SPLA licenses”. The value of the invoice is £35,586.24 which is said to be a part-payment of the total value of the contract which is shown to be over £376,000.
- Page 4, Invoice no 84242 dated 3 December 2010 and addressed to Dynamic Change in Keele. The description shown is stated to be “BrightCloud-Proposal for a trial of N3 access to Internet based applications” and shows charges for “Installation, configutation, test and handover, for Hosted Netscaler Enterprise Security Appliance, for N3 Resilient Connectivity and Non-N3 Internet Connectivity. The value of the invoice is just under £5,000.
- Page 5, Invoice no 84289 dated 12 January 2011 and addressed to Mobile Doctors Limited in Woodford Green. The description shown is for “BrightCloud Professional Services-Development Work Provision of a new tool to identify any discrepancies between TNT scanned documents and [the customer’s] systems. The value of the invoice is £1,800.
- Pages 6 and 7, Invoice no 84364 dated 28 February 2011 and addressed to Montal Computer Services Ltd in Dorking. The description is given as “Annual Cost for IHOL Application Continuity, Terminal Server, Power Server (Exchange, HOSCA, etc.), Application server (DC, File Server), 100-500GB-Select 270GB, Internet based access 1-5MB price band” and also itemises “Set up-onsite consultancy to create virtualised versions of current servers”

and “Test restore-complete test restore once annually of all servers”. The value of the invoice is just over £10,000.

- Page 8, Invoice no 84429 dated 23 March 2011 and addressed to Serco in Hook. The invoice shows the description “BrightCloud-Core Server, Oracle and Server Build Including Rack Preparation”. The invoice totals almost £40,000.
- Page 9, Invoice no 85239 dated 18 July 2012 and addressed to North Lincolnshire Council in Brigg. The description is for “Consultancy BrightCloud 4Site Annual Charge As per schedule” and the invoice totals £15,000. No schedule is provided.
- Page 10, invoice no 85505 dated 21 November 2012 addressed to Thomas Pocklington Trust in London. The description shows “BrightCloud Professional Services” and totals just over £1,300.
- Page 11, invoice no 85728 dated 4 March 2013 also addressed to Thomas Pocklington Trust. The description includes unspecified “BrightCloud Consultancy/Professional services”, along with “BrightCloud basic server Hosting 16” x 2 with a value of around £5,000.
- Pages 12 and 13, invoice no 85854 dated 17 May 2013 and again addressed to Serco. It shows “One off Set up Costs” for “Build a virtual Terminal Server and instal SQL developer tools-Visual Studio 2008, BI developer studio, SSMS, SSRS Client tools”, “Appliance server-highly available, flexibly hosted, Managed O/S 60GB Disk I core 8GB RAM Windows Server 2008 SPLA Anti-virus SPLA” and “Windows remote desktop services”. The invoice totals over £4,000.
- Pages 14 and 15, invoice no 86327 dated 20 December 2013 and addressed to Computacenter Services & Solutions in Hatfield. Described as for supply of Citrix NetScaler VPX and MPX, maintenance and onsite consultancy, the invoice totals almost £129,000.
- Page 16, invoice no 86700 addressed to Open Reality Ltd in Abingdon. It is for “Managed Services of BlueCoat Mach devices as detailed in Contract” and is for a three year period starting 1 June 2014 with annual billing. The invoice totals almost £19,000.

- Page 17, invoice no 87020 dated 1 November 2014 and addressed to PoundStretcher-Accounts Department in Huddersfield. The description is for "Fully managed firewall services" and amounts to almost £15,000.
- Page 18, invoice no 87193 dated 22 January 2015 and addressed to Orders Of St John Care Trust in Lincoln. It is for "Brightcloud professional services-migration of OSJCT operational services to the IaaS infrastructure" and totals over £21,000.
- Pages 19 to 26, invoice no 87506 dated 1 September 2015 and addressed to Seeability/Manlio Mannisi in Epsom. It is described as being for "Cloud Hosting Costs-quarterly billing" and includes charges for Citrix server, Seeability Servers, disk space, platform licenses, Online DR backup, BrightCloud Managed Services, software costs for hosting Microsoft SPLA, contingency build costs for laptops and contract change costs and totals almost £28,000.
- Page 27, invoice no 87587 dated 16 September 2015 again addressed to Serco. Whilst this is after the relevant date, the description is for "Managed Services-Fast Pass for 300 users, expiration 17 September 2015" so would appear to relate to services provided before that date. The invoice totals more than £7,500.

19. Mr Little provides details of turnover under the mark as follows:

Year ended	Turnover
31st March 2010	£967,307
31st March 2011	£1,292,668
31st March 2012	£1,650,228
31st March 2013	£1,665,716
31st March 2014	£1,983,084
31st March 2015	£1,928,800

Some of this relates to before the relevant period. The turnover figures are not broken down in any way to show the amount attributable to specific goods or services.

20. Mr Little goes on to state:

"*In marketing materials, contracts and invoices, the main services provided by BrightCloud include:*

(i) My Company provides support for our customers' usage of IT including helping the people employed by the customers business to use IT better and to support them if they have any issues affecting their use of IT; this is referred to as managed services or support services.

(ii) My Company owns equipment which is housed in a secure datacentre and on this equipment we host many customers' own applications and their data; this is referred to as cloud hosting.

(iii) In order that customers may access their hosted applications my Company owns and manages networking equipment which allows the customer to have secure remote access for the transmission of their data and usage of the application.

(iv) My Company provides a service to back up its customers data to a separate location from the main copy of that data; this is referred to backup services. It's important to note that BrightCloud also manages the transfer of data and network connectivity in order to provide this service.

(v) My Company offers recovery of data into its own computer equipment in order to be able to offer its customers working applications in the event of a disaster or major incident affecting their own IT; we refer to this as "disaster recovery" sometimes also known an "disaster recovery as a service" (DRaaS).

(vi) My Company operates a managed service for many customers to look after their own networking equipment, and on several occasions the equipment is owned by my Company and leased to the customer as

part of the service, this is referred to as “network management services” but with certain specific appliances may also be referred to as “network optimisation” or “application optimisation services”.

(vii) My Company also offers its customers a managed service for certain point appliances or technologies such as firewalls, backup software, application deployment software (Citrix) and other single-point technologies.

(viii) My Company services are available to the NHS via its own secure private connection to the NHS network (N3) and BrightCloud services are also available to local government bodies via the G cloud framework agreement.”

21. Mr Little states that the registered proprietor has “devoted considerable resources, in terms of time, effort and money, to the promotion of its trade mark, by means of its website, marketing material & brochures, improved prominence on the internet (Google adwords), attendance at industry events with promotion of our brand at said events, telemarketing and branded workwear for staff.” He gives the following details of promotional spend which, he states, “exclude the internal costs of promotion incurred by our parent company, Open Reality Limited, where significant staff resource has been consumed promoting the Brightcloud brand by the sales team and Group Marketing Manager”:

Year ended	Promotional Expenditure
31st March 2010	£3,658
31st March 2011	£1,551
31st March 2012	£19,850
31st March 2013	£22,178
31st March 2014	£10,633
31st March 2015	£10,660

Again, some of this is prior to the relevant period.

22. At DL2, Mr Little exhibits what he says is a representative selection of true copies of materials relating to the registered proprietor's efforts to promote its trade mark:

> At pages 1 and 2 are invoices for services provided in relation to email marketing campaigns for cloud hosting and disaster recovery services which took place in 2012. They total some £3000;
>
> At page 3 is an extract from the email services portal showing that emails were issued in May 2012;
>
> At pages 4-7 are copies of emails sent out. The trade mark is shown at the top of the page along with the strapline "Experts that care for your IT". The article at page 4 refers to the "Bring your own device" policy some businesses have and notes that:
>
> > "we will assist…in getting the device connected to the corporate network; however there will be several devices that we are not able to support other than to offer advice."
>
> The article at page 6 states:
>
> > "BrightCloud would be happy to help you device an effective BYOD device policy."
>
> The article at page 7 relates to business continuity and disaster recovery and states:
>
> > "We can take steps to reduce these risks...In order to gauge how well prepared your business is, our survey will provide you with a comparison against other businesses. It will highlight areas that may need attention or action in order to minimise the risk/impact on your business in the case of an IT disaster."
>
> At pages 8-11 are similar invoices and emails from 2013. At pages 10 and 11, the emails state:

“Whether you host applications in the cloud or on your own premises BrightCloud can help you with mobility and BYOD solutions.The Citrix Mobile Solutions Bundle provided by BrightCloud meets all critical requirements for enterprise mobility management…”

At pages 12-13 is a brochure dated June 2011. Mr Little says in was printed in support of the registered proprietor’s partner, Allocate software whose user show it attended in 2011. He says the brochure was circulated to 1200 people but gives no details of who these may have been. The mark is shown on the brochure. The text includes the following quote from a member of the Northampton General Hospital Trust staff:

> “BrightCloud have proved to be exceptional hosts for the Trust’s Allocate Health Roster System. BrightCloud are fully conversant with the HealthRoster Software, which enables their support team to react very quickly to our service requests…BrightCloud were able to setup the hosting environment for our…servers very rapidly.”

Also within the text is the following:

> “Using the BrightCloud Hosting Platform provides an effective, resilient and powerful IT infrastructure without the costs or administrative burden of an in-house solution.”
>
> “BrightCloud’s Application Hosting Platform offers you an easy way to move one or all applications into a “cloud computing” model…with 24/7 hosted secure datacentre and back-up and security…expertly managed.”
>
> “Cluster of powerful servers configured for high availability hosting a number of virtualised private application servers.”
>
> a full backup and recovery service…The application is secure and can be presented back to your workforce, via the N3

network or the Internet, within hours of your request to invoke the recovery process."

Under the heading "Management Services" it states:

"There are three management services to choose from:

Essential Management of the physical server farm, storage and virtualisation layer and secure network access

Optional Operating System management and administration

Optional Managed Services for applications, databases, users and other technology."

Page 14 gives further details of available services, namely:

- Managed Hosting
- Hosted Applications
- Hosted Flexible Infrastructure
- Management Support
- Network Management and Optimisation
- Backup
- Business Continuity
- Email and Web Security
- End to End Application Deployment Optimisation

23. Mr Little states that the newsletters were sent to potential clients though he does not provide any details of who these potential clients may have been. In addition, Mr Little exhibits at page 16 a copy of a photograph showing a "pop up panel" bearing the mark which he says was used at the Allocate Software Show in 2011. Invoices relating to various promotional expenditure are exhibited at pages 17-23, all from within the relevant period. Mr Little also exhibits material showing sponsorship involvement: at page 24 there is a copy of what he states is the front cover "of a

book sponsored with the British Standards Institute regarding Business Continuity" which shows the trade mark on that undated cover. The book is said to mention BrightCloud but no extract showing this is exhibited and no details of when or who may have seen it have been provided though I note that the email newsletter at DL2 page 7, from 2012, offers readers the chance to receive a complimentary copy of the book by completing a short survey. Pages 25-30 show details of "Sunburst Balls" hosted by a charity, SeeAbility, in September 2011 and 2013. The pages include one which gives "thanks to our supporters this evening" and shows the trade mark amongst those of other companies but no details are given of where the balls took place or who or how many people attended them.

24. In its submissions, the applicant challenges the evidence filed by the registered proprietor and states that the registered proprietor has "failed to prove, for example, how the exhibited invoices establish genuine use for a given term within the specification of protected goods or services. While, in its Witness Statement, [the registered proprietor] purports to provide a cross-reference between a given protected term and given invoices, there is no basis upon which to ascertain or conclude that the invoices relate to the protected goods/services as claimed…".

25. In reply to this criticism, the registered proprietor filed a further witness statement by Mr Little. In it, he states:

> "In my [earlier witness statement] I relied principally upon a representative selection of invoices…as my Company's evidence of use. Because invoices rarely recite every detail of the goods and service supplied, based on my personal knowledge and other company records I sought to explain which of my Company's goods and services were covered by each of the invoices…
>
> I am submitting the further documents referred to below as evidence of my Company offering, and in most cases delivering the services as detailed in my statement. In the interests of clarity and brevity I have selected a few examples, relating to invoices provided as part of my earlier evidence, to demonstrate that my Company has provided to our customers and

prospective customers goods and services which correspond to those for which my Company's trade mark is registered."

He goes on to state:

"My Company provides under its BRIGHTCLOUD trade mark a complete managed and hosted service which necessitates that we provide the full range of services as detailed in the counterstatement. If we did not manage networks, look after data storage, support servers and build infrastructure we would simply not be able to provide the comprehensive service that we do."

26. Mr Little exhibits a number of documents to his witness statement, which he states refer back to the invoices exhibited at DL1 of his earlier witness statement, as follows:

DL3: National Friendly Discussion Document which Mr Little states relates to the invoices at pages 1-3 set out above. He states that the undated exhibit is the "original proposal which explains in detail the services we were proposing to provide". He itemises those services as being:

- Managed services - outsourcing of their IT service
- Hosted applications - information management apparatus
- Backup - backing up and storing of their data
- Disaster recovery services - providing business continuity service for IT
- Consultancy - Mr Little says the document itself is a "custom discussion document providing consultancy services" but also details some of the strategic options that the customer had in choosing how best to resolve their requirements
- Computer networks - Mr Little states the flexible hosted infrastructure proposed requires a network to run the application and that this includes the local area network and wide area network, both of which are provided and managed by the registered proprietor. He states that

the services “are all delivered via VPN and this works over a managed IP network (the internet)

- Email filtering and continuity
- Provision of technical consultancy services relating to information technology
- On-going costs include rental of software
- One-off costs (page 14) demonstrates engineering services.

The document begins “This discussion document has been created to introduce BrightCloud’s Flexible Hosting Infrastructure and associated services.” It continues: “The specific services being proposed include:

- Online Backup
- Flexible Infrastructure Hosting
- DR Options-Either full system replication or ‘Fast Start’ Application Continuity
- E-Mail Continuity
- E-mail Filtering
- E-mail archiving”

DL4: Dynamic Change Access Trial Document which is said to refer to the invoice at page 4 of DL1 above. Mr Little states that this shows how the registered proprietor provided network management and optimisation services.

The three-page undated document is poorly reproduced. I cannot see the trade mark on this document (though the word Bright can be seen at the top of each page and the word BrightCloud appears within the text). The document is a proposal to “provide a solution for N3 access to Dynamic Change software services from NHS Trust sites avoiding the N3-Internet gateway which is known to be a point of network congestion. The approach taken is to deploy a Citrix NetScaler security appliance at the BrightCloud hosting facility in the N3 zone which will proxy and cache access to the Dynamic Change web servers via the Internet.”

DL5: Serco Proposal/Quote which relates to the invoices at pages 8, 12, 13 and 27 of DL1 and is said to detail “the services where we have designed, hosted, managed and continue to develop and support a data warehouse for Serco provided to the Department of Work and Pensions-Welfare to Work”. Mr Little states that it “demonstrates provision and support of a data warehouse including support for the solution and administration” and “our network design for the database application”.

The document bears a date of 12 February 2011 and is headed “Support Services Contract”. It begins “This contract is made the 10th day of June Two Thousand and Eleven” but is not a signed copy of any such contract. Schedule 1 of the contract identifies the services to be provided as “Hosted Services” and “Managed Services”. Schedule 3 goes into more detail regarding the managed services and states that “BrightCloud will accept calls for which it does not directly provide support, and route, manage and escalate them to simplify problem management for the customer.” At paragraph 5 it states that “BrightCloud shall employ all reasonable means in order to provide the Customer with solutions regarding the Backup Services and the retrieval of data.”

DL6: NHS Blood and Transplant. Mr Little states that it refers to the invoice at pages 14-15 which that company is reselling to the NHS Blood and Transplant service. He states that the document “details the network management and optimisation agreement for BrightCloud to provide managed services for this very complex technology…our engagement process involving consultancy, design and set-up of IT equipment and managed services to provide network optimisation for this critical NHS organisation”. Making reference to the NetScaler appliance in the invoice, Mr Little states that this is a third party-branded optimisation and secure firewall appliance which is bought in from Citrix but “we then design the service, customise the equipment, install and manage it, in order to provide our network management services.”

The trade mark is shown at the top of the front cover of the document which indicates that it is a tender document "prepared…in conjunction with Computacenter". At page 110 it states:

> "As an expert provider of Infrastructure and Management Services, BrightCloud have worked with NHS Blood and Transport (NHSBT) for over 6 years. NHSBT has a long standing investment in both Citrix NetScalers and Bluecoat Packetshapers, which in the case of the NetScalers are now end of life and need not only replacing but require on going proactive management…
>
> BrightCloud (through its parent company Open Reality) originally supplied the Bluecoat Packetshapers and currently maintain them.
>
> BrightCloud…can work together with the NHSBT to meet business objectives and deliver the efficiencies and improvements in proactive management, troubleshooting and change control…"

27. At the hearing, Mr Tritton again criticised the registered proprietor's evidence submitting that the invoices exhibited by Mr Little in his first witness statement did not specify, with any detail, what services may have been provided by the registered proprietor whilst the additional information provided in Mr Little's second witness statement appears to reduce the number of services the individual invoices were said originally to cover. Mr Tritton queried why and how the decision on this reduced coverage had been reached and submitted, in essence, that there is nothing in the evidence which explains how each of the services claimed to have been provided under any particular invoice were identified. Mr Tritton submitted that insofar as any services had been shown to be provided, it is for hosting, email and disaster recovery services. In relation to the promotional material exhibited, he submitted again that they show what is being offered is disaster recovery, email and hosting services. He went on to submit, however, that even in respect of these services, the evidence is insufficient and the registered proprietor had not discharged the onus on it to show that such use was genuine use. Mr Tritton referred to the turnover figures provided by Mr Little but submitted that there was no breakdown of those figures to

specific services nor were those figures put into any sort of context in terms of the market, a market he said was “enormous”.

28. In response, Mr Reddington submitted that “the invoices are necessarily shorthand. They provide enough information for the client to identify the contract for which they are being charged and those invoices are still relevant to the extent, in the case of four of the contracts, they relate to the document exhibited to the second witness statement”. He submitted that the contracts are for “holistic services, solutions” which provide the necessary IT support. Whilst he accepted that “too broad inferences” cannot be taken from the evidence, he submitted that the evidence provided by the registered proprietor should be considered “in the round” and “hangs together sufficiently that it is possible to see that the mark has been used and there has been genuine use in relation to all of the services.”

29. As Mr Reddington acknowledged, in applying for registration of its trade mark, the registered proprietor set out its specification of goods and services in detail. I acknowledge that the registered proprietor promptly identified those goods and services for which it accepted no use had been made but, as set out in paragraph 2 above, it has chosen to defend the vast majority of those services and, as section 100 of the Act states, it is a matter for it to show what use has been made of the mark. The evidence it has filed, as the applicant submits, has not been directed to each specific service as registered and which the registered proprietor seeks to defend. That said, Mr Little has given evidence, and there is no dispute, that since 2009, the business has been providing IT solutions as part of a package. The particular packages supplied are tailored to the customers’ particular requirements. As the Managing Director of the registered proprietor, Mr Little is in a position to know and understand the way the business operates and has given evidence of the services it has provided since its incorporation, and throughout the relevant period. The applicant has not sought to cross examine Mr Little on his evidence and his evidence is not incredible.

30. There is no doubt that the registered proprietor’s evidence could have been better marshalled, however, what has been filed shows the registered proprietor to have a successful and generally increasing business throughout the relevant period.

Its services are, essentially, cloud hosting, back up services, disaster recovery as a service (DRaaS) and other network managed services. The turnover figures are not presented in terms of the context of the market as a whole but, whilst they are likely to be fairly small within that total market, they are not insignificant and the use of the mark shows real commercial exploitation of it with details of the names of some of its customers given, some of whom are household names. Whilst Mr Little has made passing reference to the registered proprietor supplying goods, it has not defended the registration in relation to any such goods. The evidence, and indeed Mr Little's own witness statements, refer to the company as a service provider and I consider that most, if not all of the turnover figures provided will relate to the provision of services. The turnover figures are also not broken down in terms of specific services, however, I consider that the nature of the services provided and the cross-over between the various parts of them means that separate itemised turnover figures are unlikely to be recorded by the registered proprietor. I find support for this in the invoices and service provision documents sent to customers which, whilst setting out the generality of the services provided, do not break them down in any great detail. Bearing in mind the totality of the evidence, I am satisfied that the registered proprietor has made genuine use of the trade mark as registered.

31. Having reached that conclusion, I go on to determine what constitutes a fair specification for the use made of the mark. In *Euro Gida Sanayi Ve Ticaret v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. again sitting as the Appointed Person summed up the law thus:

> "In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods and services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

32. In *Roger Maier and Another v ASOS,* [2015] EWCA Civ 220, Kitchen L.J. (with whom Underhill L.J. agreed) set out the correct approach for devising a fair

specification where the mark has not been used for all the goods/services for which it is registered. He said:

> "63. The task of the court is to arrive, in the end, at a fair specification and this in turn involves ascertaining how the average consumer would describe the goods or services in relation to which the mark has been used, and considering the purpose and intended use of those goods or services. This I understand to be the approach adopted by this court in the earlier cases of *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2002] EWCA Civ 1828, [2003] RPC 32; and in *West v Fuller Smith & Turner plc* [2003] EWCA Civ 48, [2003] FSR 44. To my mind a very helpful exposition was provided by Jacob J (as he then was) in *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch); [2004] FSR 19. He said at paragraph [20]:
>
> > "… I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. … Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods – are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."
>
> 64. Importantly, Jacob J there explained and I would respectfully agree that the court must form a value judgment as to the appropriate specification

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

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

33. Mr Tritton criticised the registered proprietor's evidence in relation to the extent to which it showed specific use in relation to the services as registered. There is some merit in that but, in my view, whilst the registered proprietor cannot be said to have

provided evidence of use of the trade mark in relation to each of the specific services for which the mark is registered (insofar as they have been defended), the nature of the services for which use has been shown (and those for which the applicant agrees the mark has been used) are highly technical and, on the balance of probabilities, are likely to incorporate each of the specific services such that the registered proprietor is entitled to retain the registration in respect of each of them.

Summary

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

Class 9
All goods in this class.

Class 35
On-line data processing services; rental of data processors.

Class 38
Telecommunications disaster recovery services; telecommunication system emergency response and recovery services; recovery and restoration of data; advisory and consultancy services relating to telecommunications; rental of data communication apparatus;

Class 42
On demand software; website design; leasing of computer equipment; rental of computer software; leasing of data processing systems; rental of data carriers; rental of web servers; rental of space on web servers; programming of data processing equipment; computer programming services;

Costs

35. During the course of these proceedings two Case Management Conferences ("CMC") took place before me. The first was appointed to determine the future conduct of proceedings. At the second, where I allowed the registered proprietor's application to file evidence in reply, I advised the parties that I would be prepared to consider an award of costs to the applicant in respect of any additional costs accrued as a result. The applicant has made no submissions in relation to this nor has any indication been given that there were any additional costs. That being the case, I make no award of costs in respect of either of the CMCs. In terms of the substantive decision in these proceedings both parties have achieved a measure of success such that I consider each should bear their own costs.

Dated this 29th day of November 2016

Ann Corbett
For the Registrar
The Comptroller-General