

O/0967/23

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 3641839
IN THE NAME OF OCUBIS LTD FOR THE MARK**

PAVILION

IN CLASSES 35, 36, 41, 43 AND 44

AND

**THE OPPOSITION THERETO
UNDER NO 427582 BY WINDSOR HOLDINGS LIMITED**

Background and pleadings

1. On 14 May 2021, Ocubis Ltd (“the applicant”) applied for the trade mark shown on the cover page of this decision (application 3641839) for services in classes 35, 36, 41, 43 and 44. Following publication, the application was partially opposed by Windsor Holdings Limited (“the opponent”) in respect of the following services:

Class 35: Arranging and conducting of marketing and promotional events; customer club services, for commercial, promotional and/or advertising purposes; online community management services.

Class 36: Real estate services; real estate affairs; real estate management; rental and leasing of property; rental and leasing of commercial premises.

Class 41: **Entertainment; corporate hospitality (entertainment); party planning (entertainment); training; tuition and instruction services; providing of training; coaching (training); sports training; cultural and sporting services and activities; fitness training services; organisation of entertainment events; organisation of Webinars; organisation of cultural and sporting events; provision of recreational events; providing recreational activities; gymnasium services; personal training services (fitness); providing gymnastic facilities; non-downloadable electronic publications; arranging and conducting of workshops and seminars; organisation of training; health club services; social club services; information, consultancy and advisory services in relation to all of the aforesaid.**

Class 43: Accommodation services; accommodation reservations; provision of temporary accommodation; hospitality services; operating membership accommodation; providing accommodation for meetings and functions; private members dining club services; private members drinking club services; providing room reservation services; providing food and beverages; takeaway food services; hospitality services (food and drink); restaurant, bar and takeaway services; providing facilities for conducting meetings, seminars, conferences, receptions and

parties; information, consultancy and advisory services in relation to all of the aforesaid.¹

Class 44: Spas; spa services; health spa services for health and wellness of the body and spirit; beauty care services provided by a health spa; provision of spa facilities; information, consultancy and advisory services in relation to all of the aforesaid.

2. The grounds of opposition are that the application offends sections 3(1)(b), (c) and (d), section 3(6) and section 5(4)(a) of the Trade Marks Act 1994 ("the Act"); in summary:

- Section 3(1)(b): against all the services listed above because the mark is essentially the word 'pavilion' which is descriptive of one or more characteristics of the services in so far as those services relate to a pavilion; the word pavilion is customarily used in the sports, entertainment and leisure sector to denote a building where such services take place or a building/structure on a sports field, or at an exhibition or show. This means that the mark is incapable of distinguishing the goods and services of one undertaking from those of another;
- Section 3(1)(c): against all the services listed above, for the same reasons as above, including services relating to the sale, leasing or management of buildings or structures; the mark consists exclusively of a characteristic of the services, namely the location in which such services can take place, or a building or structure in respect of which such services may be offered or provided, or the services could be in relation to such buildings or structures.
- Section 3(1)(d): against all the services listed above because the word 'pavilion' has become customary in the current language as a name of a building or structure where sports, leisure or entertainment services are carried out, or as the name of a building or structure on a sports field or similar or to refer to a building or structure at a show or exhibition.

¹ The opposition against *desk rental* in class 43 was withdrawn at the hearing.

- Section 3(6): against the services presented in bold above in class 41, and all the class 44 services on the basis that the applicant was aware of the opponent's activities (see below) when it applied for the mark, the applicant having sent the opponent a letter before action. This was to allege infringement of the applicant's trade mark registration 3070240 and passing off with regard to its business of private members' clubs providing office space to businesses and professionals.² The opponent claims that the mark applied for is closer to the opponent's sign than a sign previously used by the applicant. At the time of application, it is claimed that the applicant had not used its mark for the opposed services, but was aware of the opponent's services, and that, given the letter before action, the application was to block the opponent or was a tactic to put pressure on the opponent to change the name of its pre-existing building;
- Section 5(4)(a): against the services presented in bold above in class 41, and all the class 44 services on the basis that the opponent has used two signs, PAVILION and PAVILION (from at least 28 February 2020 and at least 13 November 2020, respectively) in relation to a sporting, leisure and recreational building on the Foxhills estate. The following services are provided: entertainment, sporting, leisure and recreational facilities; creche services; education, instruction and training in relation to arts and crafts, fitness, sports and dancing. Customers and potential customers would believe that the applicant's services are provided by or in association with the opponent, or under its licence or with its consent. This would cause damage to the opponent.

3. The applicant filed a defence and counterstatement, denying the grounds.

4. Both parties filed evidence. The matter was heard before me on 20 July 2023, by video conference. The opponent was represented by Mr Michael Hicks, of Counsel,

² 3070240 PAVILION registered for "Management of business offices for others; Business office services; Office functions; Rental of office machinery and equipment; office secretarial services" in class 35.

instructed by Hansel Henson Limited, and the applicant was represented by Mr Daniel Selmi, of Counsel, instructed by Mishcon de Reya LLP.

Evidence

5. The opponent's evidence-in-chief comes from Ms Justine Flockhart, its professional representative, and from Mr Marc Hayton, its director.³ The purpose of Ms Flockhart's evidence is to provide some background to the dispute and to show that the word 'pavilion', and the mark as a whole, is non-distinctive/descriptive/used in trade. The applicant's evidence comes from Mr Matthew Gresham, its Chief Operating Officer.⁴ His evidence is aimed at refuting the opponent's claims and evidence and to show the background to the filing of the application. He states that his evidence is also to show that the contested mark has acquired distinctive character through use. Ms Eloise Harding, the applicant's trade mark attorney, has also filed evidence.⁵ The purpose of this is to reply to the opponent's evidence about the word 'pavilion'. Ms Flockhart filed the opponent's evidence-in-reply.⁶ I will refer to the parties' evidence and to the submissions made at the hearing where relevant to the issues I have to decide.

Sections 3(1)(b), (c) and (d) of the Act

6. Sections 3(1)(b), (c) and (d) state:

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

(a)

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

³ Witness statements and exhibits dated 16 May 2022.

⁴ First witness statement and exhibits dated 18 July 2022. A second, corrective, witness statement is dated 14 December 2022.

⁵ Witness statements and exhibits dated 18 July 2022.

⁶ Witness statements and exhibits dated 20 September 2022.

(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.”

7. The principles to be applied under article 7(1)(b) of the Community Trade Mark Regulation, now article 7(1)(b) of the EUTM Regulation, which is identical to article 3(1)(b) of the EU Trade Marks Directive and section 3(1)(b) of the Act, were conveniently summarised by the Court of Justice of the European Union (“CJEU”) in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (Case C-265/09 P) as follows:⁷

“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.

⁷ Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

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).”

8. Sections 3(1)(b), (c) and (d) serve a public interest. At paragraph 55 of *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (POSTKANTOOR)* [2004] E.T.M.R. 57, Case C-363/99, the CJEU described section 3(1)(c) as requiring “that all signs or indications which may serve to designate characteristics of the goods or services in respect of which registration is sought remain freely available to all undertakings in order that they may use them when describing the same characteristics of their own goods.” The public interest underlying section 3(1)(b) of the Act is described in *BORCO*, above: the mark “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”. That is the essential function of a trade mark.

9. Although it is well-established in law that the absolute grounds for refusing registration must be examined separately, there is a degree of overlap between sections 3(1)(b), (c) and (d) of the Act, as explained by the CJEU in *POSTKANTOOR*. At paragraph 70 of its judgment, the CJEU stated that:

“...it is thus not open to the competent authority to conclude that a mark is not devoid of any distinctive character in relation to certain goods or services purely on the ground that it is not descriptive of them.”

10. In *Flying Scotsman*, BL O/313/11, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, observed:

“19. Since there is no obligation to rule on the possible dividing line between the concept of lack of distinctiveness and that of minimum distinctiveness when assessing the registerability of a sign under Section 3(1)(b), see Case C-104/00 P Deutsche Krankenversicherung AG v OHIM (COMPANYLINE) [2002] ECR I-7561 at paragraph [20], it is not necessary to dwell on the question of how far Section 3(1)(b) may go in preventing registration beyond the scope of Section 3(1)(c). It is sufficient to observe that a sign may be:

- (1) distinctive for the purposes of Section 3(1)(b), with the result that it cannot be regarded as descriptive for the purposes of Section 3(1)(c) and must be unobjectionable on both bases; or
- (2) neither distinctive for the purposes of Section 3(1)(b), nor descriptive for the purposes of Section 3(1)(c), with the result that it must be objectionable on the former but not the latter basis; or
- (3) descriptive for the purposes of Section 3(1)(c), with the result that it cannot be regarded as distinctive for the purposes of Section 3(1)(b) and must be objectionable on both bases.

These considerations point to the overall importance of establishing that a sign is free of objection under Section 3(1)(b).”

11. There is a large degree of overlap between the section 3(1)(b) and 3(1)(c) pleadings. In essence, the opponent claims that the word ‘pavilion’ is descriptive of, and therefore non-distinctive for, one or more characteristics of the services in so far as those services relate to a pavilion because the word pavilion is customarily used

in the sports, entertainment and leisure sector to denote a building where such services take place or a building/structure on a sports field, or at an exhibition or show.

12. Ms Flockhart's evidence includes a substantial volume of exhibits comprising definitions, descriptions and third-party use of pavilion. Two definitions comprise the following:⁸

- Lexico.com (Meaning & Definition for UK English):
Noun "1 *British* A building at a cricket ground or other sports ground, used for changing and taking refreshments [...] 2 A summer house or other decorative building used as a shelter in a park or large garden [...] 2.1 Used in the names of buildings used for theatrical or other entertainments [...] 2.2 A detached or semi-detached block at a hospital or other building complex [...] 2.3 A large tent with a peak and crenelated decorations, used at a show or fair [...] 2.4 A temporary building, stand, or other structure in which items are displayed at a trade exhibition."
- Encyclopaedia Britannica:
"pavilion, light temporary or semipermanent structure used in gardens and pleasure grounds. Although there are many variations, the basic type is a large, light, airy garden room with a high peaked roof resembling a canopy [...] the modern use of the term - especially in the West - is generally limited to buildings on sports grounds with accommodations for changing clothes and storing equipment and to often-temporary buildings for world's fairs. *Pavilion* has also been used in reference to a tent, a summer residence, a dance hall, a bandstand, and an annex or structure connected to a larger building."

13. A third description is from an article entitled "The Architecture of Leisure: Pavilions in London - Something Curated", which shows an image of the inside of a building described as "the winning entry for the 2016 Serpentine Pavilion". The article says "From countryside cricket grounds to the Hyde Park gardens, pavilions

⁸ Exhibit JEF05.

are a crucial part of both London's own history and British heritage at large". There is no information about what 'Something Curated' is, but I note that the 2016 competition concerned a building for Hyde Park, which is a major park in London. The article goes on to say that the oldest pavilion in London is the Old Pavilion in Piccadilly, which opened in 1859 as a music hall (now a museum). Exhibit JEF06 includes a copy of an article dated 17 November 2021 (about a month after the relevant date) in "AJ Architects' Journal", entitled "Circular pavilion restaurant wins Leisure Category in AJ Architecture Awards 2021". An award in 2018 by RIBA went to "Canoe Lake Leisure Tennis Pavilion" and the article on the RIBA website says that the building serves as the clubhouse for tennis courts at an unspecified location in the "south". Ms Flockhart states that RIBA is the Royal Institute of British Architecture. Exhibit JEF07 comprises a Wikipedia print about the Royal Pavilion, in Brighton.

14. For the applicant, Ms Harding also exhibits dictionary definitions and a Wikipedia print for PAVILION:⁹

- Cambridge Dictionary (online): "UK a building near a sports field, especially one where cricket is played, used by the players and sometimes by people watching the game." I note that the definition of "one of a group of related buildings" is given as a US meaning, as is "a large building in which sports or entertainments take place."
- Definitions from Merriam-Webster and dictionary.com. As far as I know, this is a US dictionary, so is unlikely to be a reliable indicator of how the average consumer in the UK understands the word pavilion. I do not know if dictionary.com gives details of US or UK meanings, but I notice that the word "center" appears in one of the definitions, so I take this to mean that it is a US dictionary (as this is the US spelling of 'centre'). However, this dictionary has a section headed "British Dictionary Definitions for Pavilion", which are:

⁹ Exhibit EH4.

“noun

1 British a building at a sports ground, esp a cricket pitch, in which players change

2 a summerhouse or other decorative shelter

3 a building or temporary structure, esp one that is open and ornamental, for housing exhibitions

4 a large ornate tent, esp one with a peaked top, as used by medieval armies.”

- Collins English Dictionary (Online): “A pavilion is a building on the edge of a sports field where players can change their clothes and wash ... *[British] the cricket pavilion*” [...] A pavilion is a large temporary structure such as a tent, which is used at outdoor public events [...] A pavilion is an ornamental building in a garden or park.” I note that *Collins* gives examples from British publications of the use of pavilion in sentences, such as:

- “There is also planning consent for a cricket pitch and pavilion.” *Sunday Times* (2014);
- “The spa and yoga pavilions are set in a veritable Eden of exotic foliage.” *Sunday Times* (2006);
- “All six bedrooms are ensuite and the house has two outdoor sitting rooms, a pool, a massage pavilion and tropical gardens.” *Sunday Times* (2012).

- The Britannica Dictionary (online): “1: a building in a park or garden that usually has open sides and is used for parties, concerts, or other events 2: a temporary building that is used at public events and exhibitions “The World’s Fair had numerous *pavilions*.” [...] 4. *British*: a building that is next to a sports field and used by players and people watching the game.”

15. The Wikipedia print gives essentially the same information as the dictionaries as regards modern use of the word pavilion, in addition to the historical origins of the word and the original types of building it was used to describe.

16. Ms Flockhart states that she carried out a search on the website of the business directory, Yell.com, for PAVILION. The search, limited to England and the date of which is 24 April 2022, returned 250 businesses which are called PAVILION or have PAVILION in their name. A sample is shown at Exhibit JEF08, such as:

<p>The Pavilion Conference Facilities and Services</p> <p>Website Call</p> <p>Sports Ground Moor Lane, Birmingham, B6 7AA</p>	<p>★★★★★ 5.0 (1 Rating) Write a review</p> <p>More info</p>
<p>Pavilion Cafes and Coffee Shops</p> <p>Website Call</p> <p>37 Fore Street, NEWQUAY, TR7 1HD, Cornwall Closed Opens Wednesday 08:00</p>	<p>★★★★★ No Ratings Write a review</p> <p>More info</p>
<p>The Pavilion Community Centres</p> <p>Website Call</p> <p>Hall Bank, Shrewsbury, SY5 0RF</p>	<p>★★★★★ No Ratings Write a review</p> <p>More info</p>
<p>The Pavilion Cafes and Coffee Shops</p> <p>Website Call</p> <p>The Pavilion Tea Room, Rowland's Castle, PO9 6DX Closed Opens Wednesday 09:00</p>	<p>★★★★★ No Ratings Write a review</p> <p>More info</p>
<p>Pavilion Sports & Cafe Tennis Clubs and Courts</p> <p>Website Call</p> <p>Albert Rd, London, N22 7XL</p>	<p>★★★★★ No Ratings Write a review</p> <p>More info</p>
<p>Avenham Park Pavilion Wedding Venues</p> <p>Website Call</p> <p>Avenham Park, Preston, PR1 8JT Closed Opens Wednesday 09:00</p>	<p>★★★★★ No Ratings Write a review</p> <p>More info</p>

Newick Sports Pavilion

Sports Grounds and Stadia

[Website](#) [Call](#)

[King George V Recreation Ground, Allington Rd, Lewes, BN8 4NA](#)



No Ratings

[Write a review](#)

[More info](#)

The Pavilion Gardens Buxton

Tourist Attractions

[Website](#) [Call](#)

[St Johns Rd, Buxton, SK17 6BE](#)

Closed Opens Wednesday 09:30



No Ratings

[Write a review](#)

[More info](#)

Central Sports Pavilion

Sports Clubs and Associations

[Website](#) [Call](#)

[Brixworth Sports Pavilion, St. Davids Playing Field, Northampton, NN6 9DU](#)

Open 24 hours



No Ratings

[Write a review](#)

[More info](#)

Pavilion in the Park (Function Room)

Function Rooms and Banqueting

[Website](#) [Call](#)

[The Pavilion In The Park, Okehampton, EX20 1GE](#)

Closed Opens Wednesday 10:00



No Ratings

[Write a review](#)

[More info](#)

Pavilion Theatre

Theatres and Concert Halls

[Website](#) [Call](#)

[Pier Gardens, Gorleston Pavilion Theatre, Great Yarmouth, NR31 6PP](#)

Closed Opens Wednesday 10:00



No Ratings

[Write a review](#)

[More info](#)

Broughton Community Sports Pavilion

Leisure Centres

[Website](#) [Call](#)

[139 Tanfield Lane, Milton Keynes, MK10 9NJ](#)

Closed Opens Wednesday 08:00



No Ratings

[Write a review](#)

[More info](#)

Upton Pavilion

Community Centres

[Call](#)

[Wealstone Lane, Chester, CH2 1HD, Cheshire](#)



No Ratings

[Write a review](#)

[More info](#)

Tattenhoe Sports Pavilion

Leisure Centres

[Website](#) [Call](#)

[The Pavilion Holborn Crescent, Milton Keynes, MK4 3EQ](#)



No Ratings

[Write a review](#)

[More info](#)

Thornaby Pavilion

Leisure Centres

[Website](#) [Call](#)

[Wrightson House New Town Centre, Stockton-On-Tees, TS17 9EW](#)

Open now Closes at 23:00



No Ratings

[Write a review](#)

[More info](#)

Brightwell-cum-Sotwell Jubilee Pavilion

Halls

[Website](#) [Call](#)

[Recreation Ground Mackney Lane, Wallingford, OX10 0SQ](#)



No Ratings

[Write a review](#)

[More info](#)

The Peter Newton Pavilion

Function Rooms and Banqueting

[Website](#) [Call](#)

[Century House Skimpot Rd, Dunstable, LU5 4JU](#)



No Ratings

[Write a review](#)

[More info](#)

The Pavilion Cafe & Clubhouse

Halls

[Website](#) [Call](#)

[North Sheen Recreation Ground, North Rd, Richmond, TW9 4HA, Surrey](#)



No Ratings

[Write a review](#)

[More info](#)

Pavilion & Avenue Lawn Tennis Club

Sports Clubs and Associations

[Website](#) [Call](#)

[19 The Droveaway, Hove, BN3 6LF](#)



No Ratings

[Write a review](#)

[More info](#)

Mountsorrel Parish Council Sports Pavilion

Sports Grounds and Stadia

[Call](#)

[Memorial Playing Fields, Loughborough, LE12 7BA, Leicestershire](#)



No Ratings

[Write a review](#)

[More info](#)

Dove Nursery Within The Cricket Pavilion

Playgroups and Pre-School

[Website](#) [Call](#)

[Henfield Common South, Brighton Rd, Henfield, BN5 9RP](#)

Closed Opens Wednesday 08:30



No Ratings

[Write a review](#)

[More info](#)

17. Ms Flockhart has grouped the results into business types, shown in Exhibit JEF09. She states that there are 77 results which she considers to fall under sports and leisure, and 134 results if restaurants, bars, cafés, pubs, bakeries, coffee shops, wine bars, take aways and mobile bars are also included. Ms Flockhart says that although the search was done in 2022, she considers it reasonable to assume, because of the sheer number of results, that the search results are representative of the position at the relevant date. At the hearing, Mr Selmi submitted that many of the examples found on Yell.com are “trade mark use” and that 115 of the entries have no ratings at all, indicating dormant businesses, or at least there is no indication that they are active and trading. However, I note that eight of the entries I have listed above have no reviews, but indicate that they will be open on ‘Wednesday’, with a time of day, and one entry was still open (until 11pm) when the search was done. This suggests to me that they are trading.

18. Exhibit JEF10 comprises the results for a search on Google for PAVILION in relation to the services complained about in the present proceedings, such as pubs and sports centres. Ms Flockhart states that she went to a birthday party at North Acton Pavilion on 2 April 2022, which is situated at North Acton Playing Fields, with sports facilities and a playground. She believes the North Acton Pavilion has existed since at least 2011. It is also an arts and community hub which can be hired for parties, events, training and classes, as shown in the venue details in Exhibit JEF11. Shortly before making her witness statement, Ms Flockhart also attended a funeral next door to the Hythe Sports Pavilion, in Wokingham. She states that the Hythe Sports Pavilion was opened in 2010. Exhibit JEF12 comprises website details about this building, including that it is located in a recreation ground. The details say that the “upper suite was constructed to provide high-quality facilities for classes, meetings and sports events” and it has catering facilities:

Typical Uses

The pavilion is popular with both regular classes and occasional hirers. It is truly multipurpose and can be adapted for almost any social or fitness occasion.




Art classes
Keep fit classes
Wedding receptions
Meetings
Luncheons
Conferences
Quiz nights
Parties
Exhibitions

19. Ms Harding, for the applicant, provides evidence about a search undertaken for UK pending and registered trade marks, and those within the renewal period, which comprise or contain PAVILION.¹⁰ The results are, in summary:

- There are 91 such trade marks, across all classes;¹¹
- Of the 91 trade marks, 65 cover at least one class out of classes 35, 36, 41, 43 and 44;¹²
- Of the 65 marks, 8 comprise the exact word element PAVILION, as a word or stylised mark, without any additional word elements, and 2 of these belong to the applicant.

20. Since the opposed mark is a word mark (albeit in a font), only the six marks out of the eight word marks which do not belong to the applicant appear relevant. Ms Harding states, in relation to the six marks:

“3.3.1 UK Trade Mark No. UK00003683240 is the stylised mark  in the name of Pavilion Foods Limited. It covers goods and services predominantly relating to food and drink, plus limited related retail, delivery

¹⁰ Search conducted 6 July 2022.

¹¹ Exhibit EH1/1-5.

¹² Exhibit EH1/6-9.

and education services, in classes 29, 30, 31, 32, 33, 35, 39 and 41. The proprietor's website describes its offering as "delicatessen • fine foods • cookery school" (see Exhibit EH2).

3.3.2 UK Trade Mark No. UK00913316492 is the word mark PAVILION in the name of Crestbridge. It covers business, management and administration services in class 35. It was registered on 19 January 2015 (i.e. 5+ years before the Application filing date) and its scope of protection is limited by its actual use. High-level research did not reveal any use of the mark.

3.3.3 UK Trade Mark UK00912448882 is the word mark PAVILION in the name of Equity Inspiring Learning Limited. It covers transport, travel and holiday camp / leisure services in classes 39, 41 and 43. However it was registered on 24 April 2014 (i.e. 5+ years before the Application filing date) and its scope of protection is limited by its actual use. The proprietor's website describes it as "a specialist provider of group tours for schools, colleges and other institutions, covering a range of curriculum subjects, ski trips, sports tours" (see Exhibit EH3).

3.3.4 UK Trade Mark No. UK00002386147 is the word mark PAVILION in the name of Thistle Insurance Services Limited. It covers "specialist insurance services" for a range of goods [sic] in class 36. It was registered on 3 March 2006 (i.e. 5+ years before the Application filing date). High-level research did not reveal any use of the mark.

3.3.5 UK Trade Mark No. UK00001415707 and UK Trade Mark No. UK00001415705 are for the word mark PAVILION and the device mark



respectively, in the name of HarperCollins Publishers Limited. They cover stationary, printed matter and publishing services in classes 16 and 41, i.e. goods and services which bear no connection to those covered by the Application. They were registered on 18 May 1992 and 16 October 1992 respectively (i.e. 5+ years before the Application filing date).”

21. At the hearing, Mr Selmi (for the applicant) explained the relevance of this evidence as showing that there is very limited co-existence of pavilion (solus), and that it has not become generic for the contested services. However, that evidence could also indicate the opposite: that there are not many registered trade marks for pavilion (solus) for the contested services, or at least some of them, because it is non-distinctive/descriptive/generic.

22. Ms Harding's search of the state of the register revealed only six marks which do not belong to the applicant which comprise the exact word element PAVILION, as a word or stylised mark, without any additional word elements. I note that only one of the six marks covers services which fall clearly within the activities referred to in the dictionary definitions and the other evidence from the opponent. That mark is 912448882, which covers (*inter alia*) travel, holiday camp/leisure services, sport, education, parties and temporary accommodation in classes 39, 41 and 43. In relation to 3683240, the services in classes 35 and 41 are retail services relating to food; retail services relating to delicatessen products; retail services relating to drinks (35) and education and training; arranging and conducting of classes; cooking instruction (41). 913316492 covers business, management and administration services in class 35; 2386147 covers "specialist insurance services in relation to musicians, instruments and equipment, classical musicians and instruments, cyclists, bicycles and electric bikes, photographers, cameras and equipment, anglers and fishing tackle, student fees, personal liability and personal accident cover and other niche insurance solutions for leisure, pleasure and like"; and 1415707 and 1415705 cover stationery and printed matter and publishing in classes 16 and 41. There is also additional stylisation in 3683240 and 1415705 which means that these two marks are not simply the word PAVILION, even if they had covered the services at issue.

23. I note that Mr Hayton's evidence is about a new building at the opponent's country club (Foxhills) which is called the Pavilion (the cause of this dispute). The Pavilion was built to replace previous family facilities which had housed a youth club. Mr Hayton explains that, in 2016, the architects were appointed to build, essentially,

a leisure centre. The design concept was a cluster of interconnecting pavilions. The architect described his idea for the building as follows:¹³

“From the golf course you see three floating pavilions. Two clad in wood, the third in zinc, connected by glass staircases.”

24. Mr Hayton states that the opponent chose the name Pavilion for its new building for the following reasons:

a. 'Pavilion' is a word the club and its members have used at Foxhills for decades. Adjacent to the Pavilion is a small tennis clubhouse which until 2019 was called the Tennis Pavilion.

b. 'Pavilion' describes a sports and leisure building, which our building is.

c. It chimed with the descriptive names of other buildings at Foxhills e.g., 'Yoga Cabin', 'Health Spa', 'Clubhouse', 'Manor'. The club has never used creative names. Our test is whether we can imagine a member saying, "I'll see you in the x". The Pavilion passed that test. I attach at Annex MAH07 a map showing the various names of buildings at the estate.

d. 'Pavilion' conjures up British sport, especially summer sport as in 'cricket pavilion', 'tennis pavilion' and leisure as in 'Brighton Pavilion'. This fits our purpose.

e. From village greens and private schools, 'pavilion' is traditional and aspirational; characteristics shared by Foxhills since 1975.”

25. The evidence of both parties shows that the word pavilion is a type of building which is commonly found in sports grounds, but is not limited to such locations. For activities which typically take place in or involve such buildings, as set out in the parties' dictionary definitions, I do not see how the word 'pavilion' will serve to

¹³ Exhibit MAH09, page 39.

indicate the services of one undertaking as opposed to other undertakings. It is not clear to me how a consumer will distinguish between one pavilion and another without other indicia, when determining where to watch a sports event, or to use a provider of sports facilities, entertainment, room hire or to purchase refreshments. For example, Ms Flockhart states that she attended or was nearby to two different pavilions, both of which appear to be identified by different geographical indicia: North Acton Pavilion and Hythe Sports Pavilion. Brighton Pavilion is undoubtedly famous, but removing 'Brighton' from the combination would mean that nobody would recognise 'Pavilion' as meaning Brighton Pavilion, famous or not. Local pavilions are identifiable (for example) by the park they are in, some other information which distinguishes them; or because they are the only one in the vicinity, like common pub names. I note Mr Selmi's point about the entries in Yell.com being 'trade mark use', but my impression of the Yell.com entries is that the position is similar to that of local pubs with common names. They depend on locality or some other indicia alongside the common name to be identifiable. It is notable that a not insignificant number are located at sports or recreation grounds, either in the name or the address given below the name.

26. The contested mark is simply the word PAVILION, in an unremarkable font, and is an application for a national trade mark registration. There is nothing about the mark which will enable consumers to see it as identifying the services of a single undertaking. The evidence about the state of the register, i.e. the scarcity of registrations for PAVILION solus for activities which typically take place in pavilions, adds support to my view that pavilion, solus, does not perform the essential function of a trade mark for at least some of the services. ***Prima facie, I find that the opposition under section 3(1)(b) succeeds against the following services:***

Class 41: Entertainment; corporate hospitality (entertainment); party planning (entertainment); training; tuition and instruction services; providing of training; coaching (training); sports training; cultural and sporting services and activities; fitness training services; organisation of entertainment events; organisation of cultural and sporting events; provision of recreational events; providing recreational activities; gymnasium services; personal training services (fitness); providing gymnastic facilities; organisation of training; health club services; social club

services; information, consultancy and advisory services in relation to all of the aforesaid.

Class 43: Accommodation services; accommodation reservations; provision of temporary accommodation; hospitality services; operating membership accommodation; providing accommodation for meetings and functions; private members dining club services; private members drinking club services; providing room reservation services; providing food and beverages; takeaway food services; hospitality services (food and drink); restaurant, bar and takeaway services; providing facilities for conducting meetings, seminars, conferences, receptions and parties; information, consultancy and advisory services in relation to all of the aforesaid.

Class 44: Spas; spa services; health spa services for health and wellness of the body and spirit; beauty care services provided by a health spa; provision of spa facilities; information, consultancy and advisory services in relation to all of the aforesaid.

27. By way of explanation, private members dining club services; private members drinking club services could be provided by, for example, a cricket club in a pavilion. With regard to the various 'accommodation' terms, one of the objectionable terms, *providing accommodation for meetings and functions*, is covered by the wider terms *Accommodation services; accommodation reservations; provision of temporary accommodation; operating membership accommodation*, which makes them all objectionable.¹⁴ However, the wider terms also covers hotel accommodation, for which I do not think there is an objection under section 3(1)(b). I will come back to this below in setting out the services for which the application may proceed to registration.

28. With regard to the class 44 services, these are frequently found in buildings where sports facilities are provided; for example, post-exercise saunas, steam

¹⁴ There is a difference between the terms in the contested specification and the term "hotel and other temporary accommodation services" as discussed in *The Light Aparthotel LLP v Aegon UK Property Fund Limited*, case BL O/472/11, by Mr Daniel Alexander QC, sitting as the Appointed Person at [53].

rooms, sports physio and massage services. Since I have found the mark objectionable under section 3(1)(b) because sports, recreational and leisure facilities and services are provided in pavilions, the mark is also objectionable for the class 44 services. The evidence provided by Ms Harding supports my view: in the *Collins English Dictionary* (Online) definitions, there are examples from the *Sunday Times* of yoga and massage pavilions (see paragraph 14 above).

29. The ground fails in respect of the following opposed services:

Class 35: Arranging and conducting of marketing and promotional events; customer club services, for commercial, promotional and/or advertising purposes; online community management services;

Class 36: Real estate services; real estate affairs; real estate management; rental and leasing of property; rental and leasing of commercial premises;

Class 41: Organisation of Webinars; non-downloadable electronic publications; arranging and conducting of workshops and seminars.

30. These terms describe business rather than recreational or leisure activities. For these services, the contested mark serves to indicate their commercial origin.

Section 3(1)(c) of the Act

31. 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. (as he then was) 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].”

32. Paragraph 49 of *Agencja Wydawnicza Technopol sp. z o.o.* (quoted above) states that the list of characteristics in the legislation which is equivalent to section 3(1)(c) is not exhaustive, “since any other characteristics of goods or services may also be taken into account”. In *Burgerista Operations GmbH v Burgista Bros Limited and Ors*, Hacon J said:¹⁵

“14. To establish their case under art.7(1)(c), the Defendants did not have to show that burgerista designated any of the goods or services in the Trade Mark specification exactly. Designation of a characteristic will do and this includes ancillary characteristics. What this can mean was demonstrated by the CJEU in Case C-363/99, *Koninklijke KPN Nederland NV v Benelux Merkenbureau* [2004] ECR I-1619; [2005] 3 WLR 649. A characteristic of a post office is that it sells items such as stamps; therefore POST OFFICE may not be registered for postage stamps or other goods characteristically sold in a post office, see the judgment at [54]-[57] and [102].”

33. In *Mezzanine Trade Mark*, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, said:¹⁶

“... it appears to be necessary to interpret the word “characteristics” in the expression “or any other characteristics” as applicable not only to what a trader may be willing to supply, but also to when, where, why and how it may be supplied. Such matters – and suitable ways of designating them – are liable to vary according to the context or manner in which goods or services of the kind specified for registration may actually be provided by traders in the

¹⁵ [2018] EWHC 35 (IPEC).

¹⁶ Case BL O/044/04.

relevant line of business. I think it follows that a mark can be objectionable under Section 3(1)(c) without being descriptive in every context or manner in which it could be used with reference to goods or services of the kind specified in an application for registration.”

34. The *Mezzanine* decision concerned an application for *inter alia* nightclubs and entertainment in class 41 and catering for the provision of food; restaurant services in class 42 (now falling in class 43). The evidence in the proceedings showed that a mezzanine is an intermediate floor or storey of a building, especially one situated between the ground and first floor. There was evidence of the word being used in relation to restaurant and bar facilities.

35. At first instance, the registrar upheld the opposition under sections 3(1)(c) and (d) for the class 42 services, but rejected the opposition against the class 41 services. Some of the use in the evidence by restaurants was as the name of the establishment: The Mezzanine and Mezzanine. There was a greater number of instances where the reference to mezzanine was purely descriptive to indicate the location of a restaurant within a building and a further group of significant numbers which included examples of use such as “the Broadway cinema/cafebars’ Mezzanine” and “the mezzanine restaurant”. The second and third group made up most of the entries in the evidence and the use in the second group was found to be “locational information”, only.

36. In the appeal decision, Mr Hobbs noted that the opponent told him that he had brought the appeal because he was concerned that the registration of the mark for the class 41 services would have an effect on his nightclub services which were provided at mezzanine floor level at premises in Essex.

37. Mr Hobbs stated:

“25. The specification of the application for registration in Classes 41 and 42 covers the trading activities of establishments where customers may eat, drink, dance, enjoy disc jockey services or experience audio and audio visual entertainment.

26. Is the location of such an establishment a characteristic of the services provided by the proprietor of that particular establishment? According to the approach identified in paragraph 22 above, I think it is. I am therefore required by Section 3(1)(c) to regard it as an attribute that is fully and freely describable by means of signs or indications that do not possess a distinctive character.

27. Does the concept of location include, for this purpose, the location of an establishment within a building or complex of buildings? I think it does. The physical setting in which services are provided is, in terms of consumer perception, part of the package on offer. I see no reason to exclude descriptiveness as to services-in-situ from the scope of Section 3(1)(c).

28. In keeping with the case law of the ECJ it is sufficient for the purposes of Section 3(1)(c) to find that a sign or indication may serve to designate the location of an establishment at which services of the kind specified are provided. [...]

29. It remains to be considered how likely it is that the mark put forward for registration in the present case may serve in trade to designate an aspect of the location of an establishment at which services of the kind specified are provided.

30. The propensity to be used and understood in that way is clearly recognisable in words such as 'basement', 'ground floor', 'balcony', 'terrace', 'patio', 'rooftop' and 'riverside'. The Hearing Officer considered that the same was true of the word **MEZZANINE** in relation to the services specified in Class 42. I agree with him on that point. However, it seems to me that the propensity of the word **MEZZANINE** to designate an aspect of location is as real in the case of an establishment which provides "*nightclub services*" "*disc jockey services*" or "*audio and audio visual entertainment services*" in Class 41 as it is in the case of an establishment which provides "catering for the provision of food" or "restaurant services" in Class 42. Such is the

consequence of: (1) the word MEZZANINE being a plain way of referring to an intermediate floor or storey of a building, especially one which is situated between the ground and first floor; and (2) the far from unlikely prospect of services of the kind specified being provided by establishments located at mezzanine floor level in a building or complex of buildings.

31. For these reasons I consider that the application for registration should have been refused under Section 3(1)(c) in relation to the services specified in Classes 41 and 42.”

38. Taking these authorities into account, I find that the contested mark designates an establishment where services of various kinds are offered. To at least a non-negligible part of the public, there is a sufficiently direct and specific relationship between the mark and at least some of the contested services for the public to perceive characteristics of the services: that they are located in/provided from a pavilion.

39. *16Harleyco Limited v Harley Hospital Ltd* concerned several marks consisting of Harley preceding various medical words, for medical goods and services. Mr Iain Purvis QC, sitting as the Appointed Person said:¹⁷

“38. Mr Stobbs made the point that whilst ‘freedom to use’ descriptive terms is the purpose of s3(1)(c), it is not the test for descriptiveness. I agree with this, and it is important to keep this distinction in mind. However, it seems to me that it may nonetheless be useful to ask, as a cross-check of a decision on a question of this kind, whether the result achieves the purpose of the section. If one can well imagine other traders in the same field wishing to use the term in a descriptive way, then this does tend to confirm that the term is indeed properly descriptive.”

40. Although not determinative, this approach supports my view on the basis of the dictionary definitions, the Yell.com references and the way in which the word

¹⁷ Such as ‘Harley Hospital’ and ‘Harley Dentist’. Case BL O/168/22.

'pavilion' appears on the register, almost always with other distinguishing indicia for the contested services.¹⁸ **I find that the opposition under section 3(1)(c) of the Act succeeds to the same extent as for the section 3(1)(b) ground.** It does not extend to the 'business' services for which the 3(1)(b) grounds fails because there is an insufficiently direct and specific relationship between the mark and those services. Without further thought, the public is not likely to perceive a characteristic of those services. As earlier, I will address the wider accommodation terms when setting out the services for which the application may proceed to registration.

Section 3(1)(d) of the Act

41. In *Telefon & Buch Verlagsgesellschaft GmbH v OHIM*, Case T-322/03, the General Court ("GC") 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

¹⁸ Other than the present application.

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).”

42. The enquiry under section 3(1)(d) is not whether the mark is descriptive of a characteristic of the services, although that could also apply to a mark which falls foul of section 3(1)(d). It is whether the mark was customary in the current language or was customary in the bona fide and established practice of the trade in the UK (i.e. where the trade means the contested services) at the date of application. Proving this requires the filing of evidence of fact supporting the claim that it was customary for other traders to use the word pavilion at the relevant date, but not in a trade mark sense.¹⁹ There is a relatively high evidential bar: in *Affinity Leasing Limited v Total Motion Limited*, Mr Daniel Alexander QC, sitting as the Appointed Person reviewed the authorities and concluded that the overall message was that section 3(1)(d) “requires specific evidence that it is specifically customary.”²⁰ Mr Alexander also observed at paragraph 12 of his decision that section 3(1)(c) “does not require the same degree of proof that the term has in [sic] been used in the specific descriptive way.”

¹⁹ *Nude Brands Ltd v Stella McCartney Ltd*, [2009] EWHC 2154 Ch.

²⁰ Case BL O/522/20, at [22].

43. I need to make the assessment taking into account the expectations of relevant average consumers in deciding whether at the date of the application a mark had become “customary in the current language or in the bona fide and established practices of the trade”. Although where intermediaries influence decisions to purchase goods or services their views should also be taken into account, in the present case the average consumer for the contested services is largely the general public, and it is their views which are likely to be of decisive importance.²¹

44. In *Stash Ltd v Samurai Sportswear Ltd*, Professor Annand, sitting as the Appointed Person, stated that it was sufficient if a mark offended either limb of s.3(1)(d).²² That is to say, that (at the relevant date) the mark had become customary (a) “in the current language”, or b) “in the bona fide and established practices of the trade”. The words ‘of the trade’ should not be construed as applying to both limbs. Basing herself on the Oxford English Reference Dictionary, 1995, Professor Annand took “customary” (in the language) to mean “usual; in accordance with custom”.

45. The following evidence leads me to conclude that PAVILION, at the relevant date, was customary in the current language of the UK average consumer with regard to a limited set of services:

- the Yell.com evidence which shows buildings with the word pavilion on sports and recreation grounds, including entries which are listed as sports pavilions;
- the evidence about North Acton and Hythe Sports pavilions;
- the dictionary definitions which all refer to pavilions as buildings on sports grounds, to their uses, and almost without exception refer specifically to cricket pavilions;
- the Sunday Times examples support the dictionary definitions: “There is also planning consent for a cricket pitch and pavilion.” *Sunday Times* (2014);
- and the Royal Institute of British Architecture award in 2018 went to “Canoe Lake Leisure Tennis Pavilion” which was the clubhouse for tennis courts.

²¹ CJEU, Case C-371/02 *Björnekulla Fruktindustrier AB v Procordia Food AB*, paragraphs 24 and 25.

²² BL O/281/04.

46. The evidence falls short of establishing that other traders actively used the word, unequivocally, as a designation of the other services, or that ‘pavilion’ was customary in language before the relevant date. **The section 3(1)(d) ground succeeds for the following services but fails for all the others which were opposed under this ground:**

Class 41: Training; tuition and instruction services; providing of training; coaching (training); sports training; cultural and sporting services and activities; fitness training services; organisation of cultural and sporting events; provision of recreational events; providing recreational activities; gymnasium services; personal training services (fitness); providing gymnastic facilities; organisation of training; health club services; social club services; information, consultancy and advisory services in relation to all of the aforesaid.

Acquired distinctiveness

47. I have found that the section 3(1)(b), (c) and (d) grounds partially succeed. The applicant has filed evidence about the use it has made of “the PAVILION brand”. The proviso to section 3(1) of the Act provides that marks which are *prima facie* objectionable under sections 3(1)(b), (c) and (d) shall be accepted “if, before the date of application for registration, [the mark] has in fact acquired a distinctive character as a result of the use made of it.” The CJEU provided guidance in *Windsurfing Chiemsee* as to the correct approach with regard to the assessment of the acquisition of distinctive character through use.²³ 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

²³ Joined cases C-108 & C-109/97.

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.”

48. I begin by reminding myself that the relevant date is 14 May 2021 and that the applicant must prove that the mark had acquired distinctive character prior to that date.²⁴

49. Mr Gresham states that the applicant is a privately held company which owns, manages and develops commercial and residential properties throughout London. Amongst these is the PAVILION private members’ club, operated through a group company, Pavilion Knightsbridge Limited, which is under the applicant’s control. Mr Gresham explains that the club is upmarket, predominantly targeted at professionals in London who require dedicated spaces for working, networking and socialising. He states that the club has three sites in Kensington, Knightsbridge and the City of London and members have access to the three clubs and their facilities, which include restaurants, bars, private dining, fitness classes, meeting rooms, conference rooms and concierge services. Exhibits MG1 and MG2 include screenshots from the opponent’s website about these clubs, but the screenshots are dated 15 July 2022, over a year after the relevant date.

50. Mr Gresham states that the first PAVILION site was opened in Kensington in 2014, and the second, in the City of London, was opened in 2018.

²⁴ See *Oberbank AG & Banco Santander SA and Another v Deutscher Sparkassen- und Giroverband eV*, CJEU, Joined cases C-217 and 218/13 and *Dualit Ltd's Trade Mark* [1999] RPC 890.

51. Exhibit MG3 comprises a print from the magazine *Tatler*, in which an article dated 27 July 2021 (two months after the relevant date) refers to the Pavilion Club in Knightsbridge being a “brand sparkling new private members’ club”. The article says that “The Pavilion Group have established themselves as pioneers of luxury office space, having set up spaces in the City and Kensington.” An article in *Business Traveller* dated 23 March 2021 says that the Kensington club is “to open”. This means that, less than two months prior to the relevant date, the third (Kensington) club was not yet open with the extended services. Mr Gresham confirms that it was opened in July 2021. I note that the article says that since the 1990s it had been run as luxury serviced offices by Pavilion. Another article, also dated 23 March 2021, in *The Caterer*, notes that “Pavilion is to open its first social venue”.

52. Mr Gresham states that, after June 2017, the mark was used in the following form:²⁵

PAVILION

53. This was the form of use as captured on 16 June 2021 by the Wayback Machine internet archive at the applicant’s old website, pavilionoffices.com. The form represented by the contested mark was in use on the applicant’s new website, pavilionclub, on 27 July 2021.²⁶

54. There is no use of the contested mark, or inadequate evidence, for the services in relation to which I have found the opposition to succeed on a prima facie basis. The new club did not open until after the relevant date. There is no information about numbers of customers for the two PAVILION sites in Kensington and the City, nor turnover figures. Although *Business Traveller* refers to ‘Pavilion’ having run the Knightsbridge building as luxury serviced office space, there is no indication that the mark was publicly-facing, and Mr Gresham does not refer to the mark having been used at the Knightsbridge site prior to the new club opening in July 2021. A further issue is that any use of PAVILION has been in central London only. In *Bovemij Verzekeringen NV v Benelux-Merkenbureau*, Case C-108/05, the CJEU held that:

²⁵ Corrected by Mr Gresham’s second witness statement, as the date was originally thought to be June 2018, an error which was pointed out by Ms Flockhart in the opponent’s evidence-in-reply.

²⁶ Exhibit MG8.

“..... Article 3(3) of the Directive must be interpreted as meaning that the registration of a trade mark can be allowed on the basis of that provision only if it is proven that that trade mark has acquired distinctive character through use throughout the territory of the Member State or, in the case of Benelux, throughout the part of the territory of Benelux in which there exists a ground for refusal.”

55. PAVILION has only been used in London, in relation to two sites, apparently for the kind of services it is registered for in class 35 under number 3070240.

56. In *The Journal Trade Mark*, Mr Richard Arnold QC (as he then was), sitting as the Appointed Person, considered *Bovemij Verzekeringen NV v Benelux-Merkenbureau*.²⁷ Mr Arnold said that there might be a difference in the case of a service which is normally provided to a local clientele, such as hairdressing. However, he concluded that in the absence of further guidance from the CJEU, it was not possible to overcome an objection under sections 3(1)(b), (c) or (d) of the Act if the mark applied for has acquired a distinctive character only within a particular locality or region. He stated:

“23. First, a registered trade mark is a unitary national right. It confers a monopoly throughout the Member State in question. It follows that it must be valid throughout that state and not just in part of it.

24. Secondly, as the Court of Justice pointed out in *EUROPOLIS*, Article 3(3) of the Directive is an exception to Article 3(1)(b),(c) and (d) and must be interpreted accordingly. Article 3(1)(b), (c) and (d) provide objections to registration of trade marks grounded in public policy. Thus Article 3(1)(c) serves the public interest that descriptive signs or indications may be freely used by all: see e.g. *Case C-363/99 Koninklijke KPN Nederland NV v BeneluxMerkenbureau* [2004] ECR I-1619 at [54]-[55]. It follows that Article 3(3) should only “trump” an objection under Article 3(1)(b), (c) or (d) when that

²⁷ BL O/273/08.

public interest no longer applies because the mark has in fact become distinctive throughout the relevant territory.”

57. Registered trade marks give national, not local, rights; they allow their owners to restrain the use of other’s signs and marks throughout the UK. Applying the authorities, if trade mark applicants or owners intend to claim the benefit of acquired distinctive character obtained through use, that use must be more than local; otherwise, a national monopoly is obtained which is unjustified and unfair.

58. Finally, the form in which PAVILION has been used since June 2017 is different to the form of the mark applied for.²⁸ However, it is unnecessary to say any more about this since the evidence is inadequate, in any event, in relation to the objectionable services for the reasons given above.

Section 3(6) of the Act

59. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

60. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening*, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

²⁸ See *adidas AG v EUIPO*, Case T-307/17, [2019] E.T.M.R. 44., General Court.

“67. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]”.

61. It is necessary to ascertain what the applicant for the trade mark knew at the relevant date: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch). Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others*, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16).

62. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). It is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited*.

63. The caselaw shows that the initial evidential burden falls upon the opponent: it must present evidence from which a rebuttable presumption of lack of good faith can be drawn. If the opponent does that, then the burden shifts to the applicant to rebut the allegation.

64. I remind myself that the opponent claims that the applicant was aware of the opponent’s activities when it applied for the mark, the applicant having sent the opponent a letter before action.²⁹ This was to allege infringement of its trade mark registration 3070240 and passing off with regard to its business of private members’ clubs providing office space to businesses and professionals. The opponent claims that the mark applied for is closer to the opponent’s sign than a sign previously used by the applicant. At the time of application, it is claimed that the applicant had not used its mark for the opposed services, but was aware of the opponent’s services, and that, given the letter before action, the application was to block the opponent or

²⁹ On 27 April 2021.

was a tactic to put pressure on the opponent to change the name of its pre-existing building.

65. The facts do not point towards bad faith; at any rate, they point as much to good faith as to bad, which is not enough for the opponent to succeed under this ground. The applicant already had a private members' club business in London, providing office space to businesses and individuals. It saw the opponent's new building, called Pavilion, being publicised on its website and on social media, at a location not a great distance from its own business, and was concerned to protect its business and its name from confusion. Shortly after the opponent's reply to the applicant's cease and desist letter did not give the applicant the response it sought, it applied for the trade mark.

66. Mr Gresham states that the application was filed "to provide updated trade mark protection for Ocubis' PAVILION brand; there was a clear commercial rationale for filing the Application as explained further below." The evidence which Mr Gresham goes on to give is the evidence which I set out earlier in this decision. Exhibit MG3, for example, refers to the new Knightsbridge club as being an extension of the previous business space provisions in the other two PAVILION clubs: the article refers to the glamour and thrill of a full-fledged private members' club, with comedy nights, DJs and pilates. The article which describes the new club is dated two months after the relevant date and it says the club has opened. It is not credible that a new club, with new facilities which are represented by the services in the contested application, was only opened because of the dispute between the parties. Mr Gresham states that the articles in *Business Traveller* and *The Caterer* about the new club date from around the time that the opponent's activity came to his attention. The expansion of the PAVILION business was already underway at the relevant date.

67. Even without this evidence, given the position taken by the opponent, I read the motive for the application as a prudent attempt to preserve the applicant's own position against a competitor, as it already had a club on two sites and the

application included services which are often provided at clubs.³⁰ Mr Gresham states that the manner in which the opponent was marketing its new building suggested to him that it was a standalone private members' club associated with the opponent's Foxhills club and he believes that this is how consumers would interpret the marketing. The application seems to me the sort of legitimate objective referred to at point 10 of the Court of Appeal's summary of the law, in *Sky Limited & Ors v Skykick*. **The section 3(6) objection fails.**

Section 5(4)(a) of the Act

68. The opponent pleads section 5(4)(a) of the Act in the alternative. Its primary position is that the absolute grounds of opposition succeed. As I have found that the grounds of opposition under sections 3(1)(b), (c) and (d) succeed to a large extent, it is only strictly necessary to consider the passing off ground in respect of the applicant's services which survive those grounds and which were also opposed under section 5(4)(a).³¹ However, in case I am wrong about my conclusions or any part of them, I will consider the passing off claim against all the services which have been opposed under this ground:

Class 41: Entertainment; party planning (entertainment); training; tuition and instruction services; providing of training; coaching (training); sports training; cultural and sporting services and activities; fitness training services; organisation of entertainment events; organisation of cultural and sporting events; provision of recreational events; providing recreational activities; gymnasium services; personal training services (fitness); providing gymnastic facilities; non-downloadable electronic publications; arranging and conducting of workshops and seminars; organisation of training; health club services; social club services; information, consultancy and advisory services in relation to all of the aforesaid.

³⁰ See *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* [2008] EWHC 3032(Ch) at paragraph 189.

³¹ Non-downloadable electronic publications; arranging and conducting of workshops and seminars.

Class 44: Spas; spa services; health spa services for health and wellness of the body and spirit; beauty care services provided by a health spa; provision of spa facilities; information, consultancy and advisory services in relation to all of the aforesaid.

69. Section 5(4)(a) states:

“(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) [...]

(b) [...]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

70. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

71. The three elements which the applicant must show are well known. In *Discount Outlet v Feel Good UK* [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke, sitting as a Deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341,

HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

72. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

73. The *prima facie* relevant date is the date of the application for the contested mark: 14 May 2021. The opponent must show that it had sufficient goodwill at this date to bring the claim. There could also be a second, earlier, relevant date given the applicant's claims to have used the mark PAVILION.³² I will return to this issue only if it is necessary to do so.

74. In *Smart Planet Technologies, Inc. v Rajinda Sharm*, BL O/304/20, Mr Thomas Mitcheson QC, sitting as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J.*

³² *Advanced Perimeter Systems Limited v Multisys Computers Limited* [2012] R.P.C. 14, Mr Daniel Alexander QC, sitting as the Appointed Person.

Townend & Sons (Hull) Ltd [1980] R.P.C. Mr Mitcheson concluded at paragraph 30 that:

“.. a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”

75. A feature of that case was the size of the market for disposable cups which, like the present case for the opposed services, is large. It was also a major consideration that there was an element of descriptiveness in the sign relied upon, Recup. Commensurately stronger evidence would be required to demonstrate significant or substantial goodwill. Mr Mitcheson said, after finding the evidence in that case did not establish sufficient goodwill for the passing off claim, that:

“41. This conclusion is fortified by the submissions of Party B relating to the distinctiveness of the sign in issue. Recup obviously alludes to a recycled, reusable or recyclable cup, and Party B adduced evidence that other entities around the world had sought to register it for similar goods around the same time. The element of descriptiveness in the sign sought to be used means that it will take longer to carry out sufficient trade with customers to establish sufficient goodwill in that sign so as to make it distinctive of Party A’s goods.”

76. No doubt this is why the opponent has pleaded the ground in the alternative because its primary position is that PAVILION for the opposed services is devoid of any distinctive character, descriptive and generic. However, the tests are not entirely the same, as Jacob LJ said, in *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd*:³³

“This is the language of distinctiveness for trade mark registration, not that for testing whether a goodwill has been established.”

³³ [2006] EWCA 244 (Civ).

77. Bearing in mind the *Recup* case and *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited* [1946] 63 RPC 39, the opponent faces an uphill struggle in succeeding under this ground. This is compounded by two further factors. Firstly, the Pavilion building on its Foxhills country club site did not open until four days before the contested trade mark application was made. Secondly, there are restrictions to which of the public are able to access it. Foxhills is a club in Surrey, although some members are from further afield in the UK. I note that as well as the 5,000 members, Foxhills also hosts about 26,000 annual hotel guests, thousands of diners, delegates, spa goers and 17,600 non-member golfers. However, it is not very clear from the evidence which of these customers of Foxhills are also able to access the Pavilion. It appears that only the members, members' guests and hotel residents are able to use the Pavilion facilities.³⁴

78. In 2017, the opponent informed its members about the new building, a kind of leisure centre which was at that time called the new Family Building, in the following way:

“This will encompass the facilities of the Youth Club and Summerhouse. The plan shows a two-story pavilion measuring 16,000 square feet overlooking the walled garden and the Longcross course.”

79. This is not use of PAVILION (one of the signs relied upon) which will be perceived as a sign indicating trade origin. The name Pavilion was chosen in August 2019 and members were informed in December of that year. I note that once the name had been chosen the building was referred to as the Pavilion (with an upper case 'P'). 'Soft marketing' by email to members and prospective members took place periodically in 2020 (lockdown year), as well as on Foxhills' Facebook page and Instagram. The main public-facing marketing campaign about the Pavilion building commenced early in March 2021, two months prior to the relevant date. Mr Hayton states that the page reach between March 2021 and June 2021 (after the relevant date) was 522,488 for Facebook and 205,976 for Instagram, and there were 8,359 and 21,755 visits, respectively.

³⁴ Paragraph 8 of Mr Hayton's witness statement.

80. Press releases were sent to about 216 publications and media agencies: to national golf publications, national fitness publications, national hospitality publications, local Surrey media, national lifestyle publications and to lifestyle/fitness editors at national newspapers. These were published between 16 January 2021 and 7 May 2021. The building opened on 10 May 2021, four days before the contested application was filed.

81. It is not clear whether an advertising campaign featuring a mark can create a protectable goodwill without any actual sales to UK customers. In *Starbucks (HK) Limited and Another v British Sky Broadcasting Group Plc & Others*, [2015] UKSC 31, Lord Neuberger (with whom the rest of Supreme Court agreed) stated (at paragraph 66 of the judgment) that:

“Finally, a point which I would leave open is that discussed in the judgment of Sundaresh Menon CJ in *Staywell* (see para 46 above), namely whether a passing off claim can be brought by a claimant who has not yet attracted goodwill in the UK, but has launched a substantial advertising campaign within the UK making it clear that it will imminently be marketing its goods or services in the UK under the mark in question. It may be that such a conclusion would not so much be an exception, as an extension, to the “hard line”, in that public advertising with an actual and publicised imminent intention to market, coupled with a reputation thereby established may be sufficient to generate a protectable goodwill. On any view, the conclusion would involve overruling *Maxwell v Hogg*, and, if it would be an exception rather than an extension to the “hard line”, it would have to be justified by commercial fairness rather than principle. However, it is unnecessary to rule on the point, which, as explained in para 46, has some limited support in this jurisdiction and clear support in Singapore. Modern developments might seem to argue against such an exception (see para 63 above), but it may be said that it would be cheap and easy, particularly for a large competitor, to “spike” a pre-marketing advertising campaign in the age of the internet. It would, I think, be better to decide the point in a case where it arises. Assuming that such an exception exists, I do not consider that the existence of such a

limited, pragmatic exception to the “hard line” could begin to justify the major and fundamental departure from the clear, well-established and realistic principles which PCCM's case would involve. In this case, PCCM's plans for extending its service into the UK under the NOW TV mark were apparently pretty well advanced when Sky launched their NOW TV service, but the plans were still not in the public domain, and therefore, even if the exception to the “hard line” is accepted, it would not assist PCCM.

82. It appears to be clear that advertising under a mark is not sufficient to create an actionable goodwill where was no imminent prospect of trade commencing at the time: *Bernadin (Alain) et Cie v Pavilion Properties Ltd* [1967] RPC 581. Pre-launch publicity appears to have been accepted as sufficient to create an actionable goodwill in the cases of *Allen v Brown Watson* [1965] RPC 191 and *BBC v Talbot* [1981] FSR 228, but as explained in paragraph 3-156 of *Wadlow on the Law of Passing Off*, 6th Ed., the plaintiffs in these cases had long established businesses and goodwills in the UK. The real issue was whether their new marks had become distinctive of those businesses to their UK customers through advertising alone. Until the law is clarified, it is therefore doubtful whether a business with no sales to UK customers can establish a passing off right based solely on advertising.

83. The opponent did have an established business, although not under the sign PAVILION, prior to commencing the advertising of its new building and facilities. It was also imminently (or within a few months) opening the building for use. These are points in its favour. Mr Hayton states that non-golf membership increased to nearly double in the year to May 2021, from 557 to 1,029. He concludes that the reason for the increase was the Pavilion.

84. The difficulty with this conclusion is that it is supposition. One could also suppose that emergence from lockdown over this period increased membership. Although inference from facts can be made, there is a difference between inference and conjecture.³⁵ A further difficulty with the evidence is that Mr Hayton himself has

³⁵ *Jones v Great Western Railway Company* (1930) 144 LT194, at page 202. Lord Macmillian held that “[t]he dividing line between conjecture and inference is often a very difficult one to draw. A conjecture may be plausible but it is of no legal value, for its essence is that it is a mere guess. An

stated that the name was chosen because it is descriptive, as set out earlier in this decision at paragraph 24: “‘Pavilion’ describes a sports and leisure building’, which our building is.”

85. I am unconvinced that the burst of advertising shortly before the relevant date, coupled with the lack of distinctiveness of the word pavilion for facilities and services provided in a pavilion, takes the opponent over the line from trivial to small, but protectable, goodwill. It is therefore unnecessary to consider the position at any earlier date. **The section 5(4)(a) ground fails.**

Outcome

86. The opposition succeeds against:

Class 41: Entertainment; corporate hospitality (entertainment); party planning (entertainment); training; tuition and instruction services; providing of training; coaching (training); sports training; cultural and sporting services and activities; fitness training services; organisation of entertainment events; organisation of cultural and sporting events; provision of recreational events; providing recreational activities; gymnasium services; personal training services (fitness); providing gymnastic facilities; organisation of training; health club services; social club services; information, consultancy and advisory services in relation to all of the aforesaid.

Class 43: Accommodation services; accommodation reservations; provision of temporary accommodation; hospitality services; operating membership accommodation; providing accommodation for meetings and functions; private members dining club services; private members drinking club services; providing room reservation services; providing food and beverages; takeaway food services; hospitality services (food and drink); restaurant, bar and takeaway services; providing facilities for conducting meetings, seminars, conferences, receptions and

inference in the legal sense, on the other hand, is a deduction from the evidence, and if it is a reasonable deduction it may have the validity of legal proof".

parties; information, consultancy and advisory services in relation to all of the aforesaid.

Class 44: Spas; spa services; health spa services for health and wellness of the body and spirit; beauty care services provided by a health spa; provision of spa facilities; information, consultancy and advisory services in relation to all of the aforesaid.

87. As I said earlier in this decision, whilst the section 3(1)(b) and (c) grounds succeed in relation to the various accommodation terms in the applicant's class 43 specification, some of those terms cover hotel accommodation, for which I find there is no objection. Tribunal Practice Notice 1/2012 concerns partial refusal of applications. I bear in mind, in particular, paragraph 3.2.2 Defended Proceedings which indicates that I am only able to delete terms or add exclusions, not to re-word specifications unilaterally. That being the case, I invite the applicant to put forward, within fourteen days of the date of this decision, a re-wording of its specification in relation to the following terms only, to reflect hotel accommodation: *Accommodation services; accommodation reservations; provision of temporary accommodation; hospitality services; operating membership accommodation*. "Information, consultancy and advisory services in relation to all the aforesaid" will follow the amended terms. If the applicant puts forward amendments, the opponent will have fourteen days to make submissions about the amendments. I will then issue a short supplementary decision confirming the specification and setting the appeal period for both this decision and the supplementary decision.

88. If no such confirmation is received by the deadline, the mark will be refused for all the services in class 43, except for desk rental and information, consultancy and advisory services in relation to the aforesaid.

89. Subject to the above, the application may proceed to registration for:

Class 35: Management of business offices for others; Business office services; Office functions; Rental of office machinery and equipment; office secretarial services; business networking; business networking services; online business

networking services; rental of office equipment in co-working facilities; hiring of office equipment; telephone answering (for others); sales promotion (for others); arranging newspaper subscriptions for others; transcript of communications (office functions); providing temporary office support staff; arranging and conducting of marketing and promotional events; administration of membership schemes; loyalty scheme services; loyalty, incentive and bonus programs services; administration of loyalty and incentive schemes; promoting the goods and services of other by means of a loyalty reward card scheme; customer club services, for commercial, promotional and/or advertising purposes; online community management services; information, consultancy and advisory services in relation to all of the aforesaid.

Class 36: Real estate services; real estate affairs; real estate management; rental and leasing of property; rental and leasing of offices; rental of office space; rental and leasing of commercial premises; information, consultancy and advisory services in relation to of the aforesaid.

Class 41: Organisation of Webinars; non-downloadable electronic publications; arranging and conducting of workshops and seminars.

Class 43: Desk rental; information, consultancy and advisory services in relation to all the aforesaid.

Costs

90. The opponent has been successful to a greater degree than the applicant and is entitled to a contribution towards its costs, based upon the scale of costs published in Tribunal Practice Notice 2/2016. The award is offset by the degree of failure of its opposition, which is about 10% (applying a broad brush).

The breakdown is as follows:

Official fee for filing the opposition	£200
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Preparing and filing the notice of opposition

and considering the counterstatement	£500
Filing evidence and considering the applicant's evidence	£1300
Preparation for and attendance at the hearing	£900
Sub-total	£2900
Less 10% @ £290	£2610
Total	£2610

91. I order Ocubis Ltd to pay to Windsor Holdings Limited the sum of **£2610**. 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 11th day of October 2023

**Judi Pike
For the Registrar,
the Comptroller-General**