

O-273-18

TRADE MARKS ACT 1994

IN THE MATTER OF:

**TRADE MARK APPLICATION 3201890
IN THE NAME OF EASY INTERNATIONAL LIMITED
FOR THE TRADE MARK:**

EASY

AND

**OPPOSITION THERETO (UNDER No 409456)
BY EASYGROUP LIMITED**

Background and pleadings

1. The details of the mark the subject of these proceedings are:

Mark: **EASY**

Filing date: 13 December 2016

Publication: 3 March 2017

Applicant: Easy International Limited

Specification: Class 14: Precious metals; jewellery; precious stones; chronometric instruments

Class 26: Lace; embroidery; ribbons; braid; buttons; hooks and eyes; pins; needles; artificial flowers.

Class 38: Telecommunication services; communication services for the electronic transmission of voices; transmission of data; electronic transmission of images, photographs, graphic images and illustrations over a global computer network; transmission of data, audio, video and multimedia files; simulcasting broadcast television over global communication networks, the Internet and wireless networks; provision of telecommunication access to video and audio content provided via an online video-on-demand service; satellite communication services; telecommunications gateway services

2. Registration of the mark is opposed by easyGroup Limited (“the opponent”). Its grounds of opposition are based on sections 5(2)(b), 5(3) and 3(6) of the Trade Marks Act 1994 (“the Act”). Under the first two grounds, the opponent relies on the following two marks:

European Union Trade Mark (“EUTM”) 10584001 for the mark **EASYJET** which was filed on 24 January 2012 and registered on 9 January 2015. The opponent relies on the following goods and services under section 5(2)(b), but only those in class 39 under section 5(3):

Class 14: Precious metals and their alloys and goods made of or coated with these materials not included in other classes; jewelry, precious stones; watches, clocks, chronometric instruments, and horological instruments; cases for all the aforesaid goods.

Class 25: Clothing, footwear, headgear

Class 38: Telecommunications; provision of access to the Internet; providing user access to the Internet; advisory and arrangement services relating to all the aforesaid, including, but not limited to, all the aforesaid services provided via telecommunications networks, by online delivery and by way of the Internet; broadcasting of radio and television programmes; electronic transmission of announcements; services in connection with teleconferences.

Class 39: Transport; packaging and storage of goods; travel arrangement; travel information; provision of car parking facilities; transportation of goods, passengers and travelers by air, land, sea and rail; airline and shipping services; airport check-in services; arranging of transportation of goods, passengers and travelers by land and sea; airline services; baggage handling services; cargo handling and freight services; arranging, operating and providing facilities for cruises, tours, excursions and vacations; chartering of aircraft; rental and hire of aircraft, vehicles and boats; chauffeur services; taxi services; bus

services; coach services; rail services; airport transfer services; airport parking services; aircraft parking services; escorting of travelers; travel agency services; tourist office services; advisory and information services relating to the aforesaid services; information services relating to transportation services, travel information and travel booking services provided on-line from a computer database or the Internet.

EUTM 10583111 for the mark **EASYGROUP** which was filed on 23 January 2012 and registered on 3 July 2014. The opponent relies on the following goods and services under section 5(2)(b), but only those in class 39 under section 5(3):

Class 25: Clothing, footwear, headgear

Class 38: Communication, telecommunication, broadcasting and message transmission services; provision of access to the Internet; Internet service providers; advisory and consultancy services relating to all the aforesaid; including, but not limited to, all the aforesaid services provided via telecommunications networks, by online delivery and by way of the Internet and the world wide web; leasing access time to a computer database, Internet café services, namely renting and leasing access time to a computer database.

Class 39: Transportation of goods, passengers and travellers by air; airline and shipping services; airport check-in services; arranging of transportation of goods, passengers and travellers by land and sea; airline services; bus transport services, car transport services, coach services, baggage handling services; cargo handling and freight services; arranging, operating and providing facilities for cruises, tours, excursions and vacations; chartering of aircraft; rental and hire of aircraft, vehicles and boats; aircraft parking services; aircraft fuelling services, travel reservation and travel booking services provided by means of the world wide web, information services concerning travel, including information services enabling customers to compare prices of

different companies; travel agency and tourist office services; advisory and information services relating to the aforesaid services; information services relating to transportation services, including information services provided on-line from a computer database or the Internet.

3. The primary claims under section 5(2)(b) are based on the identity/similarity of the goods/services, the similarity between the marks, and that the elements JET/GROUP are “arguably descriptive or at best weakly distinctive”, such that there exists a likelihood of confusion.

4. Under section 5(3), the opponent relies on unfair advantage and detriment to distinctive character as the basis of its claims. I note its reference to the existence of a family of marks and expanding its mark/business into “associated ventures such as EASYHOTEL, EASYBUS and EASYGYM”.

5. Under section 3(6), the opponent’s claim is as follows:

The Applicant in this case is Easy International Limited. There are two listed officers of the company, one of which is Michael Gleissner. Michael Gleissner has achieved some notariety in the trade mark world for filing a vast number of domain name and trade mark applications over the last year, many for well-known brands or trade marks of large companies.

In the light of this, we submit that there is no bona fide intention to use the trade mark the subject of this opposed application, but is an attempt to register as a trade mark the EASY brand which is synonymous with the Opponent.

6. The applicant filed a counterstatement denying the grounds of opposition. It denies that the marks are similar, and, whilst accepting that there is some similarity between the goods/services, it cautions against finding similarity simply on the basis of common language being used. It denies that there exists a likelihood of confusion. Under section 5(3), the applicant does not consider the opponent’s case to be made out. Under section 3(6), reference is made to the decision of Arnold J in the *Red Bull*¹ case with the applicant noting in particular that a trade mark must be assumed to have been filed in good faith unless the contrary is established. It also states that there is no

¹ *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929

requirement for the applicant to show an intention to use given that it has a five year grace period (following registration) to put its mark into use.

7. Only the opponent filed evidence, accompanied by a set of written submissions. Neither side requested a hearing, but both filed written submissions in lieu. The opponent is represented by Kilburn & Strode LLP, the applicant has represented itself.

The opponent's evidence

8. This consists of a witness statement from Mr Ryan Pixton, a trade mark attorney. There is no real commentary in his witness statement, beyond statements as to the source of the exhibits he provides. Much of the exhibits go to the fame of the easyJet airline business and, also, what are often referred to as the "easy" family of marks. For reasons that will become apparent, I will not summarise this aspect of the evidence in any greater detail. What I instead focus on is the evidence about the applicant:

- Exhibit REP9 consists of a print from the website of Companies House for the applicant company. This shows that its director and sole shareholder is a Mr Michael Gleissner.
- Exhibit REP10 contains a number of documents:
 - i) An article published on the website of CITMA about a case between Apple and a company under the control of Mr Gleissner, where the latter had applied to revoke a large number of trade marks of the former. The conduct in making these applications for revocation was held to be an abuse of process.
 - ii) An extremely long list of UK company names, trade mark applications and domain names said to be linked to Mr Gleissner.
 - iii) A print from Companies House showing that Mr Gleissner is linked to 1103 UK registered companies.

- iv) A print from domainnamewire.com dated 4 April 2017 about the proceedings mentioned at i) above and where it is noted that costs of £38k were awarded against Mr Gleissner's company.
- v) An article from *World Trademark Review* dated 23 August 2016 about trade mark filings by businesses linked to Mr Gleissner, particularly in the US and in the UK. It is stated that between February 2016 and the date of the article, over 1,000 company names were registered in the UK by Mr Gleissner. Some were then filed as trade marks, for example, EUIPO INTERNATIONAL LIMITED applied in Portugal for the trade mark "EUIPO". There is speculation as to the motivation for the trade mark applications, most of which concerns Mr Gleissner's domain name portfolio. Theories include that the trade marks are used to obtain domain names, or to devalue them. The author of the article says that a lawyer for one of Mr Gleissner's companies, Marco Notarnicola, once described his job responsibilities on LinkedIn as including "manipulating trademarks to reverse hijack domain names through UDRP", although that comment has now apparently been removed.
- vi) A further article from *World Trademark Review* dated 15 August 2017 about what is described as a "phishing page" owned by a company linked to Mr Gleissner. It apparently mimics a webpage of the EUIPO, the article speculates that the motivation for the existence of this page might be to sell or licence the corresponding domain name to the EUIPO. Reference is made to the trade marks owned by Mr Gleissner's companies, including EUIPO.
- vii) A further article from *World Trademark Review* dated 5 October 2017 which provides extensive evidence about the global trade marks and domain name registrations filed by companies linked to Mr Gleissner.

- viii) An article from onlinedomain.com reporting on the huge global portfolio of trade marks and domain names linked to Mr Gleissner.

Section 3(6) of the Act

9. 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”.

10. In the *Red Bull* case, Arnold J summarised the relevant case-law as follows:

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of

probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or

acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)".

11. The applicant for the trade mark claimed to have been filed in bad faith is Easy International Limited. I accept, given his position as director and sole shareholder, that Mr Gleissner's conduct/motives can be attributed to the applicant and the assessment as to whether the trade mark was filed in bad faith made on that basis. As stated by Professor Ruth Annand, sitting as the Appointed Person in *Joseph Yu v Liaoning Light Industrial Products Import and Export Corporation* (BL O/013/15):

"22. [A] claim of bad faith is not avoided by making an application in the name of an entity that is owned or otherwise controlled by the person behind the application".

12. The applicant states that it has a five year period following registration in which to put its mark into use before it is vulnerable for revocation on the grounds of non-use. This is clearly correct. However, it is incorrect to state that its intention to use the mark can only be assessed at that point (five years after registration). There is a requirement on the part of an applicant for a UK national trade mark to make a declaration pursuant to section 32 of the Act that the mark is in use in relation to the goods/services applied for, or that there is a *bona fide* intention to use it. In *CKL Holdings NV v Paper Stacked Limited* (BL O/036/18), Geoffrey Hobbs QC, sitting as the Appointed Person, stated:

"22. [...] a declaration made pursuant to the requirements of s.32(3) can be false by reason of the absence of any bona fide intention to use a mark, with that in fact being indicative or symptomatic of the relevant mark having been put forward for registration in relation to goods or services of the kind specified in an improper manner or for an improper purpose, such as to justify refusal of the relevant application for registration on the ground of bad faith".

13. The applicant relies on a presumption of good faith and states that the onus is on the opponent, a burden which it has not discharged because its evidence is "insufficient to rebut the presumption of good faith" and "[there] is no concrete evidence to show, directly or indirectly, that there was bad faith at the time of the registration". I fully accept that there is an onus on the opponent, however, in my view, what the opponent needs to show is that there exists a *prima facie* case that the application

was filed in bad faith. If established, this is something which needs to be met by the applicant.

14. The articles and press reports in the evidence, together with the other material filed by the opponent, demonstrate that companies connected with Mr Gleissner have acquired large numbers of trade marks and domain names. This appears to be on a global basis, but the UK is clearly a country where such activity has been prevalent. Mr Gleissner is connected with over 1000 UK registered companies. Some of the evidence is hearsay, but, I accept it, given the corroborating material and Mr Gleissner's failure to even dispute any of the purported facts.

15. In its written submissions, the applicant states that the application was made in good faith and that the opponent's reputation is in the field of transport not the goods/services applied for. It considers it to be detrimental to the open market to allow the opponent to extend its reputation into the applied for good/services. For its part, the opponent states that the application was filed "as part of a much wider and more complex strategy of registering famous brands and commonplace words with no apparent intention to make use of [them].

16. Whilst I accept that the opponent's *prima facie* case is weaker to the extent that it relates to any claim that the applicant was directly targeting the easyJet/easyGroup marks with some form of improperly motivated application (and with no consequent intention to use the mark itself), I am inclined to at least accept that a *prima facie* case has been established that the application forms part of a wider strategy of filing marks with some form of ulterior motive to benefit from a clash with the rights of others. The exact form of ulterior motive is not absolutely clear and, indeed, there was some speculation as to the exact motive in the press articles. However, the sheer number of marks/company names/domain names that are connected to Mr Gleissner, together the adverse findings that have been made against him, means that there is a *prima facie* case that Mr Gleissner was not intending to use the mark in accordance with the essential distinguishing function.

17. The applicant has done nothing to rebut that *prima facie* case. It has not even stated that it intends to make commercial use of the mark for the purpose of

distinguishing goods or services. It has not explained why it filed the mark. I am satisfied that the applicant has made out a *prima facie* case, to which no satisfactory response or rebuttal has been made by the opponent. Consequently, the opposition based on section 3(6) of the Act succeeds. As the opposition has succeeded under this ground, there is no need to consider the remaining grounds.

Conclusion

18. Subject to appeal, the application for registration is refused.

Costs

19. The opponent has been successful and is entitled to an award of costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Tribunal Practice Notice (“TPN”) 2 of 2016. Using that TPN as a guide, but bearing in mind that the applicant filed no evidence, I award costs to the opponent on the following basis:

Official fees	£200
Preparing the Notice of Opposition and considering the counterstatement:	£300
Preparing evidence:	£500
Written submissions	£300
Total:	£1300

20. I order Easy International Limited to pay easyGroup Limited the sum of **£1300**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 3rd day of May 2018

Oliver Morris

For the Registrar

the Comptroller-General