

TRADE MARKS ACT 1994
SUPPLEMENTARY DECISION

IN THE MATTER OF TWO APPLICATIONS
BY ADVANTAGE TRAVEL CENTRES LIMITED
TO REGISTER No 3167622 FOR A SERIES OF TWO TRADE MARKS
IN CLASSES 39 AND 43:



AND APPLICATION No 3167625
TO REGISTER A SERIES OF TWO TRADE MARKS
IN CLASSES 35 AND 41:



AND THE OPPOSITIONS THERETO UNDER NOS 407549 AND 407550
BY AMERICAN AIRLINES INC.

1. On 19 January 2018, and following a hearing, I issued a decision in which I found the oppositions identified on the cover page of this decision to be successful under section 5(2)(b) of the Act in respect of the following services in the applications:

Trade mark application 3167622

Class 39

Travel and passenger transportation services; arranging travel and transportation; travel agency and tour operating services; organising of tours, trips, journeys and excursions; travel reservation services; booking agency services for travel; travel ticket reservation services; ticket booking services for travel; issuing of tickets for travel; electronic information services relating to travel and tourism; travel courier and travel guide services; transportation and escorting of passengers and luggage; arranging of vehicle hire; information, advisory and consultancy services in relation to all of the aforesaid.

Class 43

Temporary accommodation; accommodation reservation services; accommodation bureau services; hotel services; providing and rental of holiday homes, holiday flats and apartments; providing room reservation and hotel reservation services; electronic information services relating to travel accommodation; services for providing food and drink; restaurant, bar and catering services; information, advisory and consultancy services in relation to all of the aforesaid.

Trade mark application 3167625

Class 35

Business consultancy services; business management consultancy services; business advisory services; business guidance services; business strategy services; business planning services; business support services; business information services; marketing services; promotional services; advertising; distribution of advertising, marketing and promotional

material; arranging and conducting of trade shows; organisation of exhibitions and events for commercial or advertising purposes; operation, organisation and supervision of membership schemes; information, advisory and consultancy services in relation to all of the aforesaid.

2. The same oppositions failed under section 5(2)(b) of the Act for the following:

Trade mark application 3167622

Class 43

Day care services for infants and/or children or rental of meeting rooms.

Trade mark application 3167625

Class 35

Business networking; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives or organisation, operation and supervision of discounts through bulk purchasing.

3. After the hearing the applicant provided a fall-back position by letter, dated 23 October 2017. This was not considered in my original decision but should have been, I therefore issue this supplementary decision which, from herein, should be read in conjunction with and follows on from my original decision. Paragraph numbers follow accordingly.

85. In respect of its proposed fall-back position, the applicant submits as follows:

“For the avoidance of doubt, our client’s primary position remains that these oppositions should be dismissed in their entirety and the applications be permitted to proceed to registration with the specifications unamended. If

the Hearing Officer is not so minded, however, our client offers the following conditional limitations:

UK3167622 - ADVANTAGE HOLIDAYS BY ADVANTAGE

1) In the event that there is a finding of likelihood of confusion in relation to the application for Travel and transportation services, our client offers to remove Travel and transportation services from Class 39.

2) In the event there is a finding of likelihood of confusion in relation to the application for registration of any of the other services in Class 39, our client offers to limit those services by adding the wording but not including any such services provided for others by means of an incentive rewards program.

3) In the event there is a finding of likelihood of confusion in relation to the application for registration of any of the services in class 43, our client offers to limit those services by adding the wording but not including any such services provided for others by means of an incentive rewards program.

UK3167625 - THE ADVANTAGE TRAVEL PARTNERSHIP

1) In the event there is a finding of likelihood of confusion in relation to the application for registration of any of the services in Class 35, our client offers to limit those services by adding the wording all for supply to travel agents and travel agencies.

2) In the event there is a finding of likelihood of confusion in relation to the application for registration of any of the services in Class 41, our client offers to limit those services by adding the wording all for supply to travel agents and travel agencies.”

86. The applicant has not provided submissions in support of its proposed limitations. The opponent did not file comments in response.

87. I will deal first with the applicant's proposal to remove 'Travel and transportation services' from class 39 of 3167622. This is not a term that appears in the specification. I consider the applicant's proposal is intended to remove only part of the specification, however, each of the services as specified are related to travel and could be included within the term 'travel and transportation services'.

88. Consequently, this limitation is unclear and is unacceptable.

89. I turn next to the applicant's proposed limitation to the remaining services in classes 39 and 43 of 3167622. The applicant submits that where a likelihood of confusion is found:

"...our client offers to limit those services by adding the wording but not including any such services provided for others by means of an incentive rewards program".

90. I am mindful of the decision in *Omega SA (Omega AG) (Omega Ltd) v Omega Engineering Incorporated* [2012] EWHC 3440 (Ch), in which Arnold J. provided the following guidance on the application of the *POSTKANTOOR*¹ principle to limitations to specifications.

"43. The POSTKANTOOR principle. In POSTKANTOOR the applicant applied to register the word POSTKANTOOR (Dutch for POST OFFICE) in respect of goods and services in Classes 16, 35–39, 41 and 42. The Benelux Trade Mark Office refused registration on the grounds that the sign was descriptive. On appeal, the Gerechtshof te s'-Gravenhage (District Court of The Hague) referred nine questions of interpretation of the Directive to the Court of Justice, of which the eighth was as follows:

¹ Established in C-363/99

“Is it consistent with the scheme of the Directive and the Paris Convention for a sign to be registered for specific goods or services subject to the limitation that the registration applies only to those goods and services in so far as they do not possess a specific quality or specific qualities (for example, registration of the sign ‘Postkantoor’ for the services of direct-mail campaigns and the issue of postage stamps, provided they are not connected with a post office’)?”

44. The Court of Justice answered this question as follows:

“113. ... when registration of a mark is sought in respect of an entire class within the Nice Agreement, the competent authority may, pursuant to Article 13 of the Directive, register the mark only in respect of some of the goods or services belonging to that class, if, for example, the mark is devoid of any distinctive character in relation to other goods or services mentioned in the application.

114. By contrast, where registration is applied for in respect of particular goods or services, it cannot be permitted that the competent authority registers the mark only in so far as the goods or services concerned do not possess a particular characteristic.

115. Such a practice would lead to legal uncertainty as to the extent of the protection afforded by the mark. Third parties — particularly competitors — would not, as a general rule, be aware that for given goods or services the protection conferred by the mark did not extend to those products or services having a particular characteristic, and they might thus be led to refrain from using the signs or indications of which the mark consists and which are descriptive of that characteristic for the purpose of describing their own goods.”

45. The guidance given by the Court of Justice must be seen in the context of the question to which it was addressed, namely whether it was acceptable to restrict the goods or services by reference to the absence of

“a specific quality”. What the District Court of The Hague meant by this can be seen from the example it gave, viz. “the services of direct mail campaigns and the issue of postage stamps provided that they are not connected with a post office”. When the Court of Justice referred in its answer to “a particular characteristic”, it must have meant the same thing as the District Court meant by “a specific quality”.

46. The application of this guidance has caused some difficulty in subsequent cases. In *Croom’s Trade Mark Application [2005] R.P.C. 2* at [28]–[29] Geoffrey Hobbs QC sitting as the Appointed Person held that the *POSTKANTOOR* principle precluded the applicant from limiting a specification of goods in Classes 18 and 25 by adding the words “none being items of haute couture” or “not including items of haute couture”. He went on at [30] to refer to “characteristics that may be present or absent without changing the nature, function or purpose of the specified goods”. Mr Hobbs QC made the same distinction in *WISI Trade Mark [2007] E.T.M.R. 5; [2006] R.P.C. 22* at [16].

47. In *Oska’s Ltd’s Trade Mark Application [2005] R.P.C. 20* at [56] I observed *en passant* when sitting as the Appointed Person that I did not consider that it would be permissible to limit the specification by reference to the applicant’s intended target market.

48. In *MERLIN Trade Mark (BL O/043/05) [1997] R.P.C. 871* at [27]–[28] I held when sitting as the Appointed Person held that the disclaimer “but not including the provision of venture capital” was acceptable, because it was not framed by reference to the absence of particular characteristics of the services, but rather it was a restriction on the scope of the services embraced by the specification. Accordingly, “the effect of [the disclaimer] is simply to excise a particular service from the specification. The mere fact that it is more convenient to express it in negative than positive terms does not make it objectionable.”

49. I also allowed a second disclaimer “and not including the provision of any such services to the pharmaceutical biotechnological [or] bioscientific sectors” for reasons which I expressed at [29] as follows:

“The position with regard to the second disclaimer is more debatable, but in my judgment the disclaimer does not relate to a characteristic of the services. I consider that there is a distinction between goods and services here. An article of clothing is an article of clothing regardless of whether it is of a particular style or quality and regardless of the identity and proclivities of the intended purchaser. By contrast, services can be defined in part by the recipient of the service. The opponent’s registration is an example of this, since both the Class 35 and the Class 36 specification are limited to services provided to the pharmaceutical biotechnological and bioscientific sectors. In my view *POSTKANTOOR* does not make it impermissible to define services in this way. That being so, I consider that it makes no difference if the definition is expressed negatively rather than positively.”

50. In *Patak (Spices) Ltd’s Community Trade Mark Application (R746/2005-4) [2007] E.T.M.R. 3* at [28] the Fourth Board of Appeal at OHIM refused to allow a proposed limitation “*none of the aforesaid being dart games or darts*” to a class 28 specification as offending the *POSTKANTOOR* principle. I find this decision difficult to follow, since the exclusion related to categories of goods, rather than the characteristics of goods. It appears that the objection may have been down to the fact that the exclusion was negatively worded, but as I explained in *MERLIN [1997] R.P.C. 871* that is a matter of form, not substance, and so should not have been determinative.”

And

“56. Against this background, counsel for Swiss submitted that the limitation “intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such

having provision to record heat or temperature over a period of time and/or to display the time of day)” contravened the *POSTKANTOOR* principle because it purported to restrict the specification of goods by reference to whether the goods possessed particular characteristics.

57. I do not accept that submission for the following reasons. First, if and insofar as the *POSTKANTOOR* principle depends on the limitation being expressed in negative terms, the limitation in the present case is expressed in positive terms. Secondly, and more importantly, I do not consider that the limitation refers to whether the goods possess particular characteristics in the sense in which the Court of Justice used that term in *POSTKANTOOR*. Rather, the limitation refers to the functions of the goods. To revert to the analogy discussed above, it is comparable to a limitation of “clocks” to “clocks incorporating radios”. Accordingly, in my judgment it falls on the right side of the line drawn by Mr Hobbs QC in *Croom’s Trade Mark Application* [2005] R.P.C. 2 and *WISI Trade Mark* [2007] E.T.M.R. 5; [2006] R.P.C. 22.”

91. With regard to the applicant’s proposed limitation, ‘but not including any such services provided for others by means of an incentive rewards program’, I reject it. The limitation does not seek to limit a category of the services, but seeks instead to limit the way in which those services are provided or purchased by the consumer and, in my view, cannot operate.

92. In any case, even if I am found to be wrong in this, the applicant’s specification so limited would still be similar to the opponent’s services as registered for all of the same reasons as put forward in the earlier decision. The limitation does not change the nature of the services, rather it seeks to alter the way in which they are delivered.

93. In reaching such a conclusion I have taken account of the fact that the limitation proposed by the applicant could be seen to suggest that the opponent’s specification is limited to services being provided by an incentive rewards programme. This is not

the case.² As I have already found, in the earlier decision, the opponent's earlier marks are not subject to proof of use and the opponent is therefore entitled to rely on their full specifications and would include such services however provided.

94. Consequently, this proposed limitation to the applicant's specifications does not alter my previous decision and is rejected.

95. The remaining limitations put forward by the applicant refer to its application 3167625. It submits that in the event there is a finding of likelihood of confusion in relation to the application for registration of any of the services in Classes 35 and 41, the applicant offers to limit those services by adding the wording 'all for supply to travel agents and travel agencies.' Whilst it is clear from the case law cited above that services can be defined, in part, by the recipient of the services, such a limitation does not assist the applicant here. Such limitations are only likely to be effective in proceedings where the parties operate in clearly different sectors. That is not the case here. Both parties clearly operate in the travel industry. Limiting the applicant's specification to travel services offered to travel agents and travel agencies, i.e. a smaller part of the travel sector, does not avoid confusion with the opponent's travel services at large which naturally include services offered to travel agents and travel agencies. This proposed limitation is also rejected.

Conclusion

96. Having rejected the applicant's fall-back proposals in full, my earlier decision stands. I directed:

"The opposition succeeds under section 5(2)(b) of the Act save for the following:

Trade mark application 3167622

² I have referred to the use of such a scheme by the opponent in respect of its claims to enhanced distinctive character of its earlier marks.

Class 43

Day care services for infants and/or children or rental of meeting rooms.

Trade mark application 3167625

Class 35

Business networking; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives or organisation, operation and supervision of discounts through bulk purchasing.”

97. With regard to costs, the opponent did not comment on the fall back position provided by the applicant. Its submissions relating to the similarity of services in these proceedings were made prior to and during the hearing. Consequently, the opponent has not incurred additional costs over and above those that have been accounted for in my earlier decision. It follows, that this supplementary decision does not change my original decision as to costs in which I directed that the oppositions having been largely successful, the opponent is entitled to a contribution towards its costs (reduced to take account of the services for which it was unsuccessful).

The award is based on the scale provided in TPN 2/2016:

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| Official fees: | £200 ³ |
| Preparing statements and considering the other side's statements: | £400 |
| Filing evidence: | £500 |
| Preparing for and attending a hearing: | £800 |
| Total: | £2100 |

³ Adjusted to take account of the fact that both oppositions were determined on the 5(2) ground.

98. I order Advantage Travel Centres Limited to pay American Airlines Inc. the sum of £2100. 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. The period in which to appeal my decision dated 19 January 2018 and this supplementary decision will run from the date of this decision.

Dated this 24th day of January 2018

**Ms. Al Skilton
For the Registrar**