

**TRADE MARKS ACT, 1996**  
**TRADE MARKS RULES, 1996**

Decision in Hearing under Section 71

IN THE MATTER OF an application for registration of Trade Mark No. 232032, in the matter of an Opposition thereto and in the matter of the Applicant's request for leave to file additional evidence under Rule 23 of the Trade Mark Rules, 1996.

**CHEAPFLIGHTS INTERNATIONAL LIMITED**

**Applicant**

(Represented by FRKelly)

**CHEAPFLIGHTS LIMITED**

**Opponent**

(Represented by Mason, Hayes & Curran)

**Application for registration**

1. On 10 September, 2002 CheapFlights International, an Irish company, c/o Baker Tilly Ryan Glennon, Trinity House, Charleston Road, Renelagh, Dublin 6, Ireland, made application (No. 2002/01793) to register the word "CHEAPFLIGHTS" as a Trade Mark in Class 43 in respect of the following services:

*"Accommodation finding services for travellers; travel agency services for booking accommodation; information services relating to accommodation."*

2. The Application was subsequently advertised as accepted for registration under No. 232032 in Journal No. 2024 on 13 July, 2005.

**Opposition**

3. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Trade Marks Act, 1996 ("the Act") was filed on 12 October, 2005 by Cheapflights Limited, an English registered company, of 90 Westbourne Grove, London W2 5RT, United

Kingdom. The Applicant filed a counter-statement on 9 January, 2006 under Rule 19 of the Trade Mark Rules (“the Rules”) and evidence was filed by the parties under the Rules as set out in the following table:

<b>Rule</b>	<b>Date</b>	<b>Contents</b>
20	20 January, 2007	Statutory Declaration of Simon Bicket and 11 exhibits labelled ‘EXH 1’ to ‘EXH 11’
21	30 October 2008	Statutory Declaration of Marcello Alderi and 17 exhibits marked ‘MA 1’ to ‘MA 17’
22	26 August 2009	Second Statutory Declaration of Simon Bicket and 5 exhibits labelled as ‘SB 1’ to ‘SB 5’

4. On 12 January, 2011, the Controller, taking the view that the evidence filing stages was complete, wrote to the parties in accordance with Rule 25(1)<sup>1</sup> requesting them to elect whether they wished to attend at a hearing or file written submissions in lieu of attending at a hearing, and afforded the parties the two month period allowed in which to respond.

**Leave to file further evidence under Rule 23**

5. On 15 February, 2011 the Applicant requested leave to file further evidence in support of the application under Rule 23, which states:

*“No further evidence may be filed unless, in any proceedings before the Controller, the Controller gives leave to either the applicant or the opponent to file evidence upon such terms as to costs or otherwise as the Controller may think fit.”*

6. The simple and clear purpose and effect of that Rule is to bring to a conclusion the evidence-filing phase of opposition proceedings and to ensure that all of the evidence of the respective parties is disclosed and known to the other side and to the Controller prior to him deciding the matter. While the Controller is given a discretion to allow the filing of further evidence, that discretion must be exercised only where exceptional

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<sup>1</sup> As amended by the Trade Marks (Amendment) Rules 2010 (S.I. No.410 of 2010)

circumstances are shown to exist and in light of the policy objective pursued by the provision to the effect that, in general, no further evidence may be filed.

7. The application for leave was couched in the following terms:

*“We note that the parties to this opposition are also engaged in 3 cancellation actions in respect of Irish Registration Nos. 227052, 227053 and 230298. Our client filed a substantial amount of evidence in those invalidity actions in December 2010, which was not available and in some cases, was not in existence when the applicant filed its evidence under Rule 21 in this matter.*

*We hereby request leave under Rule 23 of the Trade Mark Rules, 1996 as amended to file further evidence in support of the application. The evidence will comprise a copy of the evidence filed in the invalidity actions between these parties. The evidence is already prepared and it will be possible to file the evidence in a very short time. The evidence goes to the allegation of bad faith and the allegation that an instance of confusion has occurred”*

8. The Controller provisionally refused the request for leave to file further evidence under Rule 23, by way of letter of 17 February, 2011, in which he pointed out the following:

*“The claim of ‘bad faith’, which the Office treats as a serious charge, was mentioned in the Notice of Opposition and was expanded upon in the Opponent’s evidence filed under Rule 20. The claim of an instance of confusion having arisen was mentioned also at the same two stages of these proceedings. The Applicant was clearly aware of and had an opportunity to respond to these claims under Rule 21. I note that the Opponent filed Rule 20 evidence on 2<sup>nd</sup> February, 2007 and the Applicant followed up with Rule 21 evidence on 29<sup>th</sup> October 2008. As such the Applicant had a full 20 months in which to collect and submit the evidence he or she desired to adduce in support of the application. In my opinion, such a period is more than ample time in which to do so.*

...

*While new material may have come to light...nothing has changed in terms of the nature of the objections raised against the application by the Opponent to warrant giving the Applicant a second bite at the cherry.”*

Prior to confirming the refusal, the Applicant was afforded an opportunity to be heard on the matter.

9. The Applicant responded by way of letter dated 10 March, 2011, which confirmed its intention to be heard on the matter and contained further observations and arguments supporting the application under Rule 23, written in the following terms:

“ ...

*We reiterate that the new evidence which is sought to adduce was not available when the evidence under Rule 21 was filed and indeed, in relation to the allegation that an instance of confusion had occurred, only came into existence just before the evidence was filed by the Applicant in the co-pending invalidity proceedings in December 2010. To further clarify the issue, we attach herewith copies of the two Statutory Declarations filed in the co-pending invalidity proceedings, which it is proposed to file as further evidence under Rule 23 in the present proceedings (exhibited to a brief Statutory Declaration for the sake of formalities). So that these matters can be viewed in context, we propose that a copy of both of these Statutory Declarations filed in the co-pending invalidity action should be filed as part of the evidence under rule 23 in the present matter, with the relevant exhibits.*

10. Having revisited the application for leave under Rule 23, the Controller, by way of letter dated 31 March, 2011 maintained the provisional decision to refuse the request. In doing so the Controller wrote to the Applicant stating, *inter alia*, the following:

*“The Statutory Declaration of 24<sup>th</sup> November, 2010 cannot, in my opinion, be considered in its totality as constituting ‘new evidence’, as it covers a significant amount of ground already covered in evidence submitted by the Applicant under Rule 21. It appears that this Statutory Declaration does not identify specific new evidence, which needs to be addressed now, that could not have been addressed reasonably by the Applicant’s evidence filed under Rule 21; or the specific aspects of the Opponent’s evidence under Rule 22 that the Applicant feels he must be allowed address now. It lacks, therefore, the clarity, in terms of what is the precise nature of*

*the new evidence, which is required in order to allow the Controller to exercise his discretionary power favourably and fairly under Rule 23.”*

11. The refusal became the subject of a hearing before me, acting for the Controller, on 20 July, 2011. The parties were notified at the hearing and subsequently by letter of 21 July, 2011 that I had decided to reject the application under Rule 23. I now state the grounds of my decision and the materials used in arriving thereat in response to a request by the Applicant in that regard pursuant to Rule 27(2) filed on 11 August, 2011.

**The Hearing and Arguments of the Parties**

12. At the Hearing the Applicant was represented by Ms. Niamh Hall, Trade Mark Attorney of FRKelly and the Opponent by Mr. Peter Bolger, Trade Mark Attorney of Mason, Hayes & Curran. Both parties presented comprehensive oral submissions, supported by numerous references to and extracts from relevant case law.

13. Ms. Hall provided specifics around the nature of the new evidence, indicating that it comprised of two Statutory Declarations, 21 of the 37 Exhibits referred to in those declarations and other material, all of which were filed in the parallel invalidity proceedings in which the parties are involved in respect of Irish Registration Nos. 227052, 227053 and 230298. Ms. Hall categorised the evidence under two headings: (i) the “Scott McCarthy evidence” (concerning an e-mail exchange between the managing director of the Applicant and Mr. Scott McCarthy) and (ii) the “24 November evidence” (relating to a Statutory Declaration sworn of that date in the name of the managing director of the Applicant); the latter being broken down further into two sub-categories (a) evidence concerning Archive.org and (b) marketing activities and other evidence.

14. As an aid Ms. Hall presented a table containing the following summary:

<b>Item</b>	<b>Paragraph</b>	<b>Exhibit</b>	<b>Description</b>
1	3	MA2	Printouts and invoices relating to various domains registered by the Applicant before settling on cheapflights.ie as its main domain name for Ireland
2	4	-	Explanation of the background to the choice of the domain name
3	8	-	Comments regarding knowledge of cheapflights.co.uk
4	History of the	MA10	Evidence of registration of branches in France and Sweden in

	Cheapflights.ie business section: 7 <sup>th</sup> bullet point		2001
5	8 <sup>th</sup> bullet point, 11 <sup>th</sup> bullet point	MA11 MA12	Extracts from Archive.org website showing archived images of the website cheapflights.ie, cheapflights.be and cheapflights.it
6	15 <sup>th</sup> bullet point	MA14	Details of travel operators visited during 2003-2004
7	16 <sup>th</sup> bullet point	MA15	Extracts from magazine distributed at Holiday World Show in Dublin (held in January 2004), photographs of the stand and copies of invoices relating to the fair
8	17 <sup>th</sup> bullet point	MA16	Copy of message from website relating to the Applicant's presence at the fair
9	20 <sup>th</sup> bullet point	MA17	Extracts from Archive.org website and other printouts showing introductory site posted in 2004 on cheapflights.ie
10	21 <sup>st</sup> bullet point	NA18	Extracts from Archive.org website showing low cost airline guide, selected offers for third parties, a search facility powered by ebookers.ie and a search box for hotel bookings, posted in 2004 on cheapflights.ie
11	22 <sup>nd</sup> bullet point	MA19	Extracts from Archive.org website showing a search facility powered by ebookers.ie posted in 2004 on the front page of cheapflights.ie
12	23 <sup>rd</sup> bullet point	MA20	Extracts from Archive.org website showing full website launched in 2005 on cheapflights.ie
13	24 <sup>th</sup> – 27 <sup>th</sup> bullet points	MA21	Details of visitor numbers, sales and commission generated for the period 2004 – 2007
14	15	-	Details of the launch of domain name cheapflights.ie
15	16	MA25	Extracts from Archive.org website showing archived images of the website cheapflights.ie
16	18	MA26	Details of advertising for 2003 – 2004 for the website and domain name cheapflights.ie
17	19	MA27	Information about Archive.org
18	29	MA29	Images from cheapflights.co.uk website archive
19	33(e)	MA30	Images from cheapflights.co.uk website archive
20	36	MA31	Images from cheapnights.com and cheapaccommodation.com website archive
21	44	MA34	Statistics for daily unique visitors to cheapflights.ie website
22	53	MA35 MA36	Information relating to the Mark Vuelosbaratos and information on the sales relating to the domain names Vuelosbaratos.com and Vuelosbaratos.es, printouts from the vuelosbaratos123.com website

15. This was the first time the Applicant attempted to identify the specific material which the Applicant requested leave to file. Prior to the Hearing the Applicant formulated its request for leave to file evidence under Rule 23 in extremely general and vague terms (as can be seen in the extracts from the original request and follow-up correspondence reproduced above). However, notwithstanding that the request was in relation to “new

evidence” (i.e. everything filed in the three co-pending invalidity actions, which comprises a significant volume of material), that “new evidence” contained evidence already filed by the Applicant under Rule 21 in these proceedings.

16. For the sake of procedural clarity, it is important to note that the Hearing was requested in relation to the Controller’s provisional decision to refuse leave to file, under Rule 23, the evidence for which leave to file evidence was requested - i.e. everything filed by the Applicant in the three co-pending invalidity actions. The Controller did not provisionally refuse leave to file any single item listed in the table above, as no application was made to file, nor was his attention directed to, any of these specific items of evidence (see extract from Controller’s letter of 31 March, 2011 above). It could be claimed that in providing greater detail, introducing some clarity around the identity of the “new evidence” and, by default, abandoning the request in relation to some of the material filed in the co-pending invalidity proceedings, the Applicant was, at the Hearing, making a fresh application under Rule 23, and therefore, this “new” application had not been provisionally refused by the Controller. If taken as such, it may be claimed that an adjournment of the Hearing was appropriate, as the matter at hand was no longer a hearing regarding a provisional refusal but one of the consideration of a first-time application under Rule 23. Lest anything be made of this, I am satisfied that (i) this was a Hearing concerning the Controller’s provisional decision to refuse the Applicant leave under Rule 23, (ii) at no time did the Applicant express a wish to file a fresh request for leave under Rule 23 and (iii) that, notwithstanding (i) and (ii), I have considered fully the itemised list contained in the table above in reaching my decision.

17. In summary Ms Hall articulated the following:

- i. The evidence goes to the claims of the Opponent that it had earlier rights based on goodwill and reputation in Ireland, the allegation that an instance of actual confusion had occurred and the allegation of bad faith in the filing of the application.
- ii. The email produced by the Opponent in support of its case from Scott McCarthy does not indicate actual confusion but rather was a mere “slip of the keyboard”.
- iii. The evidence indicates that the Applicant had its own independent and well-developed business pre-dating the filing date by many years, which weighs

against the allegation of bad faith and throws doubt on the Opponent's claims to the earlier rights in Ireland based on goodwill and reputation here.

- iv. The Controller must exercise his discretionary powers in accordance with general principles of law, including constitutional and natural justice and these principles must be observed in making the decision whether to grant leave to file the further evidence.
- v. That if the matter is finely balanced, in the interests of equity, the Controller should grant leave because the consequences for the requesting party, if denied leave, will be potentially more harmful (including damaging its ability to make its case, potential loss of property rights or placed in a position whereby it would have to resort to an appeal to the High Court) than the consequences for the other party if leave is granted (the possible need to file further evidence or additional costs). While the granting of leave may cause inconvenience and cost, provided there is an opportunity to reply, there can be no unfairness or tendency to undermine the reliability of the Controller's decision.
- vi. The Opponent is already in possession of the evidence in the parallel proceedings, so they will already have reviewed it.
- vii. The Bus Eireann decision indicates that expediency in opposition proceedings cannot be at the expense of excluding potentially relevant evidence. The Controller cannot for the sake of encouraging brevity of the proceedings adjudicate and reach a determination on the facts which are inaccurate or not complete because material necessary to provide a full account, or to rebut evidence previously adduced, has been excluded in order to mark the Controller's disapproval of a party's actions. The Controller's priority is first to pursue a fair adjudication that is consistent with principles of natural and constitutional justice and only secondly to strive for the smooth and efficient running of proceedings.
- viii. The Controller should not attempt to assess the potential significance of the proposed evidence as this would constitute prejudgement. The weight to be attached to the evidence is decided at the full hearing on the matter but the current circumstances are sufficient to render the evidence admissible as it is potentially significant, which is sufficient for leave to be granted.



18. In support of her arguments Ms. Hall referred to the following two passages from the Bus Eireann<sup>2</sup> decision:

*“It is a requirement of basic procedures as guaranteed by the Constitution that a person whose good name is impugned should be afforded a reasonable means of defending himself, including the right to give rebutting evidence (per the Supreme Court in Re Haughey at p. 264). It follows, in my view, that where there is a charge of mala fides, whether against an individual or a body corporate acting through individuals, in applying rule 23 the primary consideration must be to ensure that the maligned individual or body corporate is not deprived of the opportunity of adducing evidence in response to the evidence which tends to support the charge before the issue is adjudicated on.”*

*“Rules 20 to 23 inclusive of the 1996 Rules are concerned with the filing of statements of fact before the Controller, not statements of lay opinion, argument, comment, advocacy or submissions on the law. If an opponent files rule 22 evidence which strays beyond factual matters into areas which counsel for the opponent in this case urged it is permissible to explore (comment, identification of gaps in the rule 21 evidence, repetition of elements of the rule 20 evidence, adding emphasis, using different language, raising rhetorical questions), a question may arise as to whether, if the applicant is not granted the same indulgence, the balance of fairness could be tilted against the applicant in a manner in which the applicant’s entitlement to make submissions on the substantive hearing, or, where permitted, to cross-examine the adversary, would not sufficiently redress. Although this may be at variance with the current practice before the Controller, I would caution that, in view of the underlying policy of the 1996 Rules that the evidence filing phase should generally be concluded in three stages, allowing either side to stray beyond the parameters of what is expressly allowed – filing evidence of fact – may give rise to either a risk of unfairness or a difficulty in determining whether, as has arisen on this appeal, a particular statement is a mere comment or constitutes a new fact.”*

19. Ms. Hall also referred to the Hunt-Wesson<sup>3</sup> decision, in particular that *“the primary consideration should be whether the Applicant for leave is afforded at least the minimum*

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<sup>2</sup> Bus Eireann / Irish Bus v The Controller and Last Passive Limited [2007] IEHC 221 (aka the ‘Aircoach’ case)

*protection to defend his good name*” and urged that the principles, which apply to requests to file additional evidence in England, as set out in Hunt-Wesson and approved and followed by the Irish courts in the Bus Eireann and Unilever<sup>4</sup> decisions, should be followed in these proceedings; these factors being the following:

- (i) Whether the evidence could have been filed earlier and, if so, how much earlier.
- (ii) If it could have been, what explanation for the late filing had been offered to explain the delay
- (iii) The nature of the mark
- (iv) The nature of the objections to it
- (v) The potential significance of the new evidence
- (vi) Whether or not the other side would be significantly prejudiced by the admission of the evidence in a way which could not be compensated, e.g. by an order for costs
- (vii) The desirability of avoiding multiplicity of proceedings
- (viii) The public interest in not admitting on the register invalid trade marks

20. On behalf of the Opponent Mr. Bolger submitted that the application under Rule 23 may be refused lawfully by the Controller on the basis that:

- a. The principles to be followed by the Controller in making his decision whether to allow or not allow the Rule 23 Application are those set out by the High Court in the Aircoach<sup>5</sup> case (the “Aircoach Principles”)
- b. The Rule 23 Application itself fails *in limine* or, to put it another way, does not meet the threshold required by Rule 23 for the Rule 23 Application to be considered by the Controller in light of the Aircoach Principles; and
- c. If the Rule 23 Application is not held to fail *in limine* by the Controller, and I submit that the Controller may lawfully and correctly decide that it does fail *in limine*, it should in any event be refused on the basis of the Aircoach Principles.

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<sup>3</sup> Hunt-Wesson Inc’s Trade Mark Application [1996] RPC 233

<sup>4</sup> Unilever Plc -v- Controller of Patents & Sunrider Corporation [2005] IEHC 426

<sup>5</sup> aka Bus Eireann / Irish Bus v The Controller and Last Passive Limited [2007] IEHC 221

21. It was clear, in Mr. Bolger's opinion, that only some of the factors first set out in *Hunt-Wesson* were approved, by Laffoy J. in the Aircoach decision, for use by the Controller; these factors being:

- (i) Whether the evidence could have been filed earlier and, if so, how much earlier.
- (ii) If it could have been, what explanation for the late filing had been offered to explain the delay
- (iii) The nature of the objection to the mark and "where an objection is grounded on an allegation of bad faith, the primary consideration should be whether the Applicant for leave is afforded at least the minimum protection to defend his good name. (emphasis added by Mr. Bolger)

Mr. Bolger argued that no other *Hunt-Wesson* principles apply in Ireland before the Controller and unlike *Hunt-Wesson* Laffoy J. stated that the Controller should not attempt to assess the potential significance of the proposed Rule 23 evidence because to do so smacks of prejudgement.

22. I would summarise Mr. Bolger's arguments as follows:

- a. The onus is squarely on the Applicant for leave to demonstrate that it has met the Aircoach Principles, which the Applicant has failed to do.
- b. The Rule 23 application itself fails *in limine* as it does not meet the threshold required by Rule 23.
- c. The Applicant has failed to identify with any degree of particularisation the evidence for which leave to file under Rule 23 is sought.
- d. The Applicant for leave has not given sufficient reason for delay in filing.
- e. The Applicant for leave has failed to indicate what evidence could have been filed earlier and, if any, how much earlier and the reasons for the delay in filing.
- f. The Applicant for leave has failed to specify what evidence relates to bad faith and to confusion.
- g. The general and vague nature of the application for leave placed an enormous obligation on the Controller requiring him to wade through a "banker's box" of evidence filed in three separate invalidity proceedings in an attempt to identify specific evidence and reasons why it should be allowed under Rule 23. It is not for the Controller to do the work and make the case for the Applicant for leave.

- h. The allegation of bad faith was made from day one and no further claim of bad faith was submitted by the Opponent in its Rule 22 evidence and, accordingly, the Applicant for leave has had “the minimum protection to defend its good name”.
  - i. The Applicant addressed bad faith in its evidence filed under Rule 21.
  - j. There is no case law to suggest that confusion is to be treated the same as bad faith under the Aircoach Principles.
23. As expected, the parties took contrary positions on many points, which I do not feel bound to give an opinion on. However, I feel I must address the contrasting views concerning the appropriate principles (*Aircoach* or *Hunt-Wesson*) to be applied. I am satisfied that the correct principles to be followed in reaching a determination in these proceedings are those contained in *Aircoach*, in which Laffoy J. mentioned only some of the factors of *Hunt-Wesson* (those highlighted in Mr. Bolger’s submission).
24. However, the same judge in *Unilever* did apply all the *Hunt-Wesson* factors. But, in my opinion, in *Unilever*, Laffoy J. did not suggest that the *Hunt-Wesson* factors were, henceforth, to be used as the acid test. The relevant passage from *Unilever* is written in the following terms:
- “As a general proposition, I think that the sum of the foregoing [Hunt-Wesson] factors, if they were accepted as being applicable in this jurisdiction, would provide for a more liberal regime for the introduction of evidence on an appeal from a decision of the Controller than the principles laid down by the Supreme Court in *Murphy v. The Minister for Defence* [1991] 2 I.R. 161, in relation to the admission of further evidence on an appeal from the High Court to the Supreme Court. This application has been addressed by Sunrider on the basis that the onus on Unilever is to meet the criteria in the *Hunt Wesson Inc.* case rather than the more arduous requirements of *Murphy v. The Minister for Defence*. Accordingly, that is the basis on which the court will decide the issue.” (emphasis added)*
25. It appears to me that Laffoy J. was willing to ignore the “*more arduous requirements of *Murphy v. The Minister for Defence**” simply on the basis the application had been addressed by *Sunrider* (the defendant) on the basis that *Unilever* (the plaintiff) should meet the lesser criteria of *Hunt-Wesson*. The bar was lowered voluntarily by *Sunrider*

and Laffoy J. said “fine - have it your way”. Laffoy J. also stated that “*if they [the Hunt-Wesson factors] were accepted as being applicable in this jurisdiction, [they] would provide for a more liberal regime for the introduction of evidence....*” without expressing an opinion on whether or not they are indeed applicable in this jurisdiction or suggesting that a more liberal regime was desirable.

### **Application fails *in limine***

26. By the Applicant’s own admission this “new evidence” came to light as a result of a re-examination of its records in preparing its case in defence of the invalidity actions. It appears that during that re-examination the Applicant suddenly realised that some evidence it may have intended to submit in this opposition was overlooked and realising the “error” is now trying to use Rule 23 to undo the damage. At no time, either in its application for leave or at the Hearing, did the Applicant point to anything specific in the evidence filed under Rule 20 or Rule 22 by the Opponent in these proceedings that actually triggered the application.
27. I am satisfied the argument that the application for leave should be refused as failing *in limine* is extremely strong and that I would be correctly and lawfully justified in refusing it on that ground alone. However, in the case of an appeal, should it be found that I have erred, I have decided not to refuse the application on that basis alone.

### **New evidence regarding allegation of bad faith**

28. The mention of bad faith appears first in the Notice of Opposition, filed on 12 October, 2005, in which the Opponent makes the following claims at paragraphs 4 and 5 in respect of the sections of the legislation that deal with bad faith:

“4. *The Applicant’s application was made in the knowledge, on the part of the Applicant, its servants and agents, of the Opponent’s proprietorship of the Opponent’s prior unregistered mark and thus registration would be contrary to Section 8(4)(b) of the Trade Marks Act, 1996.*

5. *The Applicant’s mark is neither being used in the State by the Applicant in respect of the services for which registration is sought nor is there a bona fide intention that it should be used in the State in respect of those services and thus*

*registration would be contrary to Section 8(4)(b) and Section 37 of the Trade Marks Act, 1996.”*

The claim was denied by the Applicant in its Counter Statement of 9 January, 2006.

29. The claims are repeated in evidence, filed by the Opponent under Rule 20, in the Statutory Declaration of Simon Bicket of 25 January, 2007 at paragraph 34 (under the heading ‘Bad Faith’) and paragraph 35 (under the heading ‘Bona Fide Intention to Use’), saying:

*“34. I have no option but to conclude that the only reason the Applicant has applied to register the Applicant’s mark is to take advantage of the reputation and goodwill of the [Opponent’s] company in Ireland. The Applicant has failed to show any connection with the Company or any reason why it would wish to register the mark CHEAPFLIGHTS. Furthermore the Applicant is based in Ireland and must have known and been aware of the reputation and goodwill of the Company which had been built up over a period of 7 years prior to the date of application for the Applicant’s mark.*

*“35. I say and believe that the Applicant has not demonstrated any bona fide intention to use the mark CHEAPFLIGHT in respect of all of the services specified in the Applicant’s application and the Applicant’s application for the Applicant’s mark should be refused.”*

30. The Applicant addresses these claims at length in evidence filed in support of the application under Rule 21. In summary, the Applicant adduces that the Opponent did not have a trading presence in the State at the relevant date, let alone a reputation, and therefore, there was no goodwill or reputation to take advantage of. Furthermore the Applicant claims that the Opponent does not use CHEAPFLIGHTS in relation to the provision of *accommodation services* anywhere, never mind in Ireland. The following statements from the Statutory Declaration of 29 October, 2008 of Marcello Alderi attest to this:

para 6: *“There are no emails to or from .ie addresses. There is no evidence of any publicity or marketing carried out in Ireland at this time. There are no declarations filed by Irish consumers or Irish travel agents attesting to their knowledge of the website at this time, nor is there any independent survey evidence.”*

para 9: *“Again while the Opponent claims not only use, but a reputation in Ireland, there is no evidence backing this up. There is no evidence towards the nature of the use in Ireland, the turnover in Ireland, or the extent of use geographically within Ireland. Neither is there any evidence from independent parties attesting to the reputation of the Opponent in Ireland at the relevant time.”*

para 10: *“No evidence that Irish consumers actually attempted to enter their details on the mailing list has been provided. This only shows that contrary to what the Opponent has claimed, use of the Trade Mark was only in the UK. Furthermore it reinforces that the Opponent did not wish to offer the service to Irish users.”*

para 13: *“While the evidence of accounts in 2005 is not relevant to proving an allegation of reputation in 2002, the accounts do lend weight to the Applicant’s case in that it is clear that the Opponent itself was well aware that no trade worthy of mentioning was arising in Ireland as late as March 2005.”*

para 15: *“The Opponent makes first mention of the services in the opposed application at paragraph 10 of the Statutory Declaration and claims use of CHEAPFLIGHTS since 1999 in relation to accommodation services. The Opponent has not however provided any evidence in this regard which seems a peculiar omission given that this is the crux of the issue. ...I have attached hereto and mark ‘MA5’, two pages – one from the website cheapnights.com and one from cheapaccomodation.com, which show that accommodation services are not provided under the CHEAPFLIGHTS Trade Mark.”*

para 25: *“The Opponent has therefore claimed a reputation in Ireland without being able to provide a single piece of third party evidence of advertising or publicity through the media.”*

*para 34: “The Opponent does not have a reputation in Ireland and therefore there was no reputation to take advantage of.”*

31. In its Rule 21 evidence the Applicant rejects the Opponent’s claim of a lack of bone fide intention to use, as a ground of bad faith, and provides evidence of the various measures the Applicant has taken to provide and market the services under the Applicant’s mark.

32. In its evidence filed under Rule 22 the Opponent does not alter or expand upon the grounds on which the original claim of bad faith was made. At paragraph 26 of the Second Statutory Declaration of Simon Bicket the Opponent makes the following statements, which are the only direct references to bad faith contained in its evidence under Rule 22:

*“With regard to paragraphs 32 and 33 of the Applicant’s First Statutory Declaration, I understand that the registration of a business name or a company name or filing a trade mark application does not bar a ruling of bad faith. It is also clear that at the filing date, the applicant’s trade mark was not in use as a trade mark. This ground of opposition is made out where the circumstances surrounding the application at the filing date indicate that bad faith exists...”*

33. Accordingly, the grounds remain as those stated in both the Notice of Opposition and evidence filed under Rule 20; namely the Applicant’s alleged knowledge of the Opponent’s company, its goodwill and reputation and the Applicant’s alleged intention to take advantage thereof.

34. The reason given for the application for leave was that the new evidence goes to the allegation of bad faith and the allegation of an instance of confusion. Clearly the “Scott McCarthy evidence” concerns only the allegation of an instance of confusion, which means the “24 November evidence” is directed towards the allegation of bad faith.

#### **Archive.org evidence**

35. Of the 22 items listed in the table at paragraph 14 above, 10 relate to Archive.org. I find it puzzling, to say the least, that archive material, relating to the state of play of websites, which is captured on a continuous basis, stored and thereafter available, could be



described as either not available or not in existence in October 2008 (at the time of filing Rule 21 evidence), as claimed in the application for leave, but somehow became available or came into existence only recently.

36. At the Hearing Ms. Hall appeared to jettison these reasons and suggested that the Archive.org evidence was not filed because it was “*not customary or accepted practice at the time Rule 21 evidence was filed to include such archive extracts*” and that it only came to light (a different concept entirely to “not available” or “not in existence”) when the Applicant re-examined its records in preparing its case in defence of the invalidity actions. The application for leave, based on these reasons is unsustainable and must be refused for a number of reasons. Firstly, the Applicant has a right to gather and submit under Rule 21 whatever evidence it desires to adduce in support of its application and should do so in a diligent manner. Whether the filing of certain material is *de rigueur* should not be a consideration. Secondly, the Applicant had knowledge of Archive.org, and admitted that the evidence “*technically existed*”, but chose freely not to file any of it at Rule 21 stage in support of its application. Lastly, and most importantly, the Opponent’s evidence and exhibits filed under Rule 20 contained extracts from Archive.org, which the Applicant commented upon at length in its Rule 21 evidence and, as the following extract highlights, suggested that such evidence should not be accepted into evidence:

*“What this shows is that these printouts cannot be used from a third party site over which the Opponent has no control and no knowledge of the organisation (or lack of organisation) of the contents. Archive.org cannot be used to depict an accurate picture of how a website functioned a number of years ago. The contents of archive.org as produced, are clearly unauthenticated third party documentation and should not be accepted into evidence, or given any weight at all. To do otherwise is to allow hearsay evidence into the proceedings.”*

Having made these statements I find it extraordinary that the Applicant should, at this time, seek leave to file material of an identical nature. In light of all the foregoing I have no hesitation in refusing the application in respect of all material relating to Archive.org.

### **Other “24 November evidence”**

37. The remainder of the “24 November evidence” concerns marketing, historical website domain material, statistics and what I will label “non-factual material”. As regards the first three categories I cannot see, nor has any acceptable explanation been offered as to why this material was not available, or in existence, or filed at the time of filing evidence under Rule 21. No attempt has been made to link the application in respect of these parts of the “24 November evidence” to, for example, relevant facts recently coming into existence, the need to correct significant factual inaccuracies or the need to address new claims or veiled allegations in the Opponents evidence. No good reasons exist for allowing its introduction into evidence at this time and, therefore, I must refuse the application in respect of this material.
38. Turning to the non-factual material (items 2 and 3 in the aforementioned table) and the decision in *Aircoach* that if an Opponent’s Rule 22 evidence strays into the areas of comment, lay opinion, argument, etc. that the balance of fairness may be tilted against the Applicant if it is refused the opportunity to file further evidence in reply to this type of material. It is proper that the Controller should consider allowing non-factual material in under Rule 23, but the application for leave to do so must comply with the basic requirements expected of Rule 23, insofar as it must, at a minimum, identify the specific non-factual element(s) of the Opponent’s Rule 22 evidence for which it seeks the same indulgence. In this case the Applicant does not make any such identification that would allow the Controller to rule favourably in that regard. Therefore leave to file items 2 and 3 is refused also.
39. In any event, I would add that, as a Hearing Officer of the Controller, it is my practice to ignore this extraneous material and to have regard only to the facts stated and established in Statutory Declarations and accompanying exhibits. Those facts, together with the arguments presented at hearings, form the basis of my decisions and it need hardly be said that those decisions are not influenced by opinions and beliefs expressed by deponents offering evidence in support of one or other party.

### **Alleged instance of confusion - the “Scott McCarthy evidence”**

40. It is suggested that this ‘new evidence’ was not available when compiling evidence under Rule 21 and only came into existence recently. It is clear that this ‘new evidence’ came into being as a result of a direct approach from the Applicant to Mr. McCarthy roughly four years after the alleged instance of confusion was particularised in the Opponents evidence submitted under Rule 20 (the instance itself having allegedly taken place some two years previous). It was suggested in correspondence and again at the Hearing that Mr. McCarthy left his employer less than two years ago and the Applicant encountered some difficulty tracking him down. However it appears that Mr. McCarthy was with his employer for at least four years after the alleged instance of confusion took place and no attempt was made to contact him during those years.
41. Having been tracked down, it is clear also, from Mr. McCarthy’s prompt reply, which was dispatched on the very day he received the Applicant’s e-mail, and from the contents therein, that an earlier approach would have been dealt with in an equally expeditious manner. What is not clear, and no valid reasons have been offered by way of explanation, is why the direct approach, which was in the gift of the Applicant, was not made to Mr. McCarthy during the most appropriate period in these proceedings, namely the approximate 20 months between the filing of Rule 20 evidence by the Opponent and the Applicant’s filing of evidence under Rule 21. Accordingly I refuse the application in respect of this element of the application.

### **Conclusions**

42. This is not, in my opinion, a case of “new evidence” not being available or not in existence when the evidence under Rule 21 was being filed, but a case of failure by the Applicant to take the necessary steps to gather the evidence that appears very much to have been available and in existence at that time, which is, in the context of adjudicating on an application under Rule 23, a very important distinction.
43. In all its submissions before the Controller the Opponent was up-front and consistent in stating its claims with respect to the allegation of bad faith and gave formal, advance notice and particulars in good time to enable the charge to be defended. In this regard I am satisfied that the Applicant was afforded more than a minimum level of protection to defend its good name.

44. The Opponent's claim regarding an alleged instance of confusion was equally unambiguous, made at the earliest possible opportunity and unaltered thereafter. The Applicant had within its gift the wherewithal and more than a reasonable amount of time to gather and submit the evidence, which it now seeks leave to file, to address this claim.

**Decision**

45. This is not a finely balanced matter, but rather a very clear-cut case. I find no reason to warrant exercising the Controller's discretion favourably towards the Applicant for any specific item of evidence listed in the table and I am satisfied the application as a whole fails *in limine*. I therefore refuse the application for leave to file further evidence in its entirety.

Dermot Doyle

Acting for the Controller

14 September 2011