



BENELUX OFFICE FOR INTELLECTUAL PROPERTY
CANCELLATION DECISION
N° 300042
6 October 2020

Claimant: **Bluehost, Inc. c/o The Endurance International Group**
Corporate Drive 10
Burlington, Massachusetts 01803
United States of America

Representative: **Ploum**
Blaak 28
3011 TA Rotterdam
Nederland

against

Defendant: **Zonat S.A.**
Rue de Bitbourg 11
1273 Luxembourg
Luxemburg

Representative: **Molitor Avocats à la Cour SARL**
Rue Sainte-Zithe 8
2763 Luxembourg
Luxemburg

Contested trademark: **Benelux trademark 885410**

bluehosting.com

I. FACTS AND PROCEEDINGS

A. Facts

1. On 27 August 2018 the claimant filed an application for cancellation in accordance with Article 2.30bis (1)(a) of the Benelux Convention on Intellectual Property (hereinafter: "BCIP")¹ based on the ground for revocation set out in Article 2.27 (2) BCIP, namely that no genuine use has been made of the contested trademark in accordance with Article 2.23bis BCIP.

2. The cancellation application is directed against the Benelux registration 885410, which was filed by the defendant on 14 July 2010 and was registered on 2 August 2010 for services in classes 35, 38 and 42 for the following word trademark: bluehosting.com

3. The cancellation application is directed against all services of the contested trademark, namely²:

- Class 35: Advertising; business management; business administration; clerical services; communication and on-line advertising for discounts and rebates for hosting services as defined in classes 38 and 42.
- Class 38: Telecommunication services.
- Class 42: Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software.

4. The language of the proceedings is English.

B. Course of the proceedings

5. The application for revocation is admissible and was notified by the Benelux Office for Intellectual Property (hereinafter: "the Office") to the parties on 28 August 2018. During the administrative phase of the proceedings both parties filed arguments. The course of the proceedings meets the requirements as stated in the BCIP and the Implementing Regulations (hereinafter: "IR"). As the application relates exclusively to a declaration of revocation for non-use, pursuant to Rule 1.31(2) of the UR, the defendant was first given the opportunity to react in writing by submitting proof of use or substantiating that there are proper reasons for not using the contested trademark, at which time the claimant and, finally, the defendant were asked to react. In addition the proceedings were suspended once at the request of the parties. The administrative phase was completed on 27 September 2019

II. ARGUMENTS

¹ This decision shall always refer to the laws and regulations applicable on the date of the decision, except in the case of provisions which have undergone a material change during the proceedings and which are relevant to the decision.

² The original language of the contested trademark is French:

Cl 35 Publicité; gestion des affaires commerciales; administration commerciale; travaux de bureau.

Communication et publicité en ligne pour des remises et réductions relatifs aux services d'hébergement tels que définis aux classes 38 et 42.

Cl 38 Télécommunications.

Cl 42 Services scientifiques et technologiques ainsi que services de recherches et de conception y relatifs; services d'analyses et de recherches industrielles; conception et développement d'ordinateurs et de logiciels.

An English translation of the classification is only provided here to improve the readability of this decision.

A. Defendant's arguments

6. The defendant explains that the reference period to prove genuine use covers the period from 27 August 2013 until 26 August 2018 and that the relevant territory to assess genuine use is the Benelux. He was not informed by the claimant of the introduction of this cancellation claim.

7. The defendant states that the contested trademark is part of a family of web hosting businesses operated by Zonat S.A., a Luxembourg based provider of Internet services. He acquired the contested trademark in 2017. The acquisition was not limited to the trademark and its associated goodwill, but included numerous other assets directly related to the provision of hosting services as well as the retention of numerous employees of the seller, all of whom became employees of the defendant.

8. Bluehosting.com has been object of a new launch starting from June 2018. The defendant provides documents that prove – according to him – genuine use of the contested trademark in particular, starting from June 2018, like printouts of the current appearance of the BlueHosting.com website. These printouts demonstrate use of the contested trademark, be it as a logo or as a word mark, as a clear indicator of commercial origin at many different instances on the website, according to the defendant. As the figurative elements in the logo only play a decorative role, he claims the trademark is used as registered.

9. Furthermore, the defendant also presents images showing the strong presence of the contested trademark on the internet through social media, like Facebook and Twitter, starting from the end of June 2018. Next to that he also provides statistics of traffic of the bluehosting.com website in the month of August 2018 demonstrating a fairly high number of visitors in the first days from its renewed launch, which falls within the relevant period. Most visits are, amongst others, from Belgium and the Netherlands.

10. All this proof of use refers to services covered in classes 35, 38 and 42 covered by the contested trademark, according to the defendant. The advertising and offering of hosting and other internet related services, as well as the activities of the bluehosting.com business fall within the scope of the services of class 35. Also, the offering of services via the internet falls within the scope of telecommunications covered in class 38. Finally, the services in class 42 are covered by the business offer by bluehosting.com given that they refer to technological services and design and development of computer software. Furthermore, the defendant also files proof that the contested trademark has been genuinely used in relation to the relevant services prior to June 2018.

11. The defendant believes that it was the strong presence on-line of bluehosting.com that triggered the claimant to file the present cancellation action after the latter remained silent and acquiescent for the first eight years of life of the contested trademark. Even though the current new website was launched in the summer of 2018, the proof of use submitted largely suffices to prove genuine use of the contested trademark and trigger the application of Article 2.27 (3) BCIP.

12. The defendant and its predecessor used both the trademark and its corresponding domain name for the purposes of soliciting the sale of hosting services. Upon acquisition of the contested trademark and corresponding domain name, the defendant diligently embarked on relaunching the services under a substantially revised website. This is therefore not a case of someone urgently publishing an empty website solely to preserve trademark rights. Rather the evidence shows a genuine undertaking consistent

with the nature and teachings of the relevant case law, according to the defendant. He argues that, due to the short time that the claimant took to initiate this action after the new bluehosting.com website was launched, he did not have long to expand its renewed business to a very large scale, as it is doing now.

13. All of the proof submitted demonstrates that the defendant employed its best endeavours to exploit to the fullest the commercial potential of the bluehosting.com trademark in relation to the relevant services. The defendant thus requests the Office to dismiss this cancellation claim.

B. Claimant's arguments

14. The claimant explains that no genuine use has been made of the contested trademark. The Office will have to establish whether there has been genuine use in the relevant period or whether the genuine use has been started or has been resumed prior to 27 August 2018 given the relevant legal provision regarding 'Heilung' in article 2.27 (3) BCIP. The claimant states that it is not sufficient if there have only been 'preparations for the commencement or resumption' as they only relate to the second sentence of paragraph 3 of this article, which is not applicable here. He argues that the question therefore is whether the documents submitted show that genuine use has been started or resumed in the relevant period.

15. Before analysing the documents provided, he makes a few general comments. First of all, he points out that the defendant's general claim of a new launch since June 2018 is incorrect as the website does not show any activity in June, July and the beginning of August. No proof has been provided that genuine use has been started or resumed in the period between 5 until 26 August 2018. In the claimant's opinion any activities undertaken by the defendant are an attempt to create use of the contested trademark which cannot be considered as genuine use. He explains that the domain name bluehosting.com was registered by Domain Invest, the holder of the contested trademark at the time, to generate more traffic which was to the benefit of Domain Invest as it received payments from an affiliate marketing scheme by the claimant in which Domain Invest participated. To the claimant's knowledge and belief Domain Invest never made any active use of the domain name bluehosting.com.

16. The claimant analyses the proof of use provided by the defendant. He observes that some documents are not dated or dated outside of the relevant period. Furthermore, as some documents are in English, the claimant argues that this does not demonstrate use in relation to the Benelux as English is not a Benelux language. Overall most of these documents are insufficient to demonstrate genuine use, let alone for all services for which the trademark has been registered. The claimant concludes that there is no genuine use of the contested trademark in the Benelux in the relevant period.

17. As for the statement of the defendant that there would have been a new launch in June 2018, the claimant argues that this is incorrect. For a company active in webhosting, it is impossible not to have a live website to offer its activities.

18. If the evidence shows any use, it is only token use which is insufficient to show genuine use in the relevant period in the Benelux. The claimant requests that the contested trademark be revoked.

C. Defendant's last arguments

19. With its last arguments the defendant wishes to rebut the claimant's arguments and to further demonstrate that the contested trademark has been the object of genuine use in the relevant period and territory and in relation to the services as indicated in the registration.

20. As for the claimant's remark regarding the relevance of the proof of use documents drafted in English, the defendant argues that the Benelux consumer on average has at least a basic understanding of English. Therefore, the relevance of the English documents is ascertained.

21. The defendant is of the opinion that the claimant's interpretation of article 2.27 (3) BCIP is not supported and incorrect as it is inconsistent with the rationale and the very wording of the provision. Consequently, preparations for the commencement or resumption occurring in the period indicated in article 2.27 (3) BCIP are capable of preventing the claimant from invoking the revocation.

22. As for the documents filed to prove genuine use of the contested trademark, the defendant states that they show that preparations for the use of said trademark in its new form were starting from June 2018, thus within the relevant period. Besides, they show that this trademark was used openly and outwardly towards a wide public and that the relevant goods and services were provided through the related website www.bluehosting.com. Furthermore, it is demonstrated that, already in the first weeks from its launch, the website bluehosting.com was visited by a fairly high number of visitors. Although the exhibits also show that genuine use of the contested trademark was carried out not only starting from the launch of the new internet presence by the defendant, but also previously in connection with hosting and hosting related services.

23. In light of the above, the defendant requests the Office to dismiss the present cancellation claim.

III. DECISION**A.1 Legal framework**

24. Pursuant to Article 2.30bis (1)(a) in conjunction with Article 2.30quater (1) BCIP an application for revocation may be filed with the Office based on the grounds set out in Article 2.27 (2) BCIP. It is in that case up to the defendant to provide proof that genuine use has been made of the contested trademark in accordance with Article 2.23bis BCIP in a period of five years prior to the date of the application for revocation in the Benelux territory or that there are proper reasons for non-use.

25. The application for revocation was submitted on 27 August 2018. Therefore, the defendant is required to show use of the contested trademark, during the period from 27 August 2013 to 27 August 2018 ("the relevant period").

26. Following rule 1.41 io. 1.25 IR the proof of use should contain evidence of the place, duration, extent and manner of use of the contested trademark for the goods for which it is registered and against which the application for revocation is directed.

27. In accordance with the decision of the Court of Justice of the European Union (hereinafter referred to as "CJUE") of 11 March 2003 (CJUE, Ansul, C-40/01, ECLI:EU:C:2003:145) there is genuine use of a trademark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered. This is done in order to create or preserve an outlet for those goods or services. Genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. In that regard, the condition relating to genuine use of the trademark requires that the mark, as protected in the relevant territory, be used publicly and outwardly (see also General Court of the European Union (hereinafter referred to as "EGC"), Silk Cocoon, T-174/01, 12 March 2003, ECLI:EU:T:2003:68; EGC, Vitafruit, T-203/02, 8 July 2004, ECLI:EU:T:2004:225; EGC, Charlott, T-169/06, 8 November 2007, ECLI:EU:T:2007:337).

28. The EGC held that use of the earlier mark need not always be quantitatively significant for it to be deemed genuine (EGC, Hipoviton, T-334/01, 8 July 2004, ECLI:EU:T:2004:223; EGC, Sonia-Sonia Rykiel, T-131/06, 30 April 2008, ECLI:EU:T:2008:135). The purpose of the notion of genuine use is not to assess commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trademark protection to the cases where large-scale commercial use has been made of the mark (EGC, Vitafruit, already referred to above).

29. In addition the EGC held that genuine use of a trademark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trademark in the market concerned (see EGC, Hiwatt, T-39/01, 12 December 2002, ECLI:EU:T:2002:316; EGC, Vitakraft, T-356/02, 6 October 2004, ECLI:EU:T:2004:292 and EGC, Sonia-Sonia Rykiel, already referred to above).

B. Analysis of the proof of use

30. The defendant submitted the following exhibits in order to demonstrate genuine use of the contested trademark:

1. Screenshot of a website WHM that provides information about the domain bluehosting.com. The domain was set up on 1 June 2018 and the contact email provided for this domain is webmaster@hosting.co.uk;
2. Screenshot from a window on a personal computer showing a location on a C drive, C:\Users\sherb\Desktop\Backups\bluehosting\2018-08-19-bluehosting\bluehosting.zip\bluehosting\homedir\www;
3. Screenshot of the website www.bluehosting.com dated 2019;
4. Several screenshots of the website www.bluehosting.com dated 29 March 2019;
5. Screenshots of the Bluehosting.com Facebook page. The page was created on the 29th of June 2018;
6. Screenshot of the Bluehosting.com Facebook page showing a post that was added to the page on the 10th of August 2018;
7. Screenshot of the Bluehosting.com Twitter page. The account was created in July 2018;
8. Document titled `Advanced web statistics 7.7 (build 20180105) - Created by awstats` showing statistics for the month of August 2018 and in particular the number of visits per day, which is in total 616 for August 2018; The defendant explains in his arguments that the document refers to the bluehosting.com website;

9. Summary of traffic in relation to the website bluehosting.com for the month of August 2018 reporting 429 unique visitors for this month;
 10. Screenshot of the Google Analytics page for bluehosting.com with data regarding the period of time starting 1 August 2018 to 20 September 2018. During this time there were 843 website users;
 11. Statistics regarding the geographical origin of traffic to the bluehosting.com website. The Netherlands is on the 3rd place and Belgium on the 14th place;
 12. Statistics regarding the origin of the connection to the bluehosting.com website;
 13. Invoice from Bluehosting.com to a third party located in Chile regarding 'Beginner Web Hosting Package - leonmurillo.cl; Backup your website/database automatically; Uptime Monitoring; Full Page Monitoring' dated 16 August 2018;
 14. Screenshots from the WaybackMachine. Some of the extracts do not show a website page but a message saying 'Loading... http://www.bluehosting.com(:80/) [...] Redirecting to' after which a different website is mentioned, like for example hosting.uk These messages are dated 2010, 2013, 2014 and 2018. Some other extracts show printscreens from the web address bluehosting.com, however on these page itself no reference is made to bluehosting.com;
 15. Extract from whmcs showing a conversation between a client who wants to move a website to a bluehosting.com dedicated server. In a reaction to the client it is explained that the orders have to be done via hosting.co.uk, the main website at the time. This conversation dates back to 2015;
 16. E-mail dated 12 October 2015 regarding a question relating to the purchase of a dedicated server from Bluehosting.com. The writer observes that this website shows content of the hosting.co.uk website and inquires whether bluehosting.com is redirected to hosting.co.uk.
31. When assessing whether certain use of the trademark is genuine, all the facts and circumstances relevant to establishing whether the commercial use of the mark is real in the course of trade must be taken into account. In particular it is of importance whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark. Also of importance are the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (CJUE, La Mer Technology, C-259/02, 27 January 2004, ECLI:EU:C:2004:50). However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is to produce additional evidence to dispel possible doubts as to the genuineness of the use (EGC, Vogue, T-382/08, 18 January 2011, ECLI:EU:T:2011:9).
32. After an analysis of all the exhibits at hand the Office finds that the exhibits only relate to part of the services for which the mark is registered, that is 'communication and on-line advertising for discounts and rebates for hosting services' as defined in class 35. For the remaining services in class 35 'Advertising; business management; business administration; clerical services', as well as the services in class 38 'Telecommunication services' and class 42 'Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software' no evidence was provided. In so far as the evidence relates to 'hosting', the Office establishes that the trademark has not been registered for these services.

33. The greater part of the evidence refers to the website bluehosting.com, in particular screenshots from this website, statistics regarding traffic, as well corresponding accounts for this website on social media like Facebook and Twitter (exhibits 1 to 12 and 14). The fact that some of these exhibits are in English does not prevent them from being taken into account here. The only thing that is relevant is whether these exhibits contain evidence of the place, duration, extent and manner of use of the contested trademark in the Benelux according to rule 1.25 IR.

34. It is not possible to deduce the existence of actual business activities, and even less of activities which have a certain economic dimension, from the mere presence of an Internet site. The existence of a website that is established by the submission of screen shots does not establish the intensity of the alleged commercial use of the contested trademark (EGC, Funny bands, T-344/13, 19 November 2014, ECLI:EU:T:2014:974). Although the documents provided may illustrate the existence of a bluehosting.com website, they shed very little light on how the contested trademark has been put to use in the Benelux and to what extent. Solid and objective evidence of effective and sufficient use of the trademark in the market concerned is lacking.

35. The few website printouts (exhibits 3 and 4) are insufficient to demonstrate the place, time or extent of any sales that have actually been made. Besides, they are dated outside of the relevant period (2019). However, the fact that some of the proof of use falls outside of the relevant period, does not necessarily mean that these exhibits cannot be taken into consideration. They can still serve to support other proof that was submitted or can contribute to a better analysis of the scope of the use of the right invoked in the relevant period (see CJUE, La Mer Technology, already cited; CJUE, Alcon, C-192/03 P, 5 October 2004, ECLI:EU:C:2004:587 and the case law referred to there and CJUE, Aire Limpio, T-168/04, 7 September 2006, ECLI:EU:C:2008:420).

36. The defendant did not produce substantial evidence showing actual sales to consumers. The invoice provided as exhibit 13 is insufficient here as it is directed to a third party located outside of the Benelux (here Chile) and it concerns only one invoice for an amount of merely 32.99 USD.

37. Creating a bluehosting.com Facebook page and Twitter account within the relevant period does not alter this finding (exhibits 5 to 7). Neither do some statistics regarding the bluehosting.com website (see exhibits 8 to 12). Data like the number of users /visitors of the website provide general information that are in itself insufficient to show that the contested trademark has been used publicly and outwardly in the relevant territory in order to create or preserve an outlet for services of said mark. The mere fact that there has been traffic to the bluehosting.com website from within the Benelux is insufficient as it is not backed up with substantial proof demonstrating actual sales regarding the services concerned.

38. Finally, it appears from two client messages in 2015 (see exhibits 15 and 16) that the bluehosting.com website redirected to a British website hosting.co.uk. This is also confirmed in some screenshots from the WaybackMachine (see exhibit 14) where the webpage mentions bluehosting.com as the domain name, but the page itself does not contain any reference to bluehosting.com but only to hosting.co.uk. This does not prove use of the contested trademark in the Benelux, as the actual sales seem to have been made through hosting.co.uk rather than through bluehosting.com.

Conclusion

39. The evidence only relates to part of the services of the contested trademark in class 35 'communication and on-line advertising for discounts and rebates for hosting services'. However there is no, or at least not enough evidence of the commercial volume, the duration and frequency of use and no turnover figures associated with the contested trademark in connection with these remaining services. Therefore, the defendant cannot be deemed to have proven, to the requisite legal standard, genuine use of the contested trademark. The evidence, in its entirety, does not allow the Office, without resorting to probabilities, speculations or presumptions, to establish that there was genuine use of the contested trademark in the Benelux within the relevant period for the relevant services.

B. Other factors

40. The parties argue about the application of article 2.27 (3) BCIP (see points 11 and 14). However this article is not relevant here as no genuine use has been demonstrated for the contested trademark in the Benelux. All proof of use submitted by the defendant was taken into account and found to be insufficient.

C. Conclusion

41. Based on the foregoing the Office is of the opinion that the defendant did not provide proof that the contested trademark has been used in the Benelux within the relevant period.

IV. DECISION

42. The cancellation application with number 3000042 is justified.

43. Benelux registration 885410 will be revoked.

44. The defendant shall pay the claimant 1,420 euros in accordance with Article 2.30ter (5) BCIP in conjunction with rule 1.44 (2) IR, as the cancellation application is awarded in its entirety. This decision constitutes an enforceable order pursuant to Article 2.30ter (5) BCIP.

The Hague, 6 October 2020



Tineke Van Hoey
(*rapporteur*)

Pieter Veeze

Diter Wuytens

Administrative officer: Diter Wuytens