

O-172-13

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2574917  
BY CHANEL LIMITED  
TO REGISTER THE TRADE MARK**

**JERSEY**

**IN CLASS 3**

**AND**

**THE OPPOSITION THERETO  
UNDER NO 102457  
BY  
THE MINISTER FOR ECONOMIC DEVELOPMENT, STATES OF JERSEY**

## Background and pleadings

1. JERSEY was applied for as a trade mark on 11 March 2011 by Chanel Limited (“the applicant”) in respect of the following goods in class 3:

*Preparations for application to or care of the skin, scalp, hair or nails; soaps; perfumes; essential oils; cosmetics; non-medicated toilet preparations.*

2. The Minister for Economic Development, Economic Development Department of the States of Jersey opposed the application on two grounds. The first of these is that the application is contrary to section 3(1)(c) of the Trade Marks Act 1994 (“the Act”) because JERSEY may serve, in trade, to designate the geographical origin of the goods, namely the island of Jersey, part of the States of Jersey. Section 3(1)(c) states:

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

- (a) ...
- (b) ...
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) ...

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

The second ground of objection is that the mark JERSEY is likely to deceive the public as to the geographical origin of the goods, namely that the goods are made on or contain ingredients grown or made on Jersey. This ground is brought under section 3(3)(b) of the Act, which states:

“3.— (3) A trade mark shall not be registered if it is–

- (a) ...
- (b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).”

3. The applicant filed a counterstatement, which contained a bare denial of both grounds of opposition.

4. Both parties filed evidence and I heard their representatives’ submissions at a hearing on 16 April 2013. The opponent was represented by Ms Amanda Michaels

of Counsel, instructed directly by the opponent. The applicant was represented by its trade mark attorney, Ms Marisa Broughton, of Withers & Rogers LLP<sup>1</sup>.

## **EVIDENCE**

5. The opponent's evidence comes from Darren Scott, John Garton and Alastair Christie. Mr Scott is the Strategy Manager for the Economic Development Department of States of Jersey. The Minister for the Economic Development Department has given Mr Scott the authority to act on behalf of the States of Jersey. Mr Garton is the Chief Executive Officer of the Genuine Jersey Products Association. Mr Christie is the Managing Director of Jersey Lavender Ltd. The applicant's evidence comes from Martin Hamilton. Mr Hamilton has been the applicant's Company Secretary for more than twenty years.

### Darren Scott

6. Mr Scott states that the UK has, for many years, been the key foreign market for Jersey, receiving large numbers of tourists for decades. In 2011, there were 724,395 arrivals from the UK, comprised of day trippers, staying visitors and business visitors. Mr Scott's information comes from Simon Le Huray, the Marketing Manager for Jersey Tourism. The applicant attacks the weight of this as being hearsay. Mr Scott provides some exhibits to show that Jersey is famous for the Jersey Royal potato and the Jersey cow, prized for the quality of its milk. It is not in dispute that these are well known facts. He refers to agriculture as being a key area of the economy, utilising just over half of the island by area. Mr Scott states that in 2010, £31,450,000 of Jersey Royal potatoes were exported to the UK and, in the year to March 2011, £1.7 million of branded 'Jersey Dairy' products were exported to the UK. Mr Scott has derived these figures from Dan Housego, Director of Environment and the Rural Economy. Again, the applicant attacks this evidence as hearsay.

7. Mr Scott provides some historical evidence of Jersey's perfumery industry which has existed through various companies, at various times, since 1817. Some photographs of old perfume bottles are exhibited, showing JERSEY on the labelling. Mr Scott states that the perfume industry on Jersey continues most notably through Seascope Island Apothecary, The Soap Mill and Jersey Lavender, which has been active since 1983. Exhibit DRS2 shows prints from the website of the first of these companies, which refers to ingredients including Jersey lavender, Jersey rosemary and milk from Jersey cows.

### Alastair Christie

8. Mr Christie is managing director of one of the perfumery companies mentioned by Mr Scott, Jersey Lavender Limited. His company grows lavender on Jersey and produces cosmetics and perfumery goods from the harvest. Mr Christie states that much of his company's business is tourist orientated and that it is important to the company to underline the Jersey provenance of the company's products, both in

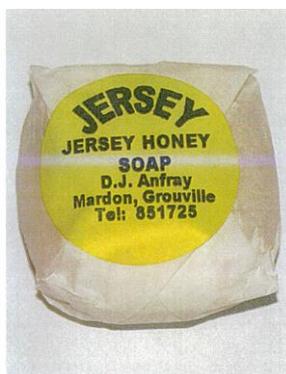
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<sup>1</sup> Ms Michaels attended by video conference and Ms Broughton attended at the Intellectual Property Office, in Newport.

terms of where the lavender is grown and that the finished product comes from Jersey. The logo features the words Jersey Lavender beneath a combination of the map of Jersey and some lavender sprigs. Mr Christie explains that lavender is colourful, “visually appealing, popular with the English (the main visitors to Jersey), hardy and easy to grow, suited to our sandy soil, and producing a “crop” to which value could be added after some simple processing.” The oil extracted from the flowers is used to make a variety of “Jersey Lavender” products, which the company sells from its shop, through other outlets on Jersey and in the UK, including via mail order/online sales. He describes the majority of the main visitors to the shops as being from the UK and that the company has “a significant suitcase export market”; i.e. individual tourists buying the goods as gifts and souvenirs. He puts this figure at £130,000 per annum. In addition, 70% of the company’s website visitors are from the UK. The total annual turnover for Jersey Lavender Ltd is around £365,000, which includes entrance fees (to see the production process) and café takings, with approximately £187,000 of this turnover figure coming from what Mr Christie describes as “Class 3 goods”. Mr Christie states that the simplest product produced is a bottle of pure lavender labelled as “Pure Essential Oil of Lavender – Grown and Distilled on the Island of Jersey”:



Other products include soap, bath products, cologne, room spray and eau de toilette. Mr Christie states that the company also sells other local products in its shop, including what he calls “Jersey soap”, made by D J Anfray of Grouville:



Mr Christie states that there are a number of companies in Jersey using Jersey in their name, including members of the Genuine Jersey Products Association.

#### John Garton

9. Mr Garton is the CEO of the aforementioned Genuine Jersey Products Association. It is not necessary to give much detail about his evidence; it suffices to note that the association supervises and administrates the use of the “Genuine Jersey Marque” in order to guarantee the provenance of Genuine Jersey branded goods. It is a trade association set up in 2011 by local businesses, concerned that visitors were misled into believing that goods and souvenirs were made in/on Jersey. The association felt that there was a clear expectation on the part of consumers, both on and off Jersey, that goods sold under the ‘name’ Jersey actually originated in some way from Jersey.

#### Martin Hamilton

10. Mr Hamilton, the applicant’s Company Secretary, explains that JERSEY is used primarily as the name of one of the applicant’s fragrances (in its Les Exclusifs range). He states that the applicant customarily calls its fragrances after some word or concept which was significant to its founder, Coco Chanel. In the case of JERSEY, Mr Hamilton states that Mlle Chanel was famous for introducing the jersey fabric to the world of high fashion, whereas its use had hitherto been rather mundane or coarse. The exhibits attached to Mr Hamilton’s statement are full of press releases from the applicant and repetitive magazine articles and advertisements, in which journalists have clearly taken the applicant’s press releases and modified the text for their own use. Many of these refer to the applicant’s connection with jersey fabric and to the JERSEY perfume as having taken a rather ordinary fragrance, lavender, and made something special out of it. Mr Hamilton states:

“9. The relevant consumer is used to Chanel’s marketing style of cross referencing its products with significant events, names and numbers in Coco Chanel’s life and Chanel’s heritage. The relevant consumer is also very familiar with the diversity of Chanel’s wide range of products including clothing, bags and leather goods, beauty products and perfumery. As such, the consumer will readily associate Chanel’s reputation for the jersey fabric in connection with its clothing ranges with Chanel’s use of the JERSEY Trade Mark for fragrance and related goods in Class 3.”

11. Mr Hamilton exhibits extracts from a selection of online dictionaries (exhibit MH2) which he states show that ‘jersey’ is most likely to be understood as an article of clothing or a type of fabric, although I note that the island is also referred to in those references. He states that the “Bailiwick of Jersey” has no reputation for fragrance and related goods in Class 3 but is instead well known for Jersey cows and produce, which he specifies as potatoes, flowers and financial services. Mr Hamilton also exhibits an extract from the Intellectual Property Office’s Trade Mark Examination Manual, which sets out the examination practice in relation to applications which consist of marks which are geographical names. He states that the practice indicates that such a trade mark is acceptable for registration unless the

place name has a reputation for the particular goods or is liable to become well known as a geographical source of the goods. He emphasises that, in the case of Jersey, it already has a reputation, but that the reputation is for cows, potatoes, flowers and financial services. According to Mr Hamilton, the opponent's evidence does not demonstrate that the fact that there may be small businesses on the "Bailiwick of Jersey" which manufacture Class 3 goods means that the island has a reputation for such goods, nor that the relevant UK consumer would perceive JERSEY as an indication of the geographical origin of the goods. He states that there is a fundamental difference between Jersey plus the name of the goods, e.g. Jersey Fudge, or Jersey Lavender, and the applicant's use of JERSEY as a standalone trade mark in connection with goods for which Jersey has no reputation.

12. Mr Hamilton gives some information in his evidence about the applicant having launched its fragrance under the name JERSEY in July 2011. This is after the date of application, which means the use made of it does not have a bearing on whether the mark was distinctive at the date of application. Mr Hamilton makes a point of emphasizing the use of the mark (on bottle labels) above the applicant's house mark CHANEL. He states that JERSEY would be seen as the primary trade mark and that the use of both types of trade mark together means that the average consumer will see JERSEY as an indication of the commercial origin of the goods.

13. As described above, the numerous press articles refer to jersey fabric as being the inspiration for the mark and to lavender being the primary fragrance. An article dated 25 November 2011 by "the Scent Critic"<sup>2</sup>, refers to the lavender used in the perfume as having been grown near to Montpellier. Another article in *Esquire Magazine*, dated 1 March 2011<sup>3</sup> reviews three different men's fragrances based upon lavender:

"The latest addition to Tom Ford's Private Blend collection, Lavender Palm, combines the softest, woodiest elements of the note with a breezy citrusy top and mossy green base, while Chanel's Jersey is made with lavender from the Channel Islands."

14. A little less than a week before the hearing, the applicant sought leave to file some additional evidence. This consisted of copies of registration certificates for JERSEY for class 3 goods (by a commercial entity closely connected to the present applicant) in Ireland, France and the USA. Ms Broughton submitted that the evidence did not introduce any new points but simply supplemented the evidence already filed. The opponent had filed counter-evidence in case I admitted the applicant's late evidence. I refused to admit the late evidence. It could have been produced before and did not add anything material to the issues to be decided. It was accepted by Ms Broughton that my approach must be from the perception of the average UK consumer. Therefore, the evidence of national registrations from other jurisdictions is unlikely to be of sufficient relevance as to merit its inclusion in the proceedings.

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<sup>2</sup> Page 21, Exhibit MH1.

<sup>3</sup> Page 121, Exhibit MH7.

## Decision

15. The leading authority in relation to geographical names and section 3(1)(c) of the Act is the judgment of the Court of Justice of the European Union (“CJEU”) in *Windsurfing Chiemsee Produktions-und Vertriebs GmbH (WSC) v Boots-und Segelzubehor Walter Huber and Franz Attenberger* (Joined cases C-108/97 and C-109/97) (“Windsurfing”):

“24. It should first of all be observed that Article 3(1)(c) of the Directive provides that registration is to be refused in respect of descriptive marks, that is to say marks composed exclusively of signs or indications which may serve to designate the characteristics of the categories of goods or services in respect of which registration is applied for.

25. However, Article 3(1)(c) of the Directive pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all, including as collective marks or as part of complex or graphic marks. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.

26. As regards, more particularly, signs or indications which may serve to designate the geographical origin of the categories of goods in relation to which registration of the mark is applied for, especially geographical names, it is in the public interest that they remain available, not least because they may be an indication of the quality and other characteristics of the categories of goods concerned, and may also, in various ways, influence consumer tastes by, for instance, associating the goods with a place that may give rise to a favourable response.

27. The public interest underlying the provision which the national court has asked the Court to interpret is also evident in the fact that it is open to the Member States, under Article 15(2) of the Directive, to provide, by way of derogation from Article 3(1)(c), that signs or indications which may serve to designate the geographical origin of the goods may constitute collective marks.

28. In addition, Article 6(1)(b) of the Directive, to which the national court refers in its questions, does not run counter to what has been stated as to the objective of Article 3(1)(c), nor does it have a decisive bearing on the interpretation of that provision. Indeed, Article 6(1)(b), which aims, inter alia, to resolve the problems posed by registration of a mark consisting wholly or partly of a geographical name, does not confer on third parties the right to use the name as a trade mark but merely guarantees their right to use it descriptively, that is to say, as an indication of geographical origin, provided that it is used in accordance with honest practices in industrial and commercial matters.

29. Article 3(1)(c) of the Directive is not confined to prohibiting the registration of geographical names as trade marks solely where they designate specified geographical locations which are already famous, or are known for the category of goods concerned, and which are therefore associated with those goods in the mind of the relevant class of persons, that is to say in the trade and amongst average consumers of that category of goods in the territory in respect of which registration is applied for.

30. Indeed, it is clear from the actual wording of Article 3(1)(c), which refers to '...indications which may serve ... to designate ... geographical origin, that geographical names which are liable to be used by undertakings must remain available to such undertakings as indications of the geographical origin of the category of goods concerned.

31. Thus, under Article 3(1)(c) of the Directive, the competent authority must assess whether a geographical name in respect of which application for registration as a trade mark is made designates a place which is currently associated in the mind of the relevant class of persons with the category of goods concerned, or whether it is reasonable to assume that such an association may be established in the future.

32. In the latter case, when assessing whether the geographical name is capable, in the mind of the relevant class of persons, of designating the origin of the category of goods in question, regard must be had more particularly to the degree of familiarity amongst such persons with that name, with the characteristics of the place designated by the name, and with the category of goods concerned.

33. In that connection, Article 3(1)(c) of the Directive does not in principle preclude the registration of geographical names which are unknown to the relevant class of persons — or at least unknown as the designation of a geographical location or of names in respect of which, because of the type of place they designate (say, a mountain or lake), such persons are unlikely to believe that the category of goods concerned originates there.

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36. Finally, it is important to note that, whilst an indication of the geographical origin of goods to which Article 3(1)(c) of the Directive applies usually indicates the place where the goods were or could be manufactured, the connection between a category of goods and a geographical location might depend on other ties, such as the fact that the goods were conceived and designed in the geographical location concerned.”

16. Ms Michaels referred to some examples of the application of *Windsurfing* by the General Court (“GC”): Case T-295/01 *Nordmilch EG v OHIM* [2004] ETMR 70 (“Oldenburger”) and Case T-379/03 *Peek & Cloppenburg KG’s application* [2006] ETMR 33. Oldenburg is the name of a town in Germany, well known in Germany for being the capital of an agricultural region. The GC found that the relevant consumer would perceive OLDENBURGER as an indication of the geographical origin of the

goods because of the connection between the place name and the goods, even for fish. Conversely, in the other case, Cloppenburg was held to be acceptable for registration for retail services because the relevant consumer would not recognise the name as that of a town (it is a small town). Both Ms Michaels and Ms Broughton referred to the IPO Examination Practice Manual, in which the geographical names practice has clearly been derived from the principles in *Windsurfing*.

17. Ms Broughton emphasised that Jersey (she called it the Bailiwick of Jersey) is not known for the goods for which the applicant seeks registration. This is one of the principles in *Windsurfing*: paragraph 31 refers to assessing whether a geographical name designates a place which is currently associated in the mind of consumers with the goods, although paragraph 29 indicates that Section 3(1)(c) is not confined to prohibiting the registration of geographical names as trade marks where the locations are already famous or associated in the minds of consumers with the goods. Ms Broughton submitted that Jersey is known for dairy products, potatoes and flowers. I agree that Jersey is a famous geographical name, that it is well-known for certain agricultural goods and as a holiday destination, but that there is no evidence that, in the sense set out in *Windsurfing*, the name Jersey is associated with the goods. Jersey Lavender Limited's turnover does not stretch to such a conclusion and the historical perfume trade was long ago.

18. However, *Windsurfing* makes it clear that there is another consideration, which is whether it is reasonable to assume that an association between the geographical name and the goods may be established in the future, in the minds of consumers. Paragraph 32 states that, in assessing whether the name is capable of designating the origin of the goods, regard must be had to the fame of the geographical name, familiarity with the characteristics of the place, and familiarity with the goods. The fame of the Jersey cow and the Jersey Royal potato has led to a clear association in the minds of consumers with Jersey as a geographical location. In the applicant's own evidence, the journalist in *Esquire* states that the applicant's Jersey perfume is made from lavender from the Channel Islands. Ms Michael submitted that this person ought to be in a position to know where the lavender comes from (both the applicant and the opponent state that the applicant does not use lavender from Jersey) and that the mistake must have arisen because of a natural connection in his mind with the geographical location. If an 'expert' can make that assumption, so too can the lay person (the public).

19. Ms Broughton sought to persuade me that this perception would be low down in the list of other meanings of jersey<sup>4</sup>: she placed it below the meanings of jerseys (jumpers), jersey fabric and New Jersey (USA). I think this is far-fetched; in relation to the goods for which registration is sought, Jersey (with a capital J) signifies one of the Channel Islands. The UK consumer is no more likely to think of New York when confronted with York than New Jersey when confronted with Jersey. Furthermore, I disagree with the applicant that the average consumer knows that jersey fabric is/was associated with Coco Chanel; I disagree that the average consumer knows that the applicant chooses trade marks for its perfumes which have some historical

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<sup>4</sup> Not that this would make the mark acceptable, as per the judgment of the CJEU in *Wm. Wrigley Jr. Company v. OHIM*, Case C-191/01 P ("Doublemint") [2004] E.T.M.R. 9: if one meaning is descriptive, that is enough to make a mark unacceptable for registration.

association with Coco Chanel or the applicant; and even if the consumer knew either of those things, it does not automatically follow that that knowledge would displace the geographical significance of the word Jersey in the average consumer's mind. I cannot see why, in relation to the applied for goods, the UK consumer is more likely to think of a type of fabric or an article of clothing than the famous geographical name Jersey.

20. As for familiarity with the characteristics of Jersey, it is known for natural produce and for tourism, as a holiday destination. The opponent has adduced statistics to support the fact that Jersey is known for potatoes, dairy and tourism. I consider these to be well-known facts. The applicant criticises Mr Scott's evidence for introducing these facts in a hearsay fashion, whilst also relying upon the dairy and potato reputation in its own evidence. Mr Scott's statistics are the results of his research into the matter; he has given the source of those statistics as being individuals in responsible positions in a Jersey government department and from the body responsible for tourism on the island. Although the applicant submits that the individuals concerned should have filed witness statements and that the evidence should not be given any weight, this strikes me as odd when the applicant itself relies upon the fame of Jersey in relation to dairy products and potatoes, the export of which is not in dispute. The applicant has also adduced evidence relating to the number of visitors to Jersey from the UK, in the context of gastronomy<sup>5</sup>. The weight of Mr Scott's evidence does not suffer because of the inclusion of the statistics.

21. The third point is familiarity with the category of goods concerned. Perfumery and cosmetic goods, essential oils and soaps etc are everyday consumer items with which everyone is familiar. These are not niche or specialist goods. They are goods which are not necessarily the subject of complicated or large-scale industrial processing. Ms Broughton submitted that the goods applied for are highly processed. The opponent's evidence (from Mr Christie) shows that extraction of floral essential oils and the making of soaps can be relatively simple processes. As an average consumer of class 3 goods, I know that it is common to find ranges of class 3 goods which are marketed on the basis that they are simply made, unrefined and natural. Such goods can be made in all manner of locations. The applicant's own evidence shows that Jersey is known for its flowers. Distillation of floral essential oils is a vital part of making fragrance (and the applicant's evidence shows that it uses lavender in its JERSEY perfume).

22. These are also goods which are commonly bought as souvenirs and gifts from a holiday. They clearly are being bought on Jersey by visitors, as Mr Christie's evidence shows. *Windsurfing* shows that it is not even necessary that the goods are made on Jersey for the connection to exist in the minds of the relevant public. Paragraph 30 of *Windsurfing* states that "geographical names which are liable to be used by undertakings must remain available to such undertakings as indications of the geographical origin of the category of goods concerned". Even without Mr Christie's evidence, it seems to me wholly probable that visitors to Jersey will buy perfumery and toiletries as a remembrance of their visit or as a gift to take back home. It is a geographical name which is liable to be used – indeed is used - by undertakings to indicate the geographical origin of the applied-for goods. If the

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<sup>5</sup> Exhibit MH4, page 74.

applicant were to be granted a monopoly in JERSEY for perfumery, cosmetics and toiletries, this would run contrary to the public interest in keeping the name available for use by other undertakings to indicate the geographical origin of their products. Such an indication would be an important and natural part of selling cosmetics, toiletries and perfumery to tourists visiting Jersey and to consumers seeking naturally-produced products from a place already associated with unadulterated and quality natural produce; the pictures shown in paragraph 8 show notional and fair use of the word Jersey in relation to such products. In contrast, the applicant's evidence as to its use of CHANEL below JERSEY is not notional and fair use which I can take into account because the application is for JERSEY alone<sup>6</sup>. Trade marks can be bought and sold and used in ways other than that envisaged by the current applicant.

23. I find that the opposition to the application for JERSEY as a trade mark for *preparations for application to or care of the skin, scalp, hair or nails; soaps; perfumes; essential oils; cosmetics; non-medicated toilet preparations*, because JERSEY consists exclusively of a sign or indication which may serve, in trade, to designate the geographical origin of the goods, succeeds. It is a geographical name which is liable to be used by undertakings as an indication of the geographical origin of the category of goods and which must, in the public interest, remain available to those undertakings to indicate the geographical origin of their goods. There is no use of the mark prior to the date of application and so the proviso to section 3(1)(c), i.e. whether the mark had acquired a distinctive character before the date of application, cannot be considered.

24. The opposition has succeeded entirely under section 3(1)(c). There is, therefore, no need to consider the section 3(3)(b) ground.

## **Outcome**

**25. The opposition succeeds. The application is refused.**

## **Costs**

26. Both sides agreed that costs on the usual scale were appropriate. Ms Michaels submitted that there should be a sum awarded in respect of the necessity for the opponent to file evidence in response to the late evidence request from the applicant. Ms Broughton submitted that there was no need for the opponent to have filed its short witness statement dealing with the relevance, or otherwise, of its late evidence. No doubt the opponent was preserving its position, in case I admitted the evidence, and wished to preserve the hearing date rather than risk an adjournment. The evidence filed by the opponent was short, but was nevertheless completely caused by the applicant's surprise request, which Ms Broughton herself accepted

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<sup>6</sup> See, by analogy, *L'Oreal SA v Bellure NV* [2008] RPC 9, Jacob LJ: "The test is, and must be, founded on the mark as registered, not material which forms no part of that. There is simply no warrant in the Directive for taking more than the registered mark into account. The global appreciation test does not amount to the proposition that once a registered mark is used in marketing, anything, extraneous to the mark used in marketing, comes in too – as though it formed part of the registered mark."

was of little consequence. I will make a small award in favour of the opponent for the trouble it was caused.

Preparing a statement and considering the counterstatement	£200
Opposition fee	£200
Filing evidence and considering the applicant's evidence	£1000
Preparing for and attending a hearing	£800
<b>Total:</b>	<b>£2200</b>

27. I order Chanel Limited to pay the Minister for Economic Development, Economic Development Department of the States of Jersey, the sum of £2200. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 29<sup>th</sup> day of April 2013**

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