

O-488-12

TRADE MARKS ACT 1994

CONSOLIDATED APPLICATIONS 16176, 16177, 16178, 84185 & 84190

BY JENSEN CARS LIMITED

FOR THE REVOCATION OF UK TRADE MARKS 908667 & 982086

AND INTERNATIONAL REGISTRATIONS M827093, M828078 & M832629

IN THE NAME OF HEALEY SPORTS CARS SWITZERLAND LIMITED

BECAUSE OF NON-USE

BACKGROUND

1. The following trade marks are registered or protected in the UK. The current proprietor of these registrations is Healey Sports Cars Switzerland Limited (“Healey”).

| Number | Mark | Type | List of Goods/Services |
|-----------------------------|---------------|----------------------------|--|
| 908667 Revocation 84185 | INTERCEPTOR | UK Registration | Motor land vehicles and parts and fittings therefor, all included in Class 12. |
| 982086 Revocation 84190 | JENSEN-HEALEY | UK Registration | Motor land vehicles and parts and fittings therefor included in Class 12, all for sale in England, Scotland and Wales. |
| M827093 Revocation 16176 | INTERCEPTOR | International Registration | <p>Class 12: Land vehicles and their components; spare parts for cars.</p> <p>Class 35: The bringing together, for the benefit of others, of land vehicles and their components enabling customers to conveniently view and purchase those goods in a retail outlet.</p> <p>Class 37: Motor land vehicle maintenance and repair.</p> <p>Class 40: Assembly of parts of land vehicles and their components.</p> |
| M828078 Revocation 16177 | JENSEN | International Registration | <p>Class 12: Vehicles and their components; spare parts for cars.</p> <p>Class 35: Retail sale of vehicles and their components.</p> <p>Class 37: Maintenance and repair of automobiles.</p> <p>Class 40: Assembling of vehicle parts and their components.</p> |
| M832629 Revocation 16178 | JENSEN-SUISSE | International Registration | <p>Class 12: Vehicles and their components; spare parts for cars.</p> <p>Class 37: Automobile repair and maintenance services.</p> |

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|--|--|--|--|
| | | | Class 40: Assembly of vehicle parts and their components. |
|--|--|--|--|

2. The UK registrations are old. Trade marks 908667 and 982086 were entered in the register on 29 November 1967 and 28 August 1974, respectively. The international registrations were protected in the UK more recently. M827093 was protected in the UK on 22 January 2006. M828078 was protected on 25 December 2004. And M832629 was protected on 2 July 2005.

3. On 23 September 2011, Jensen Cars Limited (“JCL”) applied to revoke the registrations, or (in the case of the international marks) the protection of the marks in the UK, because of non-use. This was two days after Healey had applied to invalidate UK trade mark registration 2529258 - Jensen – in the name of JCL because it conflicted with Healey’s earlier international trade mark – also Jensen – under M828078. That application is the subject of separate proceedings.

4. In order to keep this decision as short as possible, I will hereafter refer to the “registrations” of the marks, even where international registrations are concerned and the requests relate only to the revocation of the protection afforded to the marks in the UK.

5. All five applications are based on section 46(1)(a) and (b) of the Act. That is to say that JCL claims that the marks were not put to genuine use within 5 years of the completion of the registration (or protection) procedures, or that no such use occurred within subsequent 5 year periods. In the case of the two UK registrations, two 5 year periods are specified. These are 21 October 2004 to 20 October 2009 and 23 September 2006 to 22 September 2011. JCL asks for these registrations to be revoked with effect from five years following the completion of the registration process, or 21 October 2009, or 23 September 2011. Revocation applications 16176, 16177 & 16178 cite a single five year period of non-use of the international trade marks for the purposes of the s.46(1)(b) claims against them: 23 September 2006 to 22 September 2011. JCL asks for the international marks to be revoked under s.46(1)(a) with effect from 23 January 2011 (in the case of M827093), 26 December 2009 (in the case of M828078) or 3 July 2010 (in the case of M832629) or under s.46(1)(b) with effect from 23 September 2011 (in each case).

6. Healey defends the registrations on the basis that there has been genuine use of the marks within the relevant periods. Alternatively, it is claimed that the proprietor has a defence under s.46(3) because the marks were put to genuine use and/or that there were preparations for the commencement and resumption of use, before the applications for revocation were made, and before the proprietor became aware that such applications might be made.

7. Both sides seek an award of costs.

THE HEARING

8. The matter came to be heard on 12 October 2012 when Healey was represented by Anthony Misquitta of Farrer & Co, solicitors, and JCL was represented by Jonathan Moss of Counsel, instructed by Browne Jacobson LLP, solicitors.

THE EVIDENCE

9. The revocation proceedings were consolidated. However, prior to that happening, nine witness statements had been filed on behalf of the proprietor in revocations 16176-16178. After consolidation, a 10th witness statement was filed in support of all five registrations. All of these witness statements are from Anthony Laurence Misquitta, Healey's solicitor.

Hearsay

10. Mr Misquitta gives evidence of fact on behalf of the proprietor on the basis that:

"The facts and matters to which [he] speak[s] in this statement are known to [him] by reason of [his] conduct in this action.."

11. This might imply that Mr Misquitta has personal knowledge of the facts in his statement, but when I asked him at the hearing whether he had seen a copy of the video game described in his evidence (see below) he said that he had not. His evidence is based on documents he has been given, or on what he has been told by the proprietor or (more likely) by the proprietor's Swiss lawyers. It is therefore mostly unattributed and/or multiple hearsay. This was apparently a matter of choice. I was told that it was thought to be easier if the proprietor's evidence was given by its English lawyer.

12. JCL also filed evidence consisting of four witness statements by Nicholas Daniel McDonald, who is an associate at the firm of Browne Jacobsen LLP, which acts for JCL in this matter. Mr McDonald says that he assists a Mr Declan Cushley who has "*care and conduct*" of the matter at Brown Jacobsen. Mr McDonald purports to give evidence of fact on behalf of JCL on the basis that:

"In so far as the contents of this witness statement are within my knowledge they are true. In so far as they are not within my knowledge they are true to the best of my knowledge, information and belief and they are derived from documentation and information supplied to me by Jensen Cars and/or by colleagues at my office, and/or by my legal advisors".

13. Mr McDonald's statements make no attempt to distinguish the facts of which he has personal knowledge from those that he has been told. I will therefore proceed on the basis that his evidence is also (or may be) unattributed and/or multiple hearsay.

14. None of this means that the evidence is inadmissible. It is admissible by virtue of the Civil Evidence Act 1995. Section 4 of the Civil Evidence Act (shown below) therefore applies.

-4.— Considerations relevant to weighing of hearsay evidence.

(1) In estimating the weight (if any) to be given to hearsay evidence in civil proceedings the court shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence.

(2) Regard may be had, in particular, to the following—

(a) whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;

(b) whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;

(c) whether the evidence involves multiple hearsay;

(d) whether any person involved had any motive to conceal or misrepresent matters;

(e) whether the original statement was an edited account, or was made in collaboration with another or for a particular purpose;

(f) whether the circumstances in which the evidence is adduced as hearsay are such as to suggest an attempt to prevent proper evaluation of its weight.”

15. It would plainly have been both possible and reasonable for evidence to have been given by officers of the companies involved in these proceedings with first hand knowledge of the facts. The statements involved were not made contemporaneously with the (relevant) matters stated. As I have already noted, the evidence is likely to involve multiple hearsay. There is nothing to suggest that hearsay evidence has been tendered in order to prevent a proper evaluation of its weight. Nevertheless, because it is not clear where the information has come from, I find that the narrative statements of facts in this case are of very little evidential value. Accordingly, except where the statements have persuasive documentary support, I will not be able to give the narrative evidence much weight. The burden of showing what use was made of the marks in the relevant 5 year periods falls on Healey¹. Therefore the unsatisfactory nature of the evidence has more potential to disadvantage Healey than JCL.

¹ See s.100 of the Trade Marks Act 1994

The use claimed

16. Despite the number of statements in evidence the relevant facts are few in number. There does not seem to be any (or any remaining) dispute that the JENSEN, JENSEN-HEALEY and INTERCEPTOR marks were used in the 1970s and acquired by Healey in 2006. Further, it is not disputed that Healey has yet to sell a single product under any of the marks. Whether the marks have been used in other ways is disputed. It is convenient to start by considering whether any of the marks were put to genuine use in the latest 5 year period ending on 22 September 2011.

17. Before me the parties focused on three particular uses. Firstly, Healey claims that there had been use of the mark Jensen-Healey, with its consent, in relation to a car in a video game called Gran Turismo 5. In support of this claim, Mr Misquitta exhibits² copies of e-mails sent in September 2010 from someone at Polyphony Digital Inc. (the software development company responsible for the game) to a Director of Healey called Mr Schlatter. The e-mail seeks permission to use the Jensen-Healey trade mark on helmets and overalls worn by drivers in the game. Mr Misquitta says that he is informed (he does not say by whom) that Mr Schlatter gave the requested consent and that the game was made available to the public in November 2010. However, Mr Misquitta accepted at the hearing that he had not seen the game himself, so his evidence that it included the Jensen-Healey mark in the manner proposed in the e-mail is unattributed hearsay/assertion. As is his evidence that Mr Schlatter provided the required consent on behalf of Healey. In any event, even if the mark was used in the manner suggested, and that counts as use of the mark in relation to a motor car, it is only use in relation to a motor car in a computer game. In circumstances where no real Jensen-Healey cars were available for sale at the time, that cannot possibly count as use of the mark in order to create or maintain a market for real motor vehicles. Accordingly, even if the use occurred as claimed, it is not genuine use in relation to the goods for which the mark is registered and is therefore irrelevant.

18. The second use relied upon is use of the marks Jensen and Interceptor on a website which Mr Misquitta says was made available to the public on 19 September 2011, i.e. 4 days before the date that the applications for revocation were filed. Mr Misquitta says that the website, www.jensensportscars.com, was commissioned by a William Cardiff, who is a Director of a company economically connected to Healey. Copies of the relevant web pages are in evidence³. The web address is actually shown as Jensen.vertouk.com. The first page announces *–The New JENSEN INTERCEPTOR. Coming soon.* The second page includes a narrative stating that the new Jensen Interceptor would be built in Britain by a low volume automotive specialist called CPP Global Holdings. The Jensen mark appears on these pages, both in logo form and as a word. The content indicates that the public unveiling of the

² As exhibit AL1 in tab 41 of the evidence bundle

³ As exhibit ALM2, at tab 42 in the evidence bundle

new car was planned for “late 2012” with deliveries to customers starting in 2014. The top of a date is visible on the second page of the exhibit. Although not very clear, it is consistent with the claim of 19 September 2011. Expressions of interest were invited by e-mails to info@jensensportscars.com.

19. The third use relates to a press release issued on 20 September 2011, 3 days before the applications for revocation were filed. According to Mr Misquitta, this was issued through a specialist automotive PR and events agency called PFPR Communications. A copy of the release is in evidence⁴. It announces “*CPP to build new Jensen Interceptor*”. It says that a team of design consultants employed by Healey had completed a design for the new Interceptor, which was to be built in Coventry. It re-states the information provided on the website described above, including that expressions of interest were being taken. Pricing was “*yet to be confirmed*”. Mr Liam Cardiff of Healey (who I assume to be the same person called William Cardiff in Mr Misquitta’s evidence) was quoted as saying that “*our dream of seeing the Jensen and Interceptor badges once again adorning the bonnets of beautiful, modern, British-built GT cars has come closer to reality*”. Healey was named as the owner of the rights in Jensen and Interceptor.

20. The press release was picked up and resulted in a number of press reports about the prospective new car⁵. According to an article from autoexpress.co.uk , the “*Interceptor is born again*”. The article included an artist’s impression of how the new vehicle would look. Car, Evo, TopGear, What Car? and Classic & Sports Car picked up and ran similar web articles, as did Autocar. The Independent, The Telegraph and the BBC ran similar articles on their websites on or around 20 September 2011. Regional newspapers also ran the story, particularly in the West Midlands.

21. Mr McDonald says that he has been informed that Mr Hearley, a director of JCL, met with Liam Cardiff of Healey “*shortly before*” the press release was issued and informed him that JCL was at an advanced stage of plans to develop a new Jensen car. Mr McDonald submits that the press release was therefore an attempt by Healey to buttress the trade mark registrations by making some, at most, token use of the Jensen and Interceptor marks.

22. For his part, Mr Misquitta gives evidence that he has been told that Healey:

- i) had been in discussion with CPP Holdings Limited “*since before April 2011*” about it “*manufacturing and selling a range of cars and related goods and services*” under a licence to use the Jensen and Interceptor marks;

⁴ As exhibit ALM3, at tab 43 in the evidence bundle

⁵ These are included in exhibits ALM 4 and 5, at tabs 44 & 45 in the evidence bundle

- ii) had “*sustained negotiations*” with several different parties “*since before April 2011*” in relation to exploitation of the Jensen brand (he does not say with who or when);
- iii) commissioned the website that went live on 19 September “*weeks*” before;
- iv) was not aware of JCL’s interest in the Interceptor mark before the applications for revocation were filed;
- v) spent five years from 2007 (to 2012) developing a new platform that could be used for vehicles badged with any of the Jensen, Interceptor or Jensen-Healey marks;
- vi) incurred costs and engaged a team of industry experts to develop the platform (he does not say how much or who these experts were);
- vii) consulted a leading, globally recognised car manufacturer in relation to the development of a new engine, and other parts for the vehicle (he does not say who or when);
- viii) has continued to develop the designs for the car since the press release in September 2011 and has been in negotiations during 2012 with “*a number of other companies*” with a view to manufacturing and selling a range of Jensen vehicles (he does not say who).

23. Mr Misquitta says he is not at liberty to provide any further information because the negotiations with third parties were confidential in nature. Nevertheless, he exhibits⁶ pictures of the platform, which include an engine. However, Mr Misquitta does not say where these were taken, or by whom, or when.

24. In *Fairchild v. Glenhaven Funeral Services Ltd*, Lord Bingham of Cornhill said:

— I think it is salutary to bear in mind Lord Mansfield’s aphorism in *Blatch v. Archer* (1774) 1 Cowp 63 at 65, 98 ER 969 at 970 quoted with approval by the Supreme Court of Canada in *Snell v. Farrell*:

It is certainly a maxim that all evidence is to be weighed according to the proof which it was in the power of one side to have produced, and in the power of the other to have contradicted.”

25. If JCL wanted to rely on what had been said to Mr Cardiff at the meeting in September 2011 it would have been straightforward to file a witness statement from Mr Hearley giving his account of what he told Mr Cardiff. Mr McDonald’s hearsay account may be enough to establish that a meeting took place, but he cannot give

⁶ See exhibit ALM2-5 at tab 61 in the evidence bundle

⁷ [2002] UKHL 22; [2003] 1 AC 32 (HL) at paragraph 13.

credible evidence about what was said at a meeting that he was not at. Nor can he accurately date the meeting. Indeed he makes no attempt to do so.

26. By the same token, if Healey wanted to rely on evidence of the development of a platform for a vehicle, an officer of the company could have provided details of how the platform had been developed and when it had been finished. Mr Misquitta's undated and unexplained pictures of a platform are not persuasive supporting documents for his hearsay evidence on this point. His evidence is so vague that it would have been impossible for JCL to have contradicted it. Similarly, Mr Misquitta's evidence that Healey commissioned the website some weeks prior to its launch on 19 September would have carried more weight if it had come from someone with first hand knowledge of the matter, and included further information about what had been done and when. However, as JCL has failed to establish the date of the meeting between Mr Hearley and Mr Cardiff, it is impossible to ascertain whether the website was commissioned before or after the meeting, so not much turns on exactly when preparations for the website began.

27. The net result is that I will examine whether the use of Jensen Interceptor in the press release and on the web site constitute genuine use of the marks under attack, without doubting the genuineness of the use because of what Mr Hearley is supposed to have told Mr Cardiff about JCL's plans, or attaching greater genuineness to the use shown because of the implied existence of a car platform at, or around, the date of the applications.

28. The relevant parts of s.46 of the Act are re-produced below.

~~(1)~~ The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;...

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it is registered, and use in the United Kingdom includes affixing the trade mark to goods or the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after expiry of the five year period and before the application for revocation is made.

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) -

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for registration;

(b) if the registrar or the court is satisfied that the grounds for revocation existed at an earlier date, that date.”

29. The requirements for genuine use were conveniently summarised by Ms Anna Carboni as The Appointed Person in *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd (Sant Ambroeus Trade Mark)* [2010] RPC 28. The summary, which I gratefully adopt and re-produce below, is drawn from the judgments of the Court of Justice of the European Union (CJEU) in Case C-40/01, *Ansul BV v Ajax Brandbeveiliging BV*, Case C-259/02, *La Mer Technology Inc. v Laboratoires Goemar*, and Case C-495/07, *Silberquelle GmbH v Maselli-Strickmode GmbH*.

—(1) Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely —~~to~~”, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3)The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25].”

30. The relevant primary facts in this case are those concerned with the use of the mark(s) Jensen Interceptor on a website and in a press release, both a few days before the applications for revocation were filed on 23 September 2011. There is no doubt that these uses were external, and I do not believe that there is any dispute that they were with the consent of Healey. The question therefore boils down to whether these uses qualify as advertisements for relevant goods under the Jensen Interceptor mark(s) which show real commercial exploitation of the mark(s) intended to create market share, or something less than that.

31. In this connection, both sides drew my attention to a passage from the judgment of the CJEU in *Ansul*. The relevant part is shown below.

–36. Genuine use must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37. It follows that genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of

registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d'être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular 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.” (emphasis added).”

32. Mr Misquitta submitted, firstly, that I should bear in mind the characteristics of the motor vehicle market, one of which was that it took years to develop a new car. Secondly, that a carefully targeted press release via a PR company could achieve just as much publicity for a trade mark as a traditional paid-for advertising campaign, and the use of the marks in the press release was therefore just as genuine. Thirdly, that a single sale or advertisement under a mark had been found to be genuine use in other cases⁸.

33. Mr Moss submitted that the CJEU's acceptance of the use of the mark in advertising campaigns was subject to the qualification *“in respect of goods or services already marketed or about to be marketed”*. He pointed out that in this case Healey had no goods for sale at the time of the press release/new website. Further, no goods were even claimed to be viewable for at least a further year, and deliveries were at least 3 years away. In any event, one press release was hardly an “advertising campaign”. Further still, there was no evidence that anyone looked at the new website or placed any expressions of interest as a result of either event. In these circumstances, Mr Moss submitted that the press release was more a piece of news about future plans than a genuine advertisement for goods.

34. I agree with Mr Moss. If the requirement is for the use of the marks to be in relation to goods *“already marketed or about to be marketed”* then the use on the website and in the press release in relation to a car that did not exist at the time, and was at least a year away from being *“unveiled”*, does not appear to qualify. It is, however, possible that this might be taking too literal a view of what the CJEU meant by the words *“about to be marketed”* in the *Ansul* case. For example, I can imagine that the development of a new aeroplane takes many years and that the use within

⁸ See *La Mer Technologies v Laboratoires Goemar* [2004] FSR 38, CJEU & *Safari TM* [2002] RPC 23

the 5 year qualifying period of a trade mark registered for such goods that resulted in provisional orders (or options as I believe they are known) being taken for such goods, might well count as genuine use of the mark within the period. This is because such use would probably be “..viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods”. That would be none the less so because no one saw an actual plane carrying the mark for another year or more. However, there are two things which distinguish that example from the facts before me. Firstly, neither the press release nor the website provided sufficient information about the specification for the new car to permit potential customers to decide whether to register a serious interest in buying one. The second point follows from the first. There is no evidence, despite the passage of time, of anyone expressing any interest in purchasing the new car as a result of these events or otherwise.

35. Further, leaving to one side Mr McDonald’s evidence that the meeting between Mr Hearley and Mr Cardiff was the trigger for Healey’s use of the Jensen and Interceptor marks on the website and in the press release, the very proximity between these uses and Healey’s application to invalidate JCL’s UK registration of Jensen on the basis of earlier mark IR 078, after 5 years without any relevant external use of that Jensen mark, calls into question whether the uses in question were really advertisements intended to create a market for the goods amongst potential customers for motor cars.

36. In my view, the use shown in this case, without more, would not have been viewed as warranted in the economic sector concerned to create a market share for the goods. I therefore reject Healey’s evidence that the use of the Jensen Interceptor marks on the website and in the press release constituted genuine use of those marks within the 5 year period ending on 22 September 2012.

37. I do not think that this creates any inconsistency with previous cases such as *La Mer Technologies v Laboratoires Goemar* and *Safari TM*. In the first case, there was a sale of goods under the mark within the relevant period. In the second case, an advertisement carrying the mark had been placed in a national newspaper promoting 1200 vehicles that were available for immediate sale. There was therefore clearly use of that mark in relation to an advertisement for goods that were *-already marketed or about to be marketed*”. Further, unlike in this case, such a promotion would have been “..viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods”.

38. There is a suggestion in Mr Misquitta’s statements that the claimed use is also sufficient to support a claim to genuine use in relation to car assembly services in class 40. There is no evidence of any such use. The services covered in class 40 relate to assembling cars for others, not assembling one’s own cars. The latter is not a service at all. Consequently, this argument is simply misconceived.

Defence under s.46(3)?

39. A significant part of Healey's evidence is directed at establishing that it commenced preparations for the use of these marks before it became aware of the applications for revocation. As I have already noted, the evidence in question is far from perfect. However, even if it had been more persuasive it would not have given Healey a defence under s.46(3) of the Act. This is because s.46(3) only covers the situation where "*..use is commenced or resumed after expiry of the five year period and before the application for revocation is made*". In this case the (latest) 5 year periods end on 22 September 2011 and the applications were filed the following day. Therefore there is no gap within which use could have been resumed so as to create a possible defence under s.46(3).

Use of Jensen-Suisse

40. Mr Misquitta submitted that use of Jensen also constituted use of the Jensen-Suisse mark because Suisse is wholly descriptive of the geographical origin of the goods. As I have found that there was no genuine use of Jensen in relation to motor vehicles, it follows that this argument fails to get off the ground. However, for the sake of completeness, I should record that I would not have accepted this argument, even if there had been genuine use of Jensen. Mr Misquitta relied on the judgment of the CJEU in *Medion AG v Thomson Multimedia Sales Germany and Austria*⁹ as support for the proposition that Jensen retained an independent distinctive role in the Jensen-Suisse mark and therefore counted as use of the longer mark. This is plainly wrong. Even if use of Jensen-Suisse counted as use of Jensen on this basis, that argument provides no basis for concluding that use of Jensen alone counts as use of Jensen-Suisse. Nor is the absence of the Suisse element irrelevant because it is descriptive of Switzerland. Firstly, there is no evidence that the average UK consumer understands that Suisse = Switzerland. Secondly, even if that is so, the way the term is used in the composite mark, hyphenated with Jensen, points away from the name having a purely descriptive significance in the mark. It is an integral part of the mark. Consequently, any argument that Jensen alone has the same distinctive character as Jensen-Suisse is also bound to fail. There is no possible defence under s.46(2).

Proper reasons for non-use?

41. Some of Healey's arguments appear to be directed at supporting a pleading that there were genuine reasons for non-use of the marks due to the characteristics of the market, i.e. the difficulty and period of time required to develop a new car. That case was not pleaded. However, several of Mr Misquitta's witness statements

⁹ Case C-120/04

include submissions that there were proper reasons for non-use. One refers to such reasons existing *to the extent that the Interceptor mark ...had not been used before the proprietor recommenced use*". The same is said about the Jensen and Jensen-Healey marks. This appears to refer to non-use prior to the uses described above. Other witness statements served in revocations 16176 (Interceptor), 16177 (Jensen) and 16178 (Jensen-Suisse) make a different point. These include submissions that the non-use of those marks in relation to spare parts for cars' (in class 12), the bringing together for the benefit of others, of land vehicles and their components enabling customers to conveniently view and purchase those goods in a retail outlet' (in class 35), and motor vehicle maintenance and repair' in class 37, should be excused on the basis that until Healey had put vehicles on the market under the marks, there could be no use of the marks for retail etc. Even if that case had been pleaded, it could not have succeeded independently of a pleading that Healey had proper reasons for non-use in relation to motor vehicles. For if no such reasons existed, it follows that there cannot have been proper reasons for non-use in relation to spare parts and related services.

42. As there was no formal pleading of proper reasons for non-use, and no application has been made to amend the pleadings, there is strictly no need for me to say any more about this matter. However, lest it be thought that it would be unfair for Healey to lose a case it has floated but not pleaded, I record here that I would have rejected the case that there were proper reasons for non-use of the marks in relation to motor vehicles (and, by extension, the other goods and services). The CJEU has held that:

—~~only~~ obstacles having a sufficiently direct relationship with a trade mark, making its use impossible or unreasonable, and which arise independently of the will of the proprietor of the mark, may be described as proper reasons for non use"¹⁰.

43. The reason advanced here is essentially that a new motor car requires considerable investment and takes a long time to develop and bring to market. I accept that this might represent a proper reason for non-use. However, in order to advance that argument I would have expected Healey to have provided credible and persuasive evidence about:

- i) when it started developing the car;
- ii) how, where and who developed the car;
- iii) how much it spent developing a car up until September 2011;

¹⁰ Case C-246/05 *Hauptl v Lidl* [2007] ETMR 61

- iv) how far it had really got with its development as at September 2011, and how much was left to do;
- v) how long it normally takes a car maker to develop a new car (preferably from an independent source in the industry);
- vi) when it was decided which of the marks to use on the car that was being developed (if it was settled that the car would be called Jensen Interceptor, the development of the car could have no bearing on the non-use of the Jensen-Healey and Jensen-Suisse marks).

44. Instead of which Healey has provided no concrete information about the amount it has invested in developing a car or who was engaged in the development, citing spurious reasons of confidentiality, which could have been addressed through confidentiality orders of one kind or another. Nor do I think that the hearsay evidence of Mr Misquitta, and the unexplained photograph of the platform, is any substitute for a proper first hand and detailed explanation of how far Healey had actually got developing a new car by September 2011, and how much was left to do to bring a car to market under particular mark(s). Finally, although Mr Misquitta provides some anecdotal (again hearsay) evidence of how long other brands have been absent from the market and taken to re-enter the market, this does not adequately inform me whether 5 years would be regarded in the sector concerned as a short/normal/long period for a new manufacturer to develop a new vehicle, once a decision had been taken to do so.

45. It has been held that:

—A proprietor who does nothing for most of the five year period and then embarks on a procedure known to be lengthy but intended to lead to goods bearing the mark being produced for sale cannot.....say that the ordinary commercial delays in producing a new product bearing the mark amounted to proper reasons”¹¹.

46. I cannot see how a proprietor who does not satisfactorily explain what he has been doing for most of the 5 year period in question is in any better position. The only particularised claim is that Healey entered discussions with CPP Holdings “since before April 2011” (i.e. 6 months before the end of the latest 5 year period), and even this evidence is hearsay. Healey’s evidence leaves me guessing whether it had access to the necessary financial and technical resources to bring a new vehicle to the market, but needed more time to finish the normal development cycle (and might therefore have had proper reasons for non-use) or whether it acquired the marks without access to the necessary resources to bring the goods to market. Having access to the means and resources required to bring the goods to market is

¹¹ Per L.J. Gibson in *Philosophy di Alberta Ferretti* [2002] EWCA Civ. 921.

a normal business requirement. The absence of such means cannot therefore be classed as an obstacle outside the proprietor's control and a proper reason for non-use. The onus is on Healey to establish that it had proper reasons for non-use. In my judgment it has failed to discharge that burden.

Conclusion

47. I conclude that there has been no genuine use of any of the marks and they should be revoked for non-use.

48. There remains the question of the effective date for the revocations. On 16 July 2012, Browne Jacobson applied to amend application for revocation 16177 covering international registration M828078 (Jensen) so that revocation under s.46(1)(a) took effect from either 11 June 2009 or else 24 September 2009. The first date is the fifth anniversary of the date of the international registration. The second date is the fifth anniversary of the date that the international mark was published in the UK for opposition purposes. Revocation under s.46(1)(a) occurs when the following condition is satisfied:

(a) that within the period of five years following completion of the registration procedure it has not been put to genuine use in the United Kingdom...

49. The words completion of the registration procedure originate in the Trade Marks Directive but their meaning is a matter for national law¹².

50. Article 6 of Schedule 2 of the Trade Marks (International Registration) Order 2008 introduced s.38B to the Trade Marks Act 1994. This states that international trade marks shall be protected (from the earliest) on the day following the end of the opposition period. Following protection, the registrar is required to notify the International Bureau and publish a notice indicating, inter alia, the date on which protection was conferred in the UK.

51. Article 3(3)(3) of the same Order states that the provisions of the main Act shall apply to international trade marks, but that references in the Act to the registration of a mark shall be taken to mean references to the date that protection was conferred on an international trade mark. It is well established that the date a national mark is entered in the register is the date that the registration procedure is completed.

52. I held that it was beyond argument that the completion of the registration procedure for an international trade mark could not be earlier than one day following the end of the opposition period. I therefore rejected the request to backdate the effective date of revocation 16177 to the date of the international registration of the

¹² See Case C-246/05 Haupl v Lidl [2007] ETMR 61

mark, or the date of publication of the mark in the UK for opposition purposes. The earliest date that protection can be revoked for international registration M828078 is therefore 26 December 2009, as per the original application.

53. So far as I can see, the conditions for revocation of the international marks have remained constant between the periods ending five years after the completion of the protection procedures, and the end of the 5 year period specified under s.46(1)(b), i.e. 22 September 2011. The conditions for revocation therefore existed equally at the earlier dates. Consequently, I direct that the protection afforded in the UK to international mark M827093 be revoked under s.46(1)(a) with effect from 23 January 2011. Similarly, the protection afforded to international registration M828078 should be revoked with effect from 26 December 2009. And the protection afforded to M832629 should be revoked with effect from 3 July 2010.

54. JCL asks for UK registrations 908667 and 982086 to be revoked with effect from five years following the completion of the registration process, or 21 October 2009, or 23 September 2011. Given that the Jensen-Healey and Interceptor marks appear to have been used in the 1970s, I cannot find that the marks were liable to revocation for non-use as at 29 November 1972 and 28 August 1979, respectively. However, the conditions for revocation appear to exist at both of the later dates. Therefore, I direct that these registrations be revoked with effect from 21 October 2009.

COSTS

55. JCL having succeeded, it is entitled to a contribution towards its costs. I therefore order Healey Sports Cars Switzerland Limited to pay Jensen Cars Limited the sum of £3500. This is made up of:

£2000 for filing 5 applications for revocation and considering Healey's counterstatements (including £1000 in official filing fees).

£1500 for considering Healey's evidence and responding to it.

£1000 towards the cost of the hearing, including preparation of a skeleton argument.

56. This to be paid within 14 days of the end of the period allowed for appeal.

Dated this 7th day of December 2012

**Allan James
For the Registrar**