

O-491-12

**TRADE MARKS ACT 1994**

**APPLICATION 84180 BY HEALEY SPORTS CARS SWITZERLAND**

**LIMITED FOR A DECLARATION THAT TRADE MARK 2529528**

**IN THE NAME OF JENSEN CARS LIMITED**

**IS INVALID**

**AND**

**INTERNATIONAL REGISTRATION 1057115**

**IN THE NAME OF HEALEY SPORTS CARS SWITZERLAND LIMITED**

**AND OPPOSITION 72423**

**BY JENSEN CARS LIMITED**

## BACKGROUND

1. This case concerns a request for the protection of international registration 1057115 (“IR” 115) in the UK. The IR covers the trade mark JENSEN-HEALEY. The request, or the ‘designation’ as it is formally called, was made on 28 September 2010 by the holder of IR 115, Healey Sports Cars Switzerland Limited (“Healey”). Protection is sought for goods and services falling in classes 9, 12, 14, 18, 25, 37, 41 & 42.

2. The request for protection was published for opposition purposes on 17 February 2012, and was opposed on 18 May 2012 by Jensen Cars Limited (“JCL”). The single ground of opposition is that JCL has an earlier conflicting trade mark – JENSEN - and registration of the JENSEN-HEALEY mark would therefore be contrary to s.5(2)(b) of the Act. JCL’s earlier mark is registered in the UK as 2529258 (“UK 258”) with effect from 21 October 2009 in respect of goods and services falling in classes 12, 35, 37 and 40. The respective marks, goods and services, are said to be similar and JCL claims that there is a likelihood of confusion.

3. Prior to the opposition being filed, Healey had applied on 21 September 2011 for UK 258 to be declared invalid under s.47 of the Act because the registration of that mark was contrary to s.5(1) or 5(2)(a) of the Act. This is because Healey is the holder of international registration 828078 (“IR 078”), which is also for the mark JENSEN. That mark was protected in the UK on 25 December 2004 for goods and services falling in the same classes as UK 258. However, because the protection process for IR 078 was completed more than 5 years before the application for invalidation of UK 258 was filed, Healey was required to make a statement of use of IR 078 in accordance with Rule 47(2)(d). Healey claimed to have used IR 078 for goods and services falling in only two of the four classes for which it was protected; namely, vehicles and their components and retail services for the sale of such goods, falling in classes 12 and 35, respectively. Healey therefore restricted its claim to the goods/services in these classes, but argued that as well as being identical to the goods and services in classes 12 and 35 of JCL’s UK 258 registration, those goods and services were similar to the other services for which UK 258 is registered; namely, automobile maintenance and repair in class 37 and assembly of vehicle parts in class 40. Consequently, Healey claimed that the marks at issue are identical and the respective goods/services were either the same, or they were similar enough to give rise to a likelihood of confusion.

4. Healey’s counterstatement to JCL’s opposition to IR 115 (JENSEN-HEALEY) therefore denied the ground of opposition based on UK 258 (JENSEN) on the basis that UK 258 was invalid because of Healey’s earlier IR 078 (also JENSEN).

5. JCL filed a counterstatement in which it denied the grounds for invalidation of UK 258 and put Healey to proof of use of IR 078 in relation to the goods and services in classes 12 and 35 covered by the statement of use.

6. JCL's opposition to IR 115 and Healey's application to invalidate UK 258 were consolidated.

## **HEALEY'S APPLICATION TO INVALIDATE JCL'S UK 258 MARK**

### **Parallel Revocation Proceedings**

7. On 23 September 2011, JCL filed an application to revoke the protection granted to IR 078 on the grounds that there had been no genuine use of the JENSEN mark by, or with the consent of, Healey in the five year period ending on 22 September 2011. JCL asked for the protection granted to IR 078 to be revoked with effect from 26 December 2009.

8. In separate proceedings, I allowed JCL's application. I will start by considering the effect of that decision on Healey's application to invalidate JCL's UK 258 registration of JENSEN on the basis of its earlier (but, subject to appeal, revoked) IR 078.

9. Section 47 (so far as is relevant here) is as follows:

47. - (1) -

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied, unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if -

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has 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, or  
(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes -

(a) 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 was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) -

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) -

(3) -

(4) -

(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

10. The filing date of UK 258 is 21 October 2009. According to s.6 of the Act this is normally the crucial date for determining priority between conflicting trade marks. I decided that IR 078 should be revoked with effect from 26 December 2009, i.e. after the filing date of UK 258. This means that even after my decision in the revocation proceedings, IR 078 was protected in the UK at the date that UK 258 was filed. In *Riveria Trade mark* [2003] 50, I decided that a revoked trade mark could still be enforced against a junior mark where the senior mark was validly registered at the date that an application was made to register a junior mark, and at the date of the application for invalidation. I note that Professor Ruth Annand, as The Appointed Person, adopted a similar view of the matter in a recent appeal in consolidated proceedings between Mr Nasratul Ameen and Taxassist Direct Limited<sup>1</sup>. The current case is similar to those cases in one respect: the protection of IR 078 was extant on the date that the application was made to register UK 258. It differs from those cases in that IR 078 was not (if my decision in the revocation proceedings is correct) extant on 21 September 2011 when the application was filed for the invalidation of UK 258.

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<sup>1</sup> See BL O/220/12

11. Further, the law has changed since *Riveria* was decided in 2002. In particular, s.47(2A) and s.47(2B) were introduced in 2004. These provisions effectively mean that in order to bring an application for invalidation based on an earlier mark that has been registered or protected for five years or more at the date of the application for invalidation, the earlier mark must have been put to genuine use in the five year period ending on that date, unless there are proper reasons for non-use. In this case that means genuine use, or proper reasons for non-use, in the period between 22 September 2006 and 21 September 2011.

12. As IR 078 was extant on the date that the application to register UK 258 was filed, but (if my decision in the revocation case is correct) revoked prior to the date that the application to invalidate UK 258 was filed, I invited the parties to make submissions on this point. I received submissions from Farrer & Co on behalf of Healey which argued that the requirements introduced by the Proof of Use Regulations 2004 should be read in the context of the scheme of the Act. As IR 078 was bound to remain extant on the date that the application to register UK 258 was filed, s.9(1) and s.46(6) required that the mark should remain enforceable in respect of acts committed at that time. In support of this point, my attention was drawn to a decision of Mr Geoffrey Hobbs Q.C. as The Appointed Person in *BSA*<sup>2</sup>. However, that case concerned only the earliest date from which a trade mark may be revoked for non-use. It did not address the consequences of the revocation of a trade mark from a date which precedes the filing of an application to invalidate another mark on the basis of the revoked mark. Section 46(6) is also silent on that point, except by implication. Section 9(1) is concerned with infringement rights and, again except by possible implication, says nothing about the reliance which may be placed on a revoked trade mark in an application to invalidate a later trade mark. By contrast, s.47(2A) and (2B) place express conditions on such applications.

13. The requirements of s.47(2A) and (2B) are therefore additional to, and independent from, the consequences of any parallel application to revoke the earlier mark for non-use. Accordingly, if Healey has not shown genuine use of IR 078 in the relevant five year period, or proper reasons for non-use, it cannot rely on that mark in these invalidation proceedings.

### **Genuine Use of IR 078 by Healey?**

14. I therefore turn to the question of whether Healey has shown genuine use of JENSEN. The requirements for genuine use were conveniently summarised by Ms Anna Carboni as The Appointed Person in *Pasticceria e Confetteria*

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<sup>2</sup> See BL O/144/07 at paragraph 37.

*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 “token”, 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].”

15. The five year period in question in these proceedings is essentially the same period I considered in the parallel revocation proceedings, ending just one day earlier on 21 September 2011. Further, Healey’s evidence in this case is virtually the same as the evidence filed in the parallel revocation proceedings in respect of IR 078. The evidence again takes the form of a witness statement by Anthony Misquitta of Farrer & Co., Healey’s UK solicitors. 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..”*

16. However, it is clear that Mr Misquitta can have little or no personal knowledge of the facts in his statement. His evidence appears to be 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. JCL also served hearsay evidence from Nicholas McDonald, who is an associate at the firm of Browne Jacobsen LLP, which acts for JCL in this matter.

17. In the related revocation proceedings, I assessed the weight to be given to the evidence from Mr Misquitta and Mr McDonald, as follows:

“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 Healey<sup>3</sup>. Therefore the unsatisfactory nature of the evidence has more potential to disadvantage Healey than JCL.”

18. Healey relies on three instances of use of JENSEN. 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 exhibits<sup>4</sup> 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 who) that Mr Schlatter gave the requested consent and that the game was made available to the public in November 2010. However, this is unattributed hearsay/assertion. 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 JENSEN 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 of JENSEN in relation to the goods for which the mark is registered and is therefore irrelevant.

19. The second use relied upon is use of the marks JENSEN on a website made available to the public on 19 September 2011, i.e. 2 days before Healey applied to invalidate UK the filing of UK 258. Copies of the relevant web pages are in evidence<sup>5</sup>. The web address is 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 new car was planned for “*late 2012*” with deliveries to customers starting in 2014. Expressions of interest were invited by e-mails to info@jensensportscars.com.

20. The third use relates to a press release issued on 20 September 2011, i.e. the day before Healey applied to invalidate UK 258. This was issued through a specialist automotive PR and events agency called PFPR Communications. A copy of the release is in evidence<sup>6</sup>. It announces “*CPP to build new Jensen Interceptor*”. It says that a team of design consultants employed by Healey

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<sup>3</sup> See s.100 of the Trade Marks Act 1994

<sup>4</sup> As exhibit ALM-4

<sup>5</sup> As exhibit ALM2-3

<sup>6</sup> As exhibit ALM2-4

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 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.

21. The press release was picked up and resulted in a number of press reports about the prospective new car<sup>7</sup>. According to an article from [autoexpress.co.uk](http://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.

22. There is no doubt that the second and third 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 mark and show real commercial exploitation of the mark intended to create market share, or something less than that.

23. In the revocation proceedings, 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

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<sup>7</sup> See ALM2-5

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).”

24. 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 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 cases<sup>8</sup>.

25. Counsel for JCL 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, the press release was more a piece of news about future plans than a genuine advertisement for goods.

26. If the requirement is for mark to be used 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

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

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 of a trade mark registered for such goods within the 5 year qualifying period 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*”. This 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.

27. Further, the very proximity between the dates of these uses of IR 078 by Healey and the date of the company’s application to invalidate UK 258 on the basis of that mark, after at least 5 years without any relevant external use of the JENSEN mark, calls into question whether the uses were really an advertisement intended to create a market for the goods amongst potential customers for motor cars.

28. In my view, the use shown, 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 mark on the website and in the press release constituted genuine use of those marks within the 5 year period ending on 21 September 2011.

29. 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*”.

30. I therefore find that no genuine use has been shown of IR 078 in the five year period ending on 21 September 2011.

## Proper Reasons for Non-Use?

31. 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, although 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<sup>9</sup> 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”.

32. The reason suggested 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 may 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;
- 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).

33. 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 or unexplained photographs of a „platform’<sup>10</sup>, are any substitute for a proper first-hand and detailed explanation of how far Healey had actually got developing a new JENSEN car by September 2011. 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

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<sup>9</sup> Case C-246/05 Haupl v Lidl [2007] ETMR 61

<sup>10</sup> See ALM 5

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.

34. 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”<sup>11</sup>.

35. I cannot see how a proprietor who fails to satisfactorily explain what he has been doing for most of the 5 year period in question is in any better position. 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 means and resources to bring the goods to market. Having access to the means and resources required to bring the goods to market is 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 plead and establish that it had proper reasons for non-use. It has failed to do either.

36. Consequently, in accordance with s.47(2A), Healey is not entitled to rely on IR 078 for the purposes of its application to invalidate UK 258. As the only ground for invalidation of UK 258 depends on IR 078 being a valid earlier mark, it follows that the application to invalidate UK 258 must fail. I find accordingly.

### **JCL’S OPPOSITION TO HEALEY’S APPLICATION TO REGISTER JENSEN-HEALEY**

37. The opposition is based on JCL’s earlier trade mark JENSEN. The opposed mark is JENSEN-HEALEY. The marks are clearly not identical, and that is why JCL relies on s.5(2)(b), which is as follows:

- 5 (2) A trade mark shall not be registered if because -
- (a) -
  - (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade

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

mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

38. In my consideration of whether there is a likelihood of confusion, I take into account the guidance from the settled case law of the CJEU in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v OHIM* C-334/05 P (*Limoncello*). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors: *Sabel BV v Puma AG*.

(b) the matter must be judged through the eyes (and ears) of the average consumer of the services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind: *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details: *Sabel BV v Puma AG*.

(d) the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components: *Sabel BV v Puma AG*.

(e) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements: *Limoncello*.

(f) beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark: *Medion*.

(g) a lesser degree of similarity between the marks may be offset by a

greater degree of similarity between the goods, and vice versa: *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*

(h) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it: *Sabel BV v Puma AG.*

(i) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2): *Sabel BV v Puma AG.*

### Comparison of goods and services

39. The respective goods and services are as follows:

| Mark     | JENSEN-HEALEY   | JENSEN   |
|----------|---|--|
| Class 9  | Computer programs; magnetic data media; optical data media; magnetic disks; audio compact disks; video compact disks; sunglasses; goggles for sports; optical spectacles.   | -  |
| Class 12 | Vehicles; apparatus for locomotion by land, air or water; land vehicles; chassis for land vehicles; parts and components for land vehicles; seats for vehicles; headrests and backrests; safety belts; <i>seat covers</i> ; anti-glare devices for vehicles; mudguards and mud flaps; brake shoes, segments, fittings and pads; steering wheels, <i>steering wheel covers</i> ; shock absorbers; non-slip devices; wheel hubs, hub caps, rims, spokes and tyres; fenders, hub caps, interior fitting panels, spoilers; pedals for vehicles; spare wheels; carpets and floor coverings for land automobiles; <i>pumps for inflating vehicles tyres</i> ; windscreen wipers; shades for vehicle windows, sunshades; <i>roof luggage racks and nets</i> ; <i>bicycle carriers</i> , <i>windsurf board carriers</i> , <i>ski carriers and snow chains</i> ; parts | Vehicles and their components; spare parts for cars. |

|          |   |   |
|----------|---|---|
|          | and components for all the aforementioned goods.  |   |
| Class 14 | Precious metals and their alloys and goods made of these materials or coated therewith included in this class; jewelry, precious stones; horological and chronometric instruments.  | -   |
| Class 18 | Leather and imitations of leather, goods made from these materials, included in this class; animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.  | -   |
| Class 25 | Clothing, footwear, headgear.   | -   |
| Class 35 | -   | Retail sale of vehicles and their components.     |
| Class 37 | Repair; repair, maintenance, fixing of diagnosis values, automobile tuning, reconditioning, inspecting, painting, polishing, restoring, cleaning and checking motorized land vehicles and their parts; <i>advice and information in all the aforementioned fields.</i>  | Maintenance and repair of automobiles.            |
| Class 40 | -   | Assembling of vehicle parts and their components. |
| Class 41 | Education; providing of training; entertainment; sporting and cultural activities; arranging, organizing and holding of sporting events; arranging, organizing and holding of exhibitions for cultural or educational purposes.   |   |
| Class 42 | <i>Research and development services in engineering and engineering design services; design of land vehicles, nautical vehicles, yachts, ships and boats; design of parts and components for land vehicles, nautical vehicles, yachts, ships and boats; vehicle testing; services in the field of security technology and relating to land vehicles, nautical vehicles, yachts, ships and boats; assistance services related to the</i> |   |

|  |                          |  |
|--|--------------------------|--|
|  | aforementioned services. |  |
|--|--------------------------|--|

40. Following a Case Management Conference on 1 August 2012, I directed the parties to make submissions as to why the non-identical goods and services should be considered similar or dissimilar. This direction was not complied with so I wrote again on 31 October inviting JCL to remedy the deficiency. I indicated that in the absence of such submissions, I would dismiss the opposition in classes 9, 14, 18, 25, 41 and 42 unless the similarity between the respective goods and services was self evident. JCL responded to that letter indicating that the required submissions would be made by the date set, but none were received. I am therefore left to make my decision based purely on my own analysis. Except for those I have shown in italics, I consider that all the goods and services covered by IR 115 in classes 12 and 37 to be identical to the goods and services in those classes covered by JCL's earlier 258 mark. The remaining goods in class 12 are vehicle accessories, rather than vehicle parts. The remaining services in class 37 are advisory services, which are not covered by the earlier mark.

41. In comparing the similarity of the respective goods and services, I take account of the judgment of the CJEU in *Canon* where the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account.

Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

42. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06, the General Court restated that “complementary” means:

“.... there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

43. Vehicle accessories are in the same nature as vehicle parts and components. They are sold through the same channels to the same users. These are obviously highly similar goods.

44. Similarly, services providing advice and information about vehicle repair and maintenance are plainly very similar to repair and maintenance services. The same undertaking is likely to provide both services and they have the same intended purpose: to provide the appropriate maintenance or repair for the product in question. These are highly similar services.

45. The services that I have shown in italics in class 42 of IR 115 cover research, design, development and testing services relating to vehicles. The services in class 40 covered by JCL's earlier UK 258 mark are vehicle parts assembly services. This means assembling parts for someone else (as opposed to assembling one's own parts, which is not a service). Those are the sort of services provided by a custom vehicle manufacturer. The respective services are not in competition and the intended purposes are plainly different. A custom built vehicle must be built to a design, so the vehicle design services covered by Healey's IR 115 are essential for the use the assembly services covered by JCL's UK 258 mark. However, it is not clear to me that vehicle design services are liable to be provided by undertakings offering vehicle parts assembly services. For example, there is no evidence that this is customarily the case. Therefore I cannot find that these services are complementary in the sense described in the case law. The respective services are in the nature of vehicle engineering services of one kind or another, so there is some degree of similarity. Overall, I find that the services of IR 115 shown above in italics are similar to the assembly services in class 40 covered by UK 258, but only to a low degree.

46. I find that „services in the field of security technology and related to [vehicles]' in class 42 of IR 115 covers the fittings of vehicle alarms. However, such goods are not covered by any of the descriptions of goods in class 12 of IR 115. Consequently, the non-italicised services in class 42 of IR 115 are not similar to any of the goods/services covered by UK 258.

47. I further find that there is no similarity between the goods and services covered by classes 9, 14, 18, 25 and 41 of IR 115, and any of the goods and services covered by UK 258. The nature and purpose of these goods is different and they are not in competition. Nor are they complementary in the sense described in the case law.

48. As a matter of law, it is necessary for the respective goods/services to be similar to some extent in order to bring an opposition under s.5(2) of the Act<sup>12</sup>. Accordingly, the opposition against IR 115 fails in classes 9, 14, 18, 25 and 41, and for the non-italicised services listed in class 42 of the above table.

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<sup>12</sup> *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU)

## **The Similarity of the Marks JENSEN and JENSEN-HEALEY**

49. JENSEN is self evidently the first half of JENSEN-HEALEY. The marks are therefore similar, to some extent, to the ear and to the eye. Where it is distinctive – as JENSEN is here – there is also a general rule of thumb that the beginnings of marks make more of an impact on consumers than the endings<sup>13</sup>. I find that the visual and aural similarity between the marks – the common word JENSEN – marginally outweighs the difference of the additional word HEALEY in IR 115.

50. Healey is likely to be recognised as a surname, albeit not a very common one. Jensen may nowadays be recognised as the forename of the racing driver, Jensen Button. However, the hyphenated presentation of the mark JENSEN-HEALEY points away from Jensen being the forename of someone called Healey. Otherwise, Jensen has no obvious meaning. Overall the marks are conceptually neutral. Therefore they are neither conceptually similar nor dissimilar.

51. Overall, I find that the marks are reasonably similar, by which I mean that there is a significant similarity, but not the highest level of similarity.

## **The Distinctive Character of the Earlier Mark**

52. JENSEN is not descriptive in any way of the goods or services covered by IR 115. Further, whether it is seen as an invented term or a very unusual forename, it is highly distinctive.

## **The Relevant Consumer**

53. The relevant average consumer for the goods and services in classes 12 and 37 is a person or business looking for a new vehicle or for vehicle servicing or repair services. Vehicles are high cost items. Consequently, consumers are likely to pay a high level of attention when selecting such goods. The value of the goods and the safety implications of poor maintenance or repairs mean that the average consumer is likely to pay an above-average level of attention when selecting a maintenance or repair service for their vehicle. The average consumer for the vehicle design, development services etc. in class 42 is likely to be a business looking for bespoke vehicle engineering services. The services are likely to be both costly and important to the success of the business selecting them. Such a

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<sup>13</sup> See, for example, Case T-112/03, *L’Oreal v OHIM (FLEXI AIR)*, [2005] ECR II-949, paragraph 64.

consumer is therefore likely to pay a very high level of attention when selecting these services.

### **The Likelihood of Confusion**

54. I find that where the respective goods and services are identical or highly similar, as is the case in classes 12 and 37, the level of similarity between the marks coupled with the highly distinctive character of the mark JENSEN, is sufficient to create a likelihood of indirect confusion, or „association’ as it is called in s.5(2). That is to say that the average consumer of those goods and services is likely to believe that the marks JENSEN and JENSEN-HEALEY are used by the same undertaking, or by economically linked undertakings. For example, the consumer may believe that the user of JENSEN is also being part of a joint venture identified by the JENSEN-HEALEY mark. I do not think that the high level of attention likely to be paid by the relevant average consumer will be sufficient to counteract this impression. The opposition therefore succeeds for all the goods and services listed in classes 12 and 37.

55. Where the respective services are less similar and more specialised, as is the case with some of the services in class 42 of IR 115 and the services in class 40 covered by UK 258, I find that the other factors listed above are not sufficient to create a likelihood of confusion, including the likelihood of association. I accept that it is possible that even a sophisticated user of vehicle engineering services, may wonder whether there might be a connection between the users of the marks. However, merely bringing the earlier mark to mind is not sufficient. There is only a likelihood of confusion if an average consumer is caused to believe that there is an economic connection between the users of the marks. I do not believe that is likely, so the opposition in class 42 fails.

### **CONCLUSION**

56. The application to invalidate UK 258 fails. The opposition against classes 12 and 37 of IR 115 succeeds. I reject the opposition against the other classes of IR 115.

### **Application to Add an Additional Ground of Opposition**

57. On 1 August 2012, a Case Management Conference (“CMC”) was held to determine, inter alia, the timetable for these proceedings. Two weeks later, on 15 August 2012, JCL applied to amend its grounds of opposition by adding an additional ground under s.5(4)(a) based on its claimed common law rights to the name JENSEN at 28 September 2010 when Healey designated the UK for

protection of IR 115. This meant that a second CMC was necessary. The second CMC was held on 15 September.

58. There is no doubt that Rule 62(1)(e) of the Trade Mark Rules 2008 gives the Registrar a discretion to permit such amendments. That discretion need not necessarily be exercised as it might be in the High Court under the applicable Civil Procedure Rules. This is because those Rules do not apply to the Registrar's tribunal. However, it was necessary to have regard to all relevant factors, including that the request for amendment had been made after the CMC on 1 August, as well as the prospects of the new ground succeeding<sup>14</sup>.

59. Partly in support of the new ground, JCL filed the witness statement of Nicholas McDonald referred to above. 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"*.

60. Mr McDonald's statements make no attempt to distinguish between the facts of which he has personal knowledge and 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. My earlier comments about hearsay evidence therefore apply equally to Mr McDonald's statement.

61. Mr McDonald states that the development of a JENSEN car by JCL is "*clearly documented*" from April 2010. According to Mr McDonald, Mr Hearley of JCL had by this time assembled a team of 12 motor industry experts to develop a new JENSEN car. Between April 2010 and September 2011, JCL spent around £900k on the project. Mr McDonald exhibits<sup>15</sup> a copy of an article said to come from the Isle of Man Examiner of 27 April 2010. The article covers plans by Mr Hearley of JCL to commence production of new JENSEN cars in the Isle of Man. He also exhibits<sup>16</sup> a copy of a press release dated 22 April 2010 which announced that JCL was to launch a new JENSEN GT in the first quarter of 2011 "*with the first cars expected to be on the road*

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<sup>14</sup> I note that a similar approach is adopted in the Patent County Court: see *Redd Solicitors v Red Legal Limited and Another*, Case CC 11 P 02199.

<sup>15</sup> See exhibit NM5

<sup>16</sup> See exhibit NM6

by mid 2011". Mr McDonald says that the press release followed the article in the Isle of Man Examiner, but judging from the respective dates, it seems more likely that the press release prompted that article. It also seems to have prompted some further coverage on 4 June 2010 on a website called [greatscapecars.blogspot.co.uk](http://greatscapecars.blogspot.co.uk), which carried a small piece entitled „Jensen starts manufacturing again’.

62. There is no evidence that JCL sold any cars by reference to the name JENSEN before 28 September 2010 when Healey applied for IR 115 to be protected in the UK (“the relevant date”). Nor is there any evidence that JCL advertised any cars for sale by reference to the name JENSEN prior to the relevant date (or at all). The proposed new ground therefore appeared to me to have no prospect of success because:

- 1) JCL’s business did not appear to have had any customers at the relevant date.
- 2) JCL had no vehicles that were available or offered for sale under the opposed mark before the relevant date<sup>17</sup>.
- 3) The most the evidence showed was that there was some limited publicity about the business and its future plans for the JENSEN mark<sup>18</sup>.
- 4) JCL’s representative at the CMC was unable to draw my attention to any authority for the proposition that a protectable goodwill can arise in these circumstances.
- 5) As goodwill is an essential requirement for a passing off case, the proposed new ground seemed bound to fail and allowing it to be added at such a late stage of the proceedings was only likely to add cost and delay.

63. I therefore exercised my discretion to refuse the requested amendment.

## **COSTS**

64. Healey’s application to invalidate UK 258 has failed. JCL’s opposition against IR 115 has succeeded in classes 12 and 37, but otherwise failed. Both sides achieved some measure of success in the opposition. Therefore, save for one matter, I do not propose to award either side costs for the opposition. The exception is that JCL should make a contribution towards Healey’s costs for the second CMC, which was only required because of JCL’s belated and

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<sup>17</sup> Even if the limited publicity shown in the evidence amounted to advertising, it would not have been sufficient because there was no imminent prospect of trade commencing: *Bernadin (Alain) et Cie v Pavilion Properties Ltd* [1967] RPC 581.

<sup>18</sup> Even if the limited publicity shown in the evidence was capable of creating goodwill, it was trivial at best and thus incapable of supporting a passing off action: *Hart Relentless Records Ltd* [2002] EWHC1984.

unsuccessful application to add a further ground of opposition. According to the scale published under Tribunal Practice Notice 6/2008, a party is entitled to an award of up to £1500 for attending a one day hearing. The CMC was held by teleconference and lasted only an hour. Nevertheless, some preparation would have been required. I will therefore order JCL to pay Healey £300 towards the cost of the second CMC.

65. Healey should pay JCL a contribution towards the cost of the application for invalidation. I assess this contribution as £800 made up as follows:

£300 towards the cost of considering the application for invalidation and filing a defence.

£500 for considering Healey's evidence and filing evidence in support of UK 258.

66. The amount due to JCL should be reduced by £300 to reflect my finding at paragraph 64 above. I therefore order Healey Sports Cars Switzerland Limited to pay Jensen Cars Limited the sum of £500.

**Dated this 10th Day of December 2012**

**Allan James  
For the Registrar**