

O-0796-24

TRADE MARKS ACT 1994  
IN THE MATTER OF CONSOLIDATED PROCEEDINGS BEING

TRADE MARK APPLICATION NO. 3699045  
BY MARC PHILIPP GEMBALLA  
TO REGISTER

**MARC PHILIPP GEMBALLA**

AS A TRADE MARK IN CLASSES 12, 37 & 42  
AND OPPOSITION THEREOF UNDER NO. 433422  
BY GEMBALLA GMBH

AND

TRADE MARK APPLICATION NO. 3699056  
BY MARC PHILIPP GEMBALLA  
FOR THE MARK

**GEMBALLIN**

AS A TRADE MARK IN CLASSES 9, 18 & 25  
AND OPPOSITION THEREOF UNDER NO. 433427  
BY GEMBALLA GMBH

## BACKGROUND & PLEADINGS


### Opposition to 3699045 (“the ‘045 mark”)


1. Marc Philipp Gemballa (“the applicant”) applied for the trade mark MARC PHILIPP GEMBALLA in the UK on 22 September 2021 with a priority date of 29 April 2019 (EUIPO). The mark was published on 11 February 2022 in classes 12, 37 and 42 for the goods and services set out in Annex 1 of this decision.

2. Gemballa GmbH (“the opponent”) opposed the ‘045 mark in full on the grounds of section 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under sections 5(2)(b) and 5(3), the opponent relies on the following two comparable UK trade mark registrations.<sup>1</sup>

Earlier registrations:	Goods & services relied on:
<p>UK TM No. 910450674</p> <p><b>GEMBALLA</b></p> <p>(“the earlier word mark”)</p> <p>Filing date: 28 November 2011 Registration date: 2 May 2012 Priority date: 14 June 2011 (Germany)</p>	<p>12: Vehicles; Apparatus for locomotion by land, air or water; Motor cars and parts thereof; Sports cars and parts therefor, vehicle bodies and parts therefor, canopies, spoilers and rearview mirrors; Accessories for motor vehicles (included in class 12); Interior fittings for motor vehicles, in particular sports cars; Wheel rims; Hub caps; Automobile engines; Boats, yachts, ships.</p> <p>37: Repair; Installation services; Conversion of motor vehicles, in particular sports cars, including tuning;</p>

<sup>1</sup> Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing registered EUTM or International Registration designating the EU. As a result, the opponent’s marks were converted into comparable UK trade marks. Comparable UK marks are now recorded in the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.

	Installation and fitting of special equipment in and to motor vehicles, in particular sports cars; Technical support and Motor vehicle maintenance, In particular sports cars.
<p>UK TM No. 903806601</p> <p></p> <p>("the earlier stylised mark")</p> <p>Filing Date: 13 May 2004</p> <p>Registration date: 31 October 2005</p>	<p>12: Motor vehicles, in particular sports cars and essential parts therefor, in particular vehicle bodies and parts therefor, soft tops, spoilers and rear-view mirrors; accessories for motor vehicles, included in class 12; interior fittings for motor vehicles, in particular sports cars; vehicle wheel rims; hub caps; motors and engines for automobiles; golf carts.</p> <p>37: Conversion of motor vehicles, in particular sports cars, including tuning; installing and fitting of special equipment in and to motor vehicles, in particular sports cars; technical support and maintenance of sports cars.</p>

3. Under section 5(4)(a) the opponent claims use of the signs GEMBALLA and  throughout the UK since January 2010 for the following goods and services, namely *Motor vehicles, in particular sports cars and essential parts therefor, in particular vehicle bodies and parts therefor, soft tops, spoilers and rear-view mirrors; accessories for motor vehicles, included in class 12; interior fittings for motor vehicles, in particular sports cars; vehicle wheel rims; hub caps; motors and engines for automobiles; golf carts and Conversion of motor vehicles, in particular sports cars, including tuning; installing and fitting of special equipment in and to motor vehicles, in particular sports cars; technical support and maintenance of sports cars.*

### **Opposition to 3699056 (“the ‘056 mark”)**

4. The applicant applied for the trade mark GEMBALLIN in the UK on 22 September 2021 with a priority date of 7 November 2019 (EUIPO). The mark was published on 11 February 2022 in classes 9, 18 and 25 for the goods set out in Annex 2 of this decision.

5. The opponent opposed the ‘056 mark in full on the grounds of sections 5(3) and 5(4)(a) of the Act. It relies on the same two comparable UK trade mark registrations set out in the table above for section 5(3) and the same signs, goods and services as set out above under section 5(4)(a)

### **Defence**

6. The applicant filed two counterstatements in defence of its applications, denying all grounds of oppositions. It also put the opponent to proof of use. The applicant also drew the Tribunal’s attention to the revocation actions taking place at the EUIPO in respect of the two EU marks on which the comparable marks are based.

### **Other preliminary issues**

6. The opponent’s registrations have filing dates that are earlier than the filing dates of the applications and are therefore earlier marks, in accordance with section 6 of the Act. As the registration procedures for both earlier marks were completed more than 5 years prior to the filing date of the contested applications, they are subject to the use conditions, as per section 6A of the Act. The opponent made a statement of use in respect of all the goods and services it relies on.

7. Both parties filed evidence and written submissions in lieu of a hearing. Both have been represented throughout these proceedings. The applicant has been represented by Freeths LLP and the opponent by London IP Ltd.

8. I make this decision following consideration of all the papers before me.

9. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained

EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

## **EVIDENCE**

### **Relevant periods**

10. My first task is to establish whether, or to what extent, the opponent has shown genuine use of its earlier marks within the 'relevant period'. The relevant period is defined as being a period of five years ending with the filing or priority date of the contested application or registration. The relevant date for the earlier word mark is therefore 30 April 2014 to 29 April 2019 and the earlier stylised mark is 8 November 2014 to 7 November 2019.

### **Opponent's evidence in chief**

11. The following evidence in chief was filed in this case.

- A first witness statement dated 13 October 2022 in the name of Louisa Fielding, a Trade Mark Attorney at London IP Limited, purporting to show examples of customer confusion on social media channels. Ms Fielding attached 11 exhibits.
- A witness statement dated 31 October 2022 in the name of Steffen Korbach, the opponent's CEO, purporting to show use and reputation of the earlier trade marks during the relevant period. He attached 20 exhibits. Mr Korbach's witness statement is given in both German and English.
- A second witness statement dated 12 December 2022 in the name of Louisa Fielding, setting out the outcome of the revocation decision relating to the EU marks on which the comparable marks are based. The decision reached by the EUIPO was to maintain the registration for some goods in classes 12 and 28 and some services in class 37.<sup>2</sup> Ms Fielding attached the decision and an English translation as exhibits.

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<sup>2</sup> **Class 12:** Vehicles; Apparatus for locomotion by land; Motor cars and parts thereof; Sports cars and parts thereof, vehicle bodies and parts thereof, canopies, spoilers and rearview mirrors; Accessories for motor vehicles (included in class 12); Interior fittings for motor vehicles, in particular sports cars; Wheel rims; Hub caps; Automobile engines. **Class 28:** Model vehicles. **Class 37:** Conversion of motor vehicles, in particular sports cars, including tuning; Installation and fitting of special equipment in and to motor vehicles, in particular sports cars; Technical support and Motor vehicle maintenance, In particular sports cars.

- A witness statement dated 25 July 2023 in the name of Julie Schmitt, a lawyer at Umami Law SLP who are the opponent’s EU legal representatives. Ms Schmitt gives her language credentials and states she translated Mr Korbach’s witness statement and the EUIPO decision referred to in Louisa Fielding’s second witness statement.

12. I will begin by considering the evidence of Steffen Korbach and will refer to the evidence of Ms Fielding during the course of this decision when it becomes relevant and necessary to do so.

13. Mr Korbach states that the GEMBALLA brand was first used in 1981 in Germany under the ownership of G-Topline Automobiltechnik GmbH & Co KG (“G-Topline”). In 2010 the G-Topline owner and founder, Uwe Gemballa, purchased all IP rights in his own name. Following Mr Gemballa’s death in 2010, all rights transferred first to Iridium Holdings then to the present opponent. The relevance of Uwe Gemballa will be referred to later in this decision. Mr Korbach states that the opponent “offers its services in Germany and exports its goods worldwide”.<sup>3</sup> The business is stated to fall into three areas, namely the build of new vehicles, the customisation of existing vehicles, such as Porsche, BMW and Mercedes, and the development of a new “hypercar”, being described as a “super sports car”. Also, pertinent to note is that new build vehicles and customisation of existing vehicles are given GEMBALLA derived model names such as “Gemballa Tornado”, “Gemballa Avalanche” and “Gemballa GTR 8XX” among others.

14. Mr Korbach gives the following information regarding turnover:

“The sales achieved by Gemballa in recent years are shown below by way of illustration. This presentation is for illustrative purposes only. It is by no means the complete turnover in the territory of the EU.”

<b>Year</b>	<b>Turnover</b>
2015	More than €850,000
2016	More than €1,600,000

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<sup>3</sup> Steffen Korbach witness statement, paragraph 2

2017	More than €3,600,000
2018	More than €1,700,000
2019	More than €1,950,000
2020	More than €1,950,000

15. Mr Korbach also states that the opponent spends approximately €100,000 per annum on advertising expenditure. However, this figure excludes the amounts spent on attending trade fairs which Mr Korbach states separately can cost up to €500,000 per event. With regard to trade fairs, Mr Korbach states that the opponent has attended the following:<sup>4</sup>

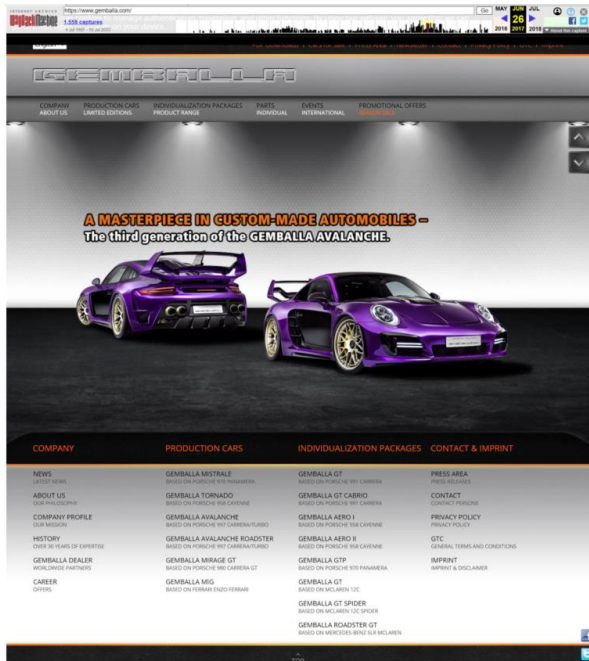
- Motor Show Essen (Germany) in 2018
- Genf Automesse (Switzerland) in 2012 and 2017
- Papenburg 3000 (Germany) in 2017
- SEMA-show Las Vegas (USA) in 2017
- Top Marques (Monaco) in 2016 and 2019

16. By means of the internet archive service, the Wayback Machine, Mr Korbach exhibits screenshots of the opponent's website in English dated October 2016, June 2017 and May 2019.<sup>5</sup> Both the earlier word and stylised marks are present in the masthead and in text. The June 2017 screenshot is shown as an illustration below:

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<sup>4</sup> Exhibit SK16 - which also shows images taken at UK motor shows namely MPH Live Show London in 2010 and the Goodwood Festival of Speed in 2013 although these events are not mentioned in the witness statement.

<sup>5</sup> Exhibit SK12



17. In relation to the “Hypercar” project, Mr Korbach evidenced a press release dated October 2019<sup>6</sup> in which the opponent asked for expressions of interest from potential investors to the project. Promotional material on this project<sup>7</sup> was sent to 3000 clients and investors in 2019.

18. Mr Korbach states that opponent has its own social media accounts on Facebook, Twitter, Instagram and YouTube.<sup>8</sup> As well as its own YouTube videos, Mr Korbach states that two prominent YouTube influencers, Shmee150 and Supercar Blondie, who combined have over 11 million followers, have featured the opponent’s customised vehicles on their channels between 2012 and 2020.<sup>9</sup>

19. Mr Korbach exhibited a product catalogue from 2015<sup>10</sup> in which the earlier word and stylised word marks are used in text and as applied to the goods. The image below is an illustration of the wheel rim and door of a customised vehicle showing the earlier stylised word mark.

<sup>6</sup> Exhibit SK13

<sup>7</sup> Exhibit SK15

<sup>8</sup> Exhibit SK17 & SK20

<sup>9</sup> Exhibit SK18 & SK19

<sup>10</sup> Exhibit SK7



20. Mr Korbach exhibits a number of articles<sup>11</sup> regarding GEMBALLA vehicles from the online automotive press between 2017 and 2021 (some of which fall outside of the relevant period). Those articles which fall within the relevant period are:

- Autocar (Oct 2019) which focussed on the hypercar project.
- Evo (Mar 2017) which featured the Gemballa Avalanche.
- Motor1.com (Jan 2019) which featured the Gemballa GTR 8XX Evo-R.
- Pistonheads (June 2019) which featured the Gemballa Cyrrus.
- RoadandTrack (Jan 2018) which featured Gemballa models from the 1980s.
- Secret-Classics.com (Oct 2019) which focussed on the hypercar project.

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<sup>11</sup> Exhibit SK2

- BBC Top Gear (Oct 2017) which featured the Gemballa GT.
- BBC Top Gear (Oct 2019) which focussed on the hypercar project.

21. Mr Korbach supplied the following invoices<sup>12</sup> for customers in Germany and the UK. Each invoice contains the earlier marks and a list of car parts sold to the customer. I have underlined the invoices which fall outside of the relevant period for clarity.

- 21 December 2015 for customer in Schlaitdorf for €71,400
- 23 August 2013 for customer in Stuttgart for €195,007.32
- 22 December 2010 for customer in UK for €73,859.24
- 9 June 2011 for customer in UK for €4,180
- 7 January 2016 for customer in UK for €16,848.85
- 25 February 2014 customer in UK for €6740.30
- 7 November 2014 for customer in UK for €12,120
- 24 August 2017 for customer in UK for €28,218.76

### **Applicant's evidence**

22. A witness statement and 6 exhibits were filed in the name of Marc Philipp Gemballa, dated 17 August 2023. Mr Gemballa states that he is the son of the late Uwe Gemballa, the founder of G-Topline, the opponent's predecessor in title. Mr Gemballa's evidence purports to demonstrate that relevant consumers in sports car sector, in which he and the opponent operate, are aware that he and the opponent have no economic or business connection to each other. The applicant also states that recent court proceedings in Germany have ruled in favour of him being able to trade under his personal name.

23. In his exhibits<sup>13</sup> Mr Gemballa demonstrates that in any material put out by him or his company in the form of his website, brochures, press releases and contracts highlight that there is no association between him and the opponent. Moreover Mr Gemballa exhibits<sup>14</sup> the following online automotive blog and press articles dated

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<sup>12</sup> Exhibit SK8, SK9 & SK10

<sup>13</sup> Exhibits MPG1, MPG2, MPG3 & MPG5

<sup>14</sup> Exhibit MPG5

between July and October 2021 in which it is mentioned he and the opponent have no economic or business connection to each other, namely Autobuzz.my, Car and Driver, Carscoops, Car Throttle, Dupont Registry, HypeBeast, Ramp Space, Pebble Beach Courcour, Yahoo Life and BBC Top Gear.

### **Opponent's evidence in reply**

24. A third witness statement dated 23 October 2023 was filed by Louisa Fielding of London IP Limited. Ms Fielding attached 3 further exhibits. Her first exhibit is a Wikipedia article dated 2019 on the history of the Gemballa brand. Ms Fielding also states that the applicant is using images on social media of his late father and his father's former GEMBALLA brand clients. To this end her second exhibit comprises screenshots dated between 2015 and 2021 taken from the applicant's Instagram account, namely gemballinofficial. The screenshots show various images of Uwe Gemballa, the applicant's late father. In particular they comprise images of Uwe Gemballa as part of a video, Uwe Gemballa with unnamed clients, Uwe Gemballa in a car with an unnamed client and an image of an autographed photograph of film star Jackie Chan, who has written a message addressed to Marc Philipp Gemballa. Mr Chan's message also makes reference to Uwe Gemballa. The third exhibit comprises automotive press articles dating from 2017, 2020, 2021 and 2022 ranking the opponent among the world's best supercar tuning companies.

25. That concludes my summary of the evidence.

### **Relevant statutory provision: Section 6A:**

26. "(1) This section applies where

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period 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) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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.

(5)-(5A) [Repealed]

(6) 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.”

27. As the earlier mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

“7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM ; and

(b) the references in section 6A to the United Kingdom include the European Union”.

28. Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

29. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v*

*Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'*[2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(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 to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*

at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving 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. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

30. I also find the following case law to be of use where in *Awareness Limited v Plymouth City Council*<sup>15</sup>, Mr Daniel Alexander Q.C. (as he was then) as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. .... I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

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<sup>15</sup> Case BL O/236/13

31. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*<sup>16</sup>, Mr Geoffrey Hobbs Q.C. (as he was then) also sitting as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘*show*’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed

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<sup>16</sup> Case BL O/404/13

for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

### **Sufficiency of use**

32. The evidence shows the earlier word and stylised marks in use on car parts themselves and in text articles in relation to vehicles parts and customisation during the relevant periods. The opponent has demonstrated a consistent turnover during the relevant period. Furthermore, it has evidenced sales to one EU member state customer and three UK customers during the relevant period. The evidence does not indicate large volumes of customers, but I accept that the opponent provides a very niche, expensive and exclusive service which accounts for low customer numbers. This may also account for the lack of a market share figure. However, I note from the settled case law that use does not have to be quantitatively significant to be deemed genuine use. The opponent has demonstrated that its presence at international motor shows although no information on footfall at these events was given. There is also evidence of automotive media attention, especially where new models are reviewed, and I note that the opponent has been actively seeking investors for its hypercar project. Overall I find that the evidence supports my finding that there has been genuine use of the two earlier marks during the relevant periods.

### **Framing a fair specification**

33. The next stage is to decide whether the opponent’s use entitles it to rely on all of the goods and services for which the earlier word and stylised word marks are registered and based on my assessments given above. In framing a fair specification, I rely on guidance given in the following judgments. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*<sup>17</sup>, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of

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<sup>17</sup> BL O/345/10

the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

34. Moreover in *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*<sup>18</sup>, Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

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<sup>18</sup> [2016] EWHC 3103 (Ch)

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

35. Taking the earlier word mark first, and in regard to class 12, I did not find any evidence of use on any air or water craft. The evidenced use related only to motor cars. With regard to class 37, there was no evidence to support repair and installation services at large. Again the evidence was limited to customisation of motor vehicles. Therefore I find a fair specification would be as follows:

*Class 12: Motor cars and parts thereof; sports cars and parts therefor, vehicle bodies and parts therefor, canopies, spoilers and rearview mirrors; accessories for motor vehicles (included in class 12); interior fittings for motor vehicles, in particular sports cars; wheel rims; hub caps; automobile engines.*

*Class 37: Conversion of motor vehicles, in particular sports cars, including tuning; Installation and fitting of special equipment in and to motor vehicles, in particular sports cars; technical support and motor vehicle maintenance, in particular sports cars.*

36. I take the same approach to the earlier stylised mark and find no use in relation to anything other than goods and services for motor vehicles. Therefore, I find a fair specification would be as follows:

*Class 12: Motor vehicles, in particular sports cars and essential parts therefor, in particular vehicle bodies and parts therefor, soft tops, spoilers and rear-view mirrors; accessories for motor vehicles, included in class 12; interior fittings for motor vehicles,*

*in particular sports cars; vehicle wheel rims; hub caps; motors and engines for automobiles.*

*Class 37: Conversion of motor vehicles, in particular sports cars, including tuning; installing and fitting of special equipment in and to motor vehicles, in particular sports cars; technical support and maintenance of sports cars.*

## **DECISION FOR OPPOSITION NO.433422**

### **Section 5(2)(b)**

37. Section 5(2)(b) of the Act reads as follows:

“5 (2) A trade mark shall not be registered if because -

[...]

(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 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. Section 5A is also relevant and reads:

“5A. [...] Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only”.

39. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, EU:C:1997:528, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, EU:C:1998:442, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, EU:C:1999:323, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, EU:C:2000:339, *Matratzen Concord GmbH v OHIM*, Case C-3/03, EU:C:2004:233, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, EU:C:2005:594, *Shaker di L.*

*Laudato & C. Sas v OHIM*, Case C-334/05P, EU:C:2007:333, and *Bimbo SA v OHIM*, Case C-591/12P, EU:C:2016:591:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but 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;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also 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;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

### **Comparison of goods and services**

40. In *Canon*, the CJEU stated at paragraph 23 of its judgment:

“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.”

41. Guidance on this issue has also come from Jacob J. (as he then was) *British Sugar Plc v James Robertson & Sons Ltd* (the *Treat* case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance

whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

42. I also find the following case law to be useful in these proceedings.

43. In *Gérard Meric v Office for Harmonisation in the Internal Market*<sup>19</sup>, the General Court stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

44. In *Kurt Hesse v OHIM*,<sup>20</sup> the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated 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”.

45. In *Sanco SA v OHIM*,<sup>21</sup> the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether

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<sup>19</sup> Case T- 133/05

<sup>20</sup> Case C-50/15 P

<sup>21</sup> Case T-249/11

the relevant public is liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

46. Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

47. The goods and services to be compared which relate to the opposition no.433422 are set out below:

<b>Opponent’s goods and services for the earlier word mark</b>	<b>Opponent’s goods and services for the earlier stylised mark</b>	<b>Applicant’s goods and services for the ‘045 mark</b>
<i>Class 12: Motor cars and parts thereof; sports cars and parts therefor, vehicle bodies and parts therefor, canopies, spoilers and rearview mirrors; accessories for motor vehicles (included in class 12); interior fittings for motor vehicles, in particular sports cars;</i>	<i>Class 12: Motor vehicles, in particular sports cars and essential parts therefor, in particular vehicle bodies and parts therefor, soft tops, spoilers and rear-view mirrors; accessories for motor vehicles, included in class 12; interior fittings for motor vehicles, in particular sports cars;</i>	<i>Class 12: Wheel trims; Hub caps; Automobile engines; Parts and fittings for water vehicles; Powerboats; Motorcycles; Front dash panels [parts of motorcycles]; Shift levers [parts of motorcycles]; Headlight mounts [parts of motorcycles]; Brake calipers [parts of motorcycles]; Handle bar</i>

<p><i>wheel rims; hub caps; automobile engines</i></p>	<p><i>vehicle wheel rims; hub caps; motors and engines for automobiles.</i></p>	<p><i>control levers [parts of motorcycles]; Brake rotors [parts of motorcycles]; Side cars; Automotive vehicles; Automobiles and structural parts therefor; Sports cars; Coachwork for motor vehicles; Storage systems adapted for use in motor vehicles; Sports cars sold in kit form; Motor racing cars; Engines for racing cars; Shock absorbers being parts of vehicle suspension; Sun visors [vehicle parts]; Rearview mirrors [vehicle parts]; Steering wheels [vehicle parts]; Seat pillars [parts of vehicles]; Interior trim parts of automobiles; Car seats; Hardtops [roofs] for vehicles; Seat covers [shaped] for use in automobiles; Gear cases for land vehicles; Armrests for automobile seats; Automobile dashboards; Car seat harnesses; Brakes for motor cars; Brake pedals for vehicles; Automobile chassis;</i></p>
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		<p><i>Gears for vehicles; Rear car windows; Car body modification parts for sale in kit form; Head-rests for car seats; Automobile hoods; Motorcycle saddles; Suspension systems for automobiles; Saddles for bicycles, cycles or motorcycles; Gear shifts for automobiles; Side view mirrors for vehicles; Spoilers for automotive vehicles; Vehicle shock absorbers; Shock absorbers for motorcycles; Vehicle roll bars; Trim panels for vehicle bodies; Vehicle windscreens; Automotive interior trim; Undercarriages.</i></p>
<p><i>Class 37: Conversion of motor vehicles, in particular sports cars, including tuning; installation and fitting of special equipment in and to motor vehicles, in particular sports cars; technical support and</i></p>	<p><i>Class 37: Conversion of motor vehicles, in particular sports cars, including tuning; installing and fitting of special equipment in and to motor vehicles, in particular sports cars; technical</i></p>	<p><i>Class 37: Repair and maintenance of motor vehicles and parts thereof and of engines for motor vehicles and parts thereof; Vehicle conversions [engine]; Vehicle tuning; Tuning of motor vehicle engines; Maintenance,</i></p>

<i>motor vehicle maintenance, in particular sports cars.</i>	<i>support and maintenance of sports cars.</i>	<i>servicing, tuning and repair of motors; Assembly [installation] of parts for vehicles.</i>
		<i>Class 42: Design services; Design services for parts of motor vehicles; Illustration services (design); Design of motor racing cars; Design of vehicles and vehicle parts and components.</i>

48. For the purpose of a comparison, it is appropriate to group related goods and services together, where they are sufficiently comparable to do so<sup>22</sup>.

### Class 12

49. The following goods are identical in the opponent's and applicant's specifications, namely *wheel trims*<sup>23</sup>; *hub caps*; *automobile engines*; *rearview mirrors [vehicle parts]*; *spoilers for automotive vehicles*.

50. The opponent's terms *Motor cars and parts thereof*; *Sports cars and parts therefor*, *vehicle bodies and parts therefor* are sufficiently broad to over the applicant's terms *Automotive vehicles*; *Automobiles and structural parts therefor*; *Sports cars*; *Coachwork for motor vehicles*; *Storage systems adapted for use in motor vehicles*; *Sports cars sold in kit form*; *Motor racing cars*; *Engines for racing cars*; *Shock absorbers being parts of vehicle suspension*; *Sun visors [vehicle parts]*; *Steering wheels [vehicle parts]*; *Seat pillars [parts of vehicles]*; *Interior trim parts of automobiles*; *Car seats*; *Hardtops [roofs] for vehicles*; *Seat covers [shaped] for use in automobiles*;

<sup>22</sup> *Separode Trade Mark* decision, BL O-399-10 (AP)

<sup>23</sup> They are referred to as "wheel rims" in the opponent's specifications but I see these as synonyms for "wheel trims"

*Gear cases for land vehicles; Armrests for automobile seats; Automobile dashboards; Car seat harnesses; Brakes for motor cars; Brake pedals for vehicles; Automobile chassis; Gears for vehicles; Rear car windows; Car body modification parts for sale in kit form; Head-rests for car seats; Automobile hoods; Suspension systems for automobiles; Gear shifts for automobiles; Side view mirrors for vehicles; Vehicle shock absorbers; Vehicle roll bars; Trim panels for vehicle bodies; Vehicle windscreens; Automotive interior trim; Undercarriages.* Therefore I find them to be identical goods under the *Meric* principle.

51. I find that the opponent's terms *Motor cars and parts thereof; Sports cars and parts therefor, vehicle bodies and parts therefor* are similar to the applicant's terms *Motorcycles; Front dash panels [parts of motorcycles]; Shift levers [parts of motorcycles]; Headlight mounts [parts of motorcycles]; Brake calipers [parts of motorcycles]; Handle bar control levers [parts of motorcycles]; Brake rotors [parts of motorcycles]; Side cars; Motorcycle saddles; Saddles for bicycles, cycles or motorcycles; Shock absorbers for motorcycles.* Clearly the applicant's goods specifically relate to motorcycles rather than cars. However, although there are structural differences between motorcycles and motorcars, I find there is some similarity in nature between the goods because both types of vehicle generally comprise automotive components such as a chassis, an engine, a suspension mechanism, a braking system and wheels/tyres. The purpose of the respective goods is the same, namely for transport of individuals. The respective goods may be bought via the same channels of trade. Whilst the goods are not complementary. I find them to be in competition. The users would overlap, namely motorists who have the capacity to drive cars and ride motorcycles. Overall, I find the respective goods to be similar to a low degree.

52. The remaining terms in the applicant's class 12 specification namely *Parts and fittings for water vehicles; Powerboats* have no direct equivalents in the opponent's goods. The purpose of motorised land vehicles and motorised water vehicles may have some general overlap in that both are types of vehicles in the broadest sense of that word. Both may be powered by engines and controlled by steering. However, the nature of the respective vehicles is different. Water vehicles have a different construction and will require different parts and fittings such as bilge pumps for example to a land vehicle. The users of the respective goods will be different and the

channel of trades, namely boat building and car building, are not likely to crossover. Moreover, I find the respective goods are not complementary nor are they in competition. Taking a common sense approach<sup>24</sup> I find these goods are not similar. Where there is a dissimilarity of goods, then no likelihood of confusion can be found.<sup>25</sup>

### Class 37

53. I find the applicant's services namely *Repair and maintenance of motor vehicles and parts thereof and of engines for motor vehicles and parts thereof; Vehicle conversions [engine]; Vehicle tuning; Tuning of motor vehicle engines; Maintenance, servicing, tuning and repair of motors; Assembly [installation] of parts for vehicles* to be sufficiently broad to be encompassed by the opponent's services in this class and are therefore considered identical under the *Meric* principle.

### Class 42

54. In my view the applicant's specification in class 42 for design services at large and design services for motor vehicles and parts, do not share a nature or purpose with either the opponent's class 12 goods or class 37 services. However, there may be some overlap of users and trading channels if customers commission specific parts to be designed for their customised vehicle. I also find that there is some complementarity between the respective goods and services as there is a close connection, as envisaged in *Kurt Hesse*, between the design of car parts and fittings and customisation of a car with new parts and fittings such that customers may think that the responsibility for those goods and services lies with the same undertaking. Overall, I find there is a low degree of similarity.

### **Average consumer and the purchasing process**

55. I next consider who the average consumer is for the goods and services at issue and how they are purchased. It is settled case law that the average consumer is deemed to be reasonably well informed and reasonably observant and circumspect.<sup>26</sup> For the purpose of assessing the likelihood of confusion, it must be borne in mind that

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<sup>24</sup> Unicorn Studio Inc v Veronese (Société par Actions Simplifiée) [2024 EWHC 1098 (Ch), at [24]

<sup>25</sup> eSure Insurance v Direct Line Insurance, [2008] ETMR 77 CA

<sup>26</sup> Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch)

the average consumer's level of attention is likely to vary according to the category of goods or services in question.<sup>27</sup>

56. The average consumer for the contested goods and services will be likely be automotive professionals and members of the general public, in particular motorists or enthusiasts interested in the customisation of vehicles. The costs of the contested goods and services will vary but is likely to be at the expensive end of the scale. The goods and services are also likely to be infrequent purchases, although car parts may be purchased on a more frequent basis than the vehicles themselves. In my view, the average consumer is likely to pay a high degree of attention during the purchasing process, given the costs involved in vehicles and customisation services.

57. The goods and services are likely to be selected from car showrooms/garages, motor shows, websites, catalogues and brochures. Consequently, there will be a visual consideration in the purchasing process. However, I find there will also be a strong aural component to the purchase as information and advice on customisation may be sought from technical staff prior to purchase.

### **Mark comparisons**

58. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*<sup>28</sup>, that:

“... it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall

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<sup>27</sup> *Lloyd Schuhfabrik Meyer*, Case C-342/97.

<sup>28</sup> Case C-591/12P

impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

59. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

60. The respective trade marks to be compared are:

Opponent's earlier marks	Applicant's '045 mark
GEMBALLA  GEMBALLA	MARC PHILIPP GEMBALLA

61. The opponent's earlier word mark consists of GEMBALLA with no other aspect to it. Its overall impression is derived solely from this word.

62. The opponent's earlier stylised mark consists of GEMBALLA presented in a block outline style of font. Its overall impression is derived solely from this stylised presentation.

63. The applicant's '045 mark consist of the three words MARC PHILIPP GEMBALLA with no other aspect to it. The mark is presented such that each word makes a contribution to the whole.

### **Visual similarity**

64. Clearly the respective marks all share the word GEMBALLA. This comprises the entirety of the opponent's marks and it is the third word of the applicant's mark. The points of difference are the visually impactful stylisation of the opponent's earlier

stylised mark and the additional words MARC PHILIPP in the applicant's mark. Overall, I find there is a medium degree of visual similarity.

### **Aural similarity**

65. The stylisation contained within the opponent's earlier stylised mark will play no part in an aural comparison, so I will just compare the words themselves. The shared element GEMBALLA is not likely to have a standard pronunciation to English speakers. Some consumers may recognise the first element, namely 'gem', as resembling the same English word and verbalise the letter G with a soft sound as they would with the word 'gemstone'. However, some consumers may verbalise the start of the respective marks with a hard G sound. The second half of the shared word may be verbalised as either BAR-LAR or BOR-LAR. Either way it will be same for all the respective marks. The points of difference will occur with the addition of the words MARC PHILIPP in the applicant's mark which will be verbalised as they appear at the front of the mark. These will be recognised as male forenames and given their usual pronunciation, even though the spelling of PHILIPP may not be conventional to English speakers. Overall, I find there is a medium degree of aural similarity.

### **Conceptual similarity**

66. I find that, when taken in isolation, the word GEMBALLA will have no meaning and will be seen as an invented word by most consumers. However, in conjunction with the male forenames MARC PHILIPP, consumers will see and understand the applicant's mark to be a proper name, i.e. constructed as a forename(s) and surname combination, so making it the name of an individual. The stylisation contained within the opponent's earlier stylised mark will not add anything to the conceptual consideration. Taking all these factors into account, the respective marks will bring different things to mind and as such I do not find them to be conceptually similar.

### **Distinctive character of the earlier trade marks**

67. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods, to those with high inherent distinctive character, such as invented words

which have no allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use that has been made of it.

68. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*,<sup>29</sup> the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

69. I begin by considering the inherent position. The opponent’s earlier marks consist of a word, namely GEMBALLA, one mark being in plain type and the other mark being in a stylised font. The word has no meaning in relation to the goods and services for which the earlier marks are registered. I do not consider the stylisation increases the inherent distinctiveness of that mark to any material degree. Overall I find both earlier marks have a high degree of inherent distinctiveness.

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<sup>29</sup> Case C-342/97

70. The relevant market for assessing whether the distinctiveness of the earlier marks has been enhanced through use is the UK. In terms of enhanced distinctiveness, I have already set out the most relevant and pertinent evidence earlier in my assessment. Based on the evidence filed and when taking into account the *Chiemsee* factors, I find the evidence is insufficient to demonstrate enhanced distinctiveness in the following ways. The turnover figures provided were not broken down such the turnover generated in the UK could be measured. In addition only 3 UK customer invoices were shown during the relevant period. I note that the opponent has appeared at international motor shows in Europe and the USA but has not stated how much UK interest or business was generated from such appearances. The two UK motor shows mentioned in exhibit SK16 where the applicant appeared were not within the relevant period. I accept there are several mentions of the opponent's goods and services within the automotive trade press articles/blogs submitted as evidence, although not all of them fall within the relevant period, but whilst some publications may be well known in the UK such as BBC Top Gear magazine, I have no evidence to ascertain the reach or circulation of these publications/blogs or how many consumers have seen them.

71. The opponent's evidence indicates that it has two UK distributors,<sup>30</sup> which it refers to as Gemballa London (also known as Charles Ivey Porsche Specialists) and Gemballa Liverpool (also known as OCD Porsche).<sup>31</sup> No date is given for the establishment of the London distributorship but the Liverpool distributorship was set up in 2014. The opponent evidences several brochures from Gemballa Liverpool/OCD Porsche for which the copyright symbol indicates 2014-2018 in terms of content. There are also 4 Instagram posts from OCD Porsche dated November 2014 (liked 13 times), October 2015 (liked 21 times) and January (liked 46 times), April 2017 (liked 85 times) in which Gemballa vehicles are mentioned. The Instagram post from November 2014 mentions a Celebration of Style event where a Gemballa vehicle appears to have been exhibited but does not give any further details about what the event was about, any other media coverage or indeed its attendance. Neither are any specific figures given for the generation of business for the opponent from either of the two UK dealerships.

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<sup>30</sup> First Witness Statement of Louise Fielding, paragraphs 14 & 15

<sup>31</sup> Exhibits LF10 & LF11

Therefore, I cannot make an assessment of the effectiveness of these operations as per the *Chiemsee* criteria.

72. Taking all the above factors into account, I find that the evidence of enhanced distinctiveness falls short of what is required for the earlier marks.

### **Likelihood of confusion**

73. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's registrations, the average consumer for the goods and services the nature of the purchasing process. In doing so, I must be alert to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

74. In *L.A. Sugar Limited*,<sup>32</sup> Mr Iain Purvis Q.C. (as he then was), sitting as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental

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<sup>32</sup> *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10

process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark”.

75. I also bear in mind that there must be a “proper basis” for finding indirect confusion where there is no direct confusion.<sup>33</sup>

76. In addition I find the following case law to provide helpful guidance where in *Kurt Geiger v A-List Corporate Limited*<sup>34</sup>, Mr Iain Purvis Q.C (as he then was), sitting as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

77. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive

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<sup>33</sup> *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207

<sup>34</sup> BL O-075-13

character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

78. So far in this decision I have found:

- the respective goods and services are identical and similar to varying degrees although I found some goods to be dissimilar.
- The average consumers for the goods and services at issue are automotive businesses and those of the general public interested in cars and customisation, who will be paying a high degree of attention in a purchasing process which has a visual and aural component.
- There is a medium degree of visual and aural similarity between the respective marks but there is no conceptual similarity.
- The earlier marks are inherently distinctive to a high degree.

79. The respective marks share the same word, namely GEMBALLA. However even taking into account the high inherent distinctiveness of the earlier marks, I find any such similarity is outweighed by the difference in the applicant's mark, namely the additional words MARC PHILIPP which are positioned at the beginning of the applicant's mark. It is settled case law that the consumers are likely to pay more attention to beginnings of marks where they have a visual and aural impact.<sup>35</sup> The applicant's mark also brings to mind the concept of a proper name. The addition of MARC PHILIPP in the applicant's mark is not likely to go unnoticed and overall I find there is no direct confusion between the marks.

80. Having found no likelihood of direct confusion, I will go on to assess the likelihood of indirect confusion. I remind myself of the guidance given in *L.A. Sugar* that indirect confusion requires a consumer to undertake a thought process whereby they acknowledge the differences between the marks yet attribute the common element to the same or an economically connected undertaking, taking one mark to be a possible brand extension or sub brand of the other mark. However I am also aware that a finding of indirect confusion should not be made simply because two marks share a common element.

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<sup>35</sup> *El Corte Inglés, SA v OHIM*, Case T-39/10

81. I have previously found that the word GEMBALLA is inherently highly distinctive and it is the word in common with the applicant's mark. Given that the additional words MARC PHILIPP are male forenames in the applicant's mark may be seen as a logical brand extension or sub brand emanating from the GEMBALLA stable of goods and services as it not uncommon for trade marks containing names to use a combination of forenames and surnames. Therefore, I find there is a likelihood of indirect confusion.

### **Conclusion on section 5(2)(b)**

82. The opposition brought under section 5(2)(b) mostly succeeds, save for the dissimilar goods in class 12, namely *Parts and fittings for water vehicles; Powerboats.*

### **Section 5(3)**

83. Under section 5(3) the opponent claimed that:

“Use of the Subject Application in relation to the applied for goods and services will likely mislead and/or confuse people in the public and average consumer into believing that the respective marks are in some way associated or connected e.g. that they are part of the same 'family' or range of marks/brand, and therefore that they have a common origin e.g. emanate from the same proprietor; and the goods and services provided under the Subject Application are the goods of the Opponent. It is submitted that this confusion will occur in any event, but particularly when having regard to the doctrine of 'imperfect recollection'. The Applicant will trade off and benefit from the goodwill and reputation that the Opponent has built up in its mark/brand; and this constitutes a misappropriation of and/or attempt to misappropriate the trade mark rights of the Opponent in whole or in part, and will cause damage in relation to such rights including e.g. by the loss or dilution of such rights. Further, the above-mentioned confusion will result in financial losses to the Opponent as consumers purchase the goods and services of the Applicant (rather than the Opponent) in the mistaken belief they are those of or are connected with the

Opponent. There will also be damage to the Opponent's reputation and goodwill in the event that the goods provided under the Subject Application are not of the same/comparable standard of quality as those of the Opponent.”

84. Section 5(3) of the Act states:

“5(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, [...] shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

85. Section 5(3A) of the Act states:

“Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

86. The relevant case law can be found in the following judgments of the CJEU: Case C375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure*, Case C-323/09, *Marks and Spencer v Interflora*, Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows:

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the holder of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

87. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its registrations and the application are similar. Secondly, the opponent must show that its registrations have achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the parties' marks will cause the public to make a link between them, in the sense of the earlier registrations being brought to mind by the contested mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

### **Reputation**

88. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

89. Having considered the factors set out above and weighing in the opponent's evidence that I examined earlier in this decision, I find that in the opponent's favour the use of the earlier trade marks has been consistent during the relevant period. However, whilst there are invoices to show some customer sales in the UK and in Germany, they are few. In terms of other promotional investment, the opponent has demonstrated attendance at 4 international motor shows in EU member states and a number of articles and reviews in the online automotive press but has not been able to demonstrate evidence to show what business, if any, was generated by appearances at motor shows or the audience reach of the press articles or if any sales at all resulted from this coverage. Three promotional videos on the opponent's own YouTube channel in 2017 (i.e. during the relevant period) garnered approximately 3000 views.<sup>36</sup> I note the opponent's references to the reviews of the opponent's cars by YouTube motoring influencers Shmee150 and Supercar Blondie who combined have over 11 million followers. However the views of Shmee 150's videos which can be dated during the relevant period range between 27k up to 823k.<sup>37</sup> The screenshots from Supercar Blondie's YouTube account show a video dated 27 Feb 2020, which

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<sup>36</sup> Exhibit SK20


<sup>37</sup> Exhibit SK18

has 1.9m views and a video dated 9 Jan 2021 which has 3.3m views. However, both videos are dated outside the relevant period.

### **Conclusion on section 5(3)**

90. Overall and taking the above into account. I do not find that the opponent has established the requisite reputation and therefore the section 5(3) ground falls at this hurdle.

### **Section 5(4)(a)**

91. I remind myself that under this ground the opponent claims use of the signs GEMBALLA and  since January 2010 for the following goods and services:

*Motor vehicles, in particular sports cars and essential parts therefor, in particular vehicle bodies and parts therefor, soft tops, spoilers and rear-view mirrors; accessories for motor vehicles, included in class 12; interior fittings for motor vehicles, in particular sports cars; vehicle wheel rims; hub caps; motors and engines for automobiles; golf carts.*

*Conversion of motor vehicles, in particular sports cars, including tuning; installing and fitting of special equipment in and to motor vehicles, in particular sports cars; technical support and maintenance of sports cars.*

92. Section 5(4)(a) states:

“(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) [...]

(a) [...]

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

93. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

94. In *Discount Outlet v Feel Good UK*<sup>38</sup>, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “a substantial number” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

### **Relevant date**

95. In terms of the relevant date for assessment of section 5(4)(a), in *Advanced Perimeter Systems Limited v Multisys Computers Limited*,<sup>39</sup> Mr Daniel Alexander QC,

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<sup>38</sup> [2017] EWHC 1400 IPEC

<sup>39</sup> BL O-410-11

sitting as the Appointed Person, quoted with approval the summary made by Mr Allan James, acting for the Registrar, in *SWORDERS Trade Mark*:<sup>40</sup>

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’”

96. The priority date of the applicant’s ‘045 mark is 29 April 2019. In the applicant’s evidence, Marc Philipp Gemballa states that he has used his name since 2018 for the design and manufacture of sports cars. But no evidence is provided to show use of the mark before the priority date. As such, all factors will be assessed as at 29 April 2019 (“the relevant date”).

### **Goodwill**

97. The first hurdle for the opponents is to show that they had the required goodwill at the relevant date. The issue of what constitutes goodwill was discussed in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd*<sup>41</sup> viz,

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

98. The following case law extracts provide helpful guidance in establishing goodwill.

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<sup>40</sup> BL O-212-06

<sup>41</sup> [1901] AC 217 (HOL)

99. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)*<sup>42</sup> Pumfrey J. stated:

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97* as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

100. In *Smart Planet Technologies, Inc. v Rajinda Sharm*<sup>43</sup> Mr Thomas Mitcheson QC, sitting as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After reviewing these authorities Mr Mitcheson concluded that:

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<sup>42</sup> [2002] RPC 19 (HC)

<sup>43</sup> BL O/304/20

*“.. a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”*

101. After reviewing the evidence relied on to establish the existence of a protectable goodwill Mr Mitcheson found as follows:

“The evidence before the Hearing Officer to support a finding of goodwill for Party A prior to 28 January 2018 amounted to 10 invoices issued by Cup Print in Ireland to two customers in the UK. They were exhibited to Mr Lorenzi’s witness statement as exhibit WL-10. The customers were Broderick Group Limited and Vaio Pak.

37. The invoices to Broderick Group Limited dated prior to 28 January 2018 totalled €939 and those to Vaio Pak €2291 for something approaching 40,000 paper cups in total. The invoices referred to the size of “reCUP” ordered in each case. Mr Lorenzi explained that Broderick Group Limited supply coffee vending machines in the UK. Some of the invoices suggested that the cups were further branded for onward customers e.g. Luca’s Kitchen and Bakery.

38. Mr Rousseau urged me not to dismiss the sales figures as low just because the product was cheap. I have not done so, but I must also bear in mind the size of the market as a whole and the likely impact upon it of selling 40,000 cups. Mr Lorenzi explained elsewhere in his statement that the UK market was some 2.5 billion paper coffee cups per year. That indicates what a tiny proportion of the market the reCUP had achieved by the relevant date.

39. Further, no evidence was adduced from Cup Print to explain how the business in the UK had been won. Mr Rousseau submitted to me that the average consumer in this case was the branded cup supplier company, such as Vaio Pak or Broderick Group. No evidence was adduced from either of those companies or from any other company in their position to explain what goodwill

could be attributed to the word reCUP as a result of the activities and sales of Cup Print or Party A prior to 28 January 2018.

40. Various articles from Packaging News in the period 2015-2017 had been exhibited but again no attempt had been made to assess their impact on the average consumer and these all pre-dated the acquisition of the goodwill in the UK. I appreciate that the Registry is meant to be a less formal jurisdiction than, say, the Chancery Division in terms of evidence, but the evidence submitted in this case by Party A as to activities prior to 28 January 2018 fell well short of what I consider would have been necessary to establish sufficient goodwill to maintain a claim of passing off.

41. This conclusion is fortified by the submissions of Party B relating to the distinctiveness of the sign in issue. Recup obviously alludes to a recycled, reusable or recyclable cup, and Party B adduced evidence that other entities around the world had sought to register it for similar goods around the same time. The element of descriptiveness in the sign sought to be used means that it will take longer to carry out sufficient trade with customers to establish sufficient goodwill in that sign so as to make it distinctive of Party A's goods."

102. The relevant market for assessing goodwill is the UK. The first use of the earlier marks in UK is stated to be 2010. The evidence in Exhibit SK16 indicated that opponent appeared at the MPH Live Show London in 2010. The evidence also showed the opponent had attended another UK motor show in 2013. The opponent's evidence indicates that it has two UK dealerships but has not stated how much UK business was generated from either the motor show appearances or the dealerships. The first invoice in evidence sent to a UK customer is dated June 2011 and the subsequent 5 invoices to UK customers, provided in evidence, up to the relevant date, total €135,227.85. Unfortunately, the overall turnover figures provided by the opponent were not broken down such that turnover generated in the UK up to the relevant date could be measured. The size of the UK automotive sector must by any measure be regarded as huge. The sub sector for car parts and installation of car parts, must also

be significant so at this level of turnover the opponent's proportion of that sub sector must be very small indeed.

103. Taking all the above factors into account, namely the low volume of UK customers, the turnover and the volume of goods and services sold, and using the guidance given in *Smart Planet* regarding low levels of trade and turnover as well as the size of the market in comparison to the likely impact of the opponent's trade in that market, I find that the evidence provided is insufficient to demonstrate that the opponent has a protectable goodwill in the goods and services set out in paragraphs 35 and 36.

104. The claim under section 5(4)(a) falls at this hurdle.

#### **DECISION FOR OPPOSITION NO.433427**

105. The opponent opposed the applicant's '056 application for the mark GEMBALLIN under sections 5(3) and 5(4)(a) on the basis of the two earlier rights for GEMBALLA and ~~GEMBALLA~~. Firstly, with regard to section 5(3) I have already found that the opponent has been unable to establish a reputation based on its earlier rights. Secondly, I have already found that the opponent has failed to establish sufficient goodwill. I have taken account of the relevant date for evidence in this case being 8 November 2014 to 7 November 2019 but my findings remain the same. Therefore, the opposition fails.

#### **OVERALL CONCLUSION**

106. Opposition no. 433422 has partially succeeded under section 5(2)(b), but has failed under sections 5(3) and 5(4)(a). Subject to any appeal of this decision, application no. 3699045 can proceed to registration for *Parts and fittings for water vehicles; Powerboats* in class 12.

107. The '045 application is to be refused for the remaining goods in class 12, namely:

*Wheel trims; Hub caps; Automobile engines; Motorcycles; Front dash panels [parts of motorcycles]; Shift levers [parts of motorcycles]; Headlight mounts [parts of motorcycles]; Brake calipers [parts of motorcycles]; Handle bar control*

*levers [parts of motorcycles]; Brake rotors [parts of motorcycles]; Side cars; Automotive vehicles; Automobiles and structural parts therefor; Sports cars; Coachwork for motor vehicles; Storage systems adapted for use in motor vehicles; Sports cars sold in kit form; Motor racing cars; Engines for racing cars; Shock absorbers being parts of vehicle suspension; Sun visors [vehicle parts]; Rearview mirrors [vehicle parts]; Steering wheels [vehicle parts]; Seat pillars [parts of vehicles]; Interior trim parts of automobiles; Car seats; Hardtops [roofs] for vehicles; Seat covers [shaped] for use in automobiles; Gear cases for land vehicles; Armrests for automobile seats; Automobile dashboards; Car seat harnesses; Brakes for motor cars; Brake pedals for vehicles; Automobile chassis; Gears for vehicles; Rear car windows; Car body modification parts for sale in kit form; Head-rests for car seats; Automobile hoods; Motorcycle saddles; Suspension systems for automobiles; Saddles for bicycles, cycles or motorcycles; Gear shifts for automobiles; Side view mirrors for vehicles; Spoilers for automotive vehicles; Vehicle shock absorbers; Shock absorbers for motorcycles; Vehicle roll bars; Trim panels for vehicle bodies; Vehicle windscreens; Automotive interior trim; Undercarriages.*

108. Application no. 3699045 is also to be refused for all the services in classes 37 and 42.

109. Opposition no. 433427 has failed in its entirety and subject to any appeal of this decision, application no. 3699056 can proceed to registration.

### **Costs**

110. As both parties have enjoyed a degree of success, I do not consider it appropriate to award costs in favour of either party. Consequently, I order both parties to bear their own costs.

**Dated this 20<sup>th</sup> day of August 2024.**

**June Ralph**

**For the Registrar**

**The Comptroller-General**

## **ANNEX 1**

### Applicant's goods and services for application no. 3699045

Class 12: Wheel trims; Hub caps; Automobile engines; Parts and fittings for water vehicles; Powerboats; Motorcycles; Front dash panels [parts of motorcycles]; Shift levers [parts of motorcycles]; Headlight mounts [parts of motorcycles]; Brake calipers [parts of motorcycles]; Handle bar control levers [parts of motorcycles]; Brake rotors [parts of motorcycles]; Side cars; Automotive vehicles; Automobiles and structural parts therefor; Sports cars; Coachwork for motor vehicles; Storage systems adapted for use in motor vehicles; Sports cars sold in kit form; Motor racing cars; Engines for racing cars; Shock absorbers being parts of vehicle suspension; Sun visors [vehicle parts]; Rearview mirrors [vehicle parts]; Steering wheels [vehicle parts]; Seat pillars [parts of vehicles]; Interior trim parts of automobiles; Car seats; Hardtops [roofs] for vehicles; Seat covers [shaped] for use in automobiles; Gear cases for land vehicles; Armrests for automobile seats; Automobile dashboards; Car seat harnesses; Brakes for motor cars; Brake pedals for vehicles; Automobile chassis; Gears for vehicles; Rear car windows; Car body modification parts for sale in kit form; Head-rests for car seats; Automobile hoods; Motorcycle saddles; Suspension systems for automobiles; Saddles for bicycles, cycles or motorcycles; Gear shifts for automobiles; Side view mirrors for vehicles; Spoilers for automotive vehicles; Vehicle shock absorbers; Shock absorbers for motorcycles; Vehicle roll bars; Trim panels for vehicle bodies; Vehicle windscreens; Automotive interior trim; Undercarriages.

Class 37: Repair and maintenance of motor vehicles and parts thereof and of engines for motor vehicles and parts thereof; Vehicle conversions [engine]; Vehicle tuning; Tuning of motor vehicle engines; Maintenance, servicing, tuning and repair of motors; Assembly [installation] of parts for vehicles.

Class 42: Design services; Design services for parts of motor vehicles; Illustration services (design); Design of motor racing cars; Design of vehicles and vehicle parts and components.

## **ANNEX 2**

### Applicant's goods for application no. 3699056

Class 9: Sunglasses; Cases for sunglasses; Spectacles; Spectacle cases; Head protection; Helmets for motorcyclists; Safety caps.

Class 18: Luggage; Umbrellas and parasols; Trunks and suitcases; Briefcases and attaché cases; Toiletry bags.

Class 25: Clothing; Jackets [clothing]; Sweaters; Hooded pullovers; Trousers; Sportswear; Shirts; Blouses; Dresses; Skirts; Coats; Suits; Tee-shirts; Printed t-shirts; Headgear; Caps being headwear.