

**O-211-19**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF CONSOLIDATED APPLICATIONS**

**Nos. 502092 & 502093**

**BY WDK MOTORSPORT LIMITED**

**FOR REVOCATION OF TRADE MARK**


**No. 2616321**

**STANDING IN THE NAME OF**

**CHEVRON CARS LIMITED**

## BACKGROUND

1) The following trade mark is registered in the name of Chevron Cars Limited (hereinafter CCL).

Mark	Number	Date registered	Class	Specification
	2616321	01.04.12 07.09.12	25	Clothing including jackets, sweaters, t-shirts, casualwear, headgear and footwear.

2) By two applications both dated 24 May 2018 WDK Motorsport Limited (hereinafter WDK) applied for the revocation of the registration shown above under the provisions of Section 46(1)(a) claiming there has been no use of the trade mark on the goods for which it is registered in the five year period 08.09.12 – 07.09.17 with a revocation date of 08.09.17. If use of any goods is found the WDK seeks to have these goods revoked under section 46(5). Lastly, WDK also seeks revocation of the mark under section 46(1)(d) claiming that any use of the mark is likely to mislead the public. WDK claims that the mark in suit is registered to CCL who has allowed Chevron Heritage Limited (CHL) to use the mark on clothing, if any use is actually found, whilst making the following claim on its website “The Chevron logo on any clothing is protected by an exclusive trademark held by CHL”. WDK states that an invoice for clothing refers solely to CHL as being the source of the goods.

3) In its statement of grounds WDK claims that:

“c. CHL was incorporated in or around December 2012 as a separate undertaking from CCL. To the best of the applicant's knowledge and belief, the purpose of the division of the original business was to allow:

- i. CCL to handle the development, manufacture and support of “current” specification GT cars, under the direction of David Witt. To the best of the applicant's knowledge and belief it was envisaged that David Witt would have total control over the of the manufacture and support of current specification cars, i.e. total control over CCL; and

ii. CHL to handle the repair and service of cars built before 2005. To the best of the applicant's knowledge and belief it was envisaged that Roger Andreason and Tim Colman would have control over the direction of CHL.

d. Accordingly, from December 2012 there have been two different undertakings (CCL end CHL) with different controlling personalities and directors fanned to carry out two distinct and different businesses. CCL is the proprietor of the Mark, but the goodwill generated from any use of the Mark inures to CHL by reason, *inter alia*, of the matters set out at paragraph 4(b) herein above.

e. By reason of the foregoing, the Mark and the goodwill have become separated. In the premises, the use by CHL of the Mark where the said use identifies CHL as the proprietor of the Mark is deceptive in that it will mislead the public as to the origin of the goods provided under the Mark.”

4) On 10 August 2018, CCL filed its counterstatements. It contends that its mark has, since September 2012, been used in respect of goods in class 25 by CCL, and it has been used, with consent, by CHL.

5) Both sides filed evidence. Neither side wished to be heard, although WDK filed written submissions which will be referred to as and when necessary.

## **DECISION**

6) I shall first consider the revocation ground based upon Section 46(1)(a) of the Trade Marks Act 1994, the relevant parts of which read as follows:

“Section 46(1) of the Act states that:

“The registration of a trade mark may be revoked on any of the following grounds-

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

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and 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.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

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

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

(a) the date of the application for revocation, or

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

7) Section 100 is also relevant, which reads:

“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.”

8) In determining whether CCL has used its trade marks I take into account the case of *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in 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 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237 ). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in 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] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word “genuine”, other language versions use words which convey a somewhat different connotation: for example, “ernsthaft” (German), “efectivo” (Spanish), “sérieux” (French), “effettivo” (Italian), “normaal” (Dutch) and “sério/séria” (Portuguese). As the Court of Justice noted in *Ansul* at [35], there is a similar difference in language in what is now recital (9) of the Directive.

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes *Case C-442/07 Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and *Case C-609/11 Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, 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].

(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].

(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].

(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].”

9) I also take into account the case of *Naazneen Investments Ltd v OHIM*, Case T-250/13, in which the General Court upheld a decision by the OHIM (now the EUIPO) Board of Appeal that the sale of EUR 800 worth of non-alcoholic beverages under a mark over a 5 year period, which had been accepted was not purely to maintain the trade mark registration, was insufficient, in the economic sector concerned, for the purposes of maintaining or creating market share for the goods covered by that Community trade mark. The use was therefore not genuine use. The relevant part of the judgment of the General Court is as follows:

“46. In the fifth place, the applicant argues that, in accordance with the case-law cited in paragraph 25 above, use of a trade mark is to be regarded as token if its sole purpose is to preserve the rights conferred by the registration of the mark. It claims that the Board of Appeal contradicted itself by stating, on the one hand, in paragraph 31 of the contested decision, that the total amount of transactions over the relevant period seemed to be token, and by stating, on the other hand, in paragraph 42 of the contested decision, that it did not doubt the intention of the proprietor of the mark at issue to make real use of that mark in relation to the goods in question.

47. In this connection, suffice it to point out that the applicant’s argument is based on an incorrect reading of the contested decision. The Board of Appeal used the term ‘token’ to describe the total amount of transactions, approximately EUR 800, and not to categorise the use of the mark at issue.

48. In the sixth place, the applicant claims that the Board of Appeal, by relying solely on the insufficient use made of the mark at issue, did not comply with the case-law according to which there is no quantitative threshold, determined a priori and in the abstract, that must be chosen in order to determine whether use is genuine. The Board of Appeal also failed to comply with the case-law according to which even minimal use may be sufficient in order to be deemed genuine.

49. According to the case-law, the turnover achieved and the volume of sales of the goods under the mark at issue cannot be assessed in absolute terms but must be



assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking using the trade mark and the characteristics of the goods or services on the relevant market. As a result, use of the mark at issue need not always be quantitatively significant in order to be deemed genuine (see, to that effect, judgments in *VITAFRUIT*, cited in paragraph 25 above, EU:T:2004:225, paragraph 42, and *HIPOVITON*, cited in paragraph 27 above, EU:T:2004:223, paragraph 36). Even minimal use can therefore be sufficient in order to be deemed genuine, provided that it is warranted, in the economic sector concerned, to maintain or create market shares for the goods or services protected by the mark. Consequently, it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine. A de minimis rule, which would not allow OHIM or, on appeal, the General Court, to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, to that effect, order of 27 January 2004 in *La Mer Technology*, C-259/02, ECR, EU:C:2004:50, paragraphs 25 and 27, and judgment of 11 May 2006 in *Sunrider v OHIM*, C-416/04 P, ECR, EU:C:2006:310, paragraph 72).

50. In the present case, contrary to what the applicant claims, the Board of Appeal did not determine a minimum threshold 'a priori and in the abstract' so as to determine whether the use was genuine. In accordance with the case-law, it examined the volume of sales of the goods in question in relation to other factors, namely the economic sector concerned and the nature of the goods in question.

51. The Board of Appeal accordingly took the view that the market for the goods in question was of a significant size (paragraph 28 of the contested decision). It found also that the goods in question, namely non-alcoholic beverages, were for everyday use, were sold at a very reasonable price and that they were not expensive, luxury goods sold in limited numbers on a narrow market (paragraph 29 of the contested decision). Furthermore, it took the view that the total amount of transactions over the relevant period, an amount of EUR 800, seemed to be so token as to suggest, in the absence of supporting documents or convincing explanations to demonstrate otherwise, that use of the mark at issue could not be regarded as sufficient, in the economic sector concerned, for the purposes of maintaining or creating market shares for the goods covered by that mark (paragraph 31 of the contested decision).

52. It is therefore apparent, contrary to what the applicant claims, that it was in accordance with the case-law cited in paragraph 49 above that the Board of Appeal took the view that, in the present case, minimal use was not sufficient to be deemed genuine.”

10) I also look to *Awareness Limited v Plymouth City Council*, Case BL O/230/13, where Mr Daniel Alexander Q.C. 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.”

11) I also note that in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. 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 for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

12) CCL filed two witness statements, dated 20 November 2018 and 9 February 2019, by its Finance Manager of nine years, Fiona Cayzer. She discusses previous legal disputes

between the parties which are not relevant to the instant case. At exhibit FC04 page 1 she provides an invoice which shows her company purchasing in March 2015, 6 jackets, 6 gilets, 6 tops and 30 polo shirts which appear to be for the use of CCL employees (Ms Cayzer confirms such items were given to staff members). Page 2 of the exhibit, dated March 2013, shows CCL purchasing 50 jackets, 36 sweat shirts, 50 pit crew trousers and 100 polo shirts at a total cost of £8,866. At exhibit FC05 is an invoice, dated 15 December 2015 to a gentleman in Sweden relating to the sale of four polo shirts, 12 stickers, 1 holdall and 1 seal. The shirts cost £85 including VAT. At page 2 of the same exhibit is an invoice to someone who is outside of the EU as the invoice points out that there is no VAT on such sales. The invoice relates to the sale of 5 shirts and 3 baseball caps costing £95, as well as a key ring, patches and a pin badge. Ms Cayzer states that her company “sells clothing direct to customers, and also supplies team wear to staff”, and accepts that CCL & CHL “have sold small volumes of clothing, direct to customers. The clothing is not the core business for either company, therefore small volumes of sales have been achieved”.

13) The sheer paucity of the evidence provided by CCL is the most striking feature. The two invoices at exhibit FC04 are clearly purchases made by CCL either to sell onwards or to supply its own staff. It is not made clear quite what the company intended. Only two sales invoices have been provided and these show total sales of nine shirts and three baseball caps. There is no evidence of items being offered for sale on the internet, no evidence of sales at racetracks, no promotional or sales literature, and a complete absence of sales and marketing figures. The flaws in the evidence was pointed out in the evidence of WDK but not dealt with by CCL. In such cases it is for the proprietor of the mark to show that it has made genuine use of its mark upon the goods in question. There is not even a narrative explaining how the proprietor had sought to sell the goods for which its mark is registered. To my mind, sales of nine shirts and three baseball caps, must be regarded as insufficient, in the UK clothing sector, for the purposes of maintaining or creating market share for the goods covered by the trade mark.

14) Therefore, I have no hesitation in stating that CCL has not shown genuine use of its registered mark during the period 08.09.12 – 07.09.17 on the goods for which it is registered in class 25 namely “Clothing including jackets, sweaters, t-shirts, casualwear, headgear and footwear.”

## CONCLUSION

15) As I have found that CCL has not used its mark during the five years following its registration the mark will be revoked in full with effect of 8 September 2017.

## COSTS

16) As the revocation action has been completely successful WDK is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement x2	£600
Fees	£400
Considering evidence of other side and preparing its own evidence	£200
Providing written submissions	£200
TOTAL	£1400

17) I order Chevron Cars Limited to pay WDK Motorsport Limited the sum of £1,400. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**18<sup>th</sup> April 2019**

**George W Salthouse**  
**For the Registrar,**  
**the Comptroller-General**