

O-118-10

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO. 2288554  
IN THE NAME OF SUZUKI MOTOR CORPORATION  
OF THE TRADE MARK:**



**O<sub>2</sub>**

**AND THE APPLICATION FOR REVOCATION THERETO  
UNDER NO. 83161  
BY O2 HOLDINGS LIMITED**

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### **BACKGROUND**

1. On 25 February 2008, O2 Holdings Limited, which I will refer to as O2, filed an application for the revocation of registration number 2288554. The registration is for the following mark:

**O<sub>2</sub>**

which is registered for the following goods:

*Motor vehicles and parts and fittings therefor; land vehicles and their engines and other parts and fittings therefor and accessories falling in Class 12; shaped covers for steering wheels, for vehicles seats and for land vehicles; shaped or fitted mats and floor coverings for motor land vehicles; air pumps for inflating vehicle tyres; sun blinds, roof racks, luggage carriers, cycle carriers, sail board carriers, ski carriers, and snow chains, all for motor land vehicles.*

The above goods are in class 12 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended. The registration stands in the name of Suzuki Motor Corporation (SMC). Completion of the registration procedure for 2288554 took place on 4 October 2002.

2. O2 seeks revocation of the registration in full under sections 46(1)(a) and (b) of the Trade Marks Act 1994 (the Act). It claims that the mark has not been put to genuine use in relation to all the goods for which it is registered or that it has not been so used in the five years before the application to revoke the registration was made. The five year period relating to section 46(1)(a) is 5 October 2002 to 4 October 2007. Success for O2 would mean a date of revocation of 5 October 2007. The five year period under section 46(1)(b) ends with the date of application for revocation; the claim is therefore that there has been no genuine use of the mark for the goods as registered between 25 February 2003 and 24 February 2008. Success for O2 under section 46(1)(b) would mean a date of revocation of 25 February 2008. (There is an overlap between both periods of non-use pleaded between 25 February 2003 and 4 October 2007). In the event that genuine use is found in respect of any

of the goods of the registration, O2 requests partial revocation so that the goods on which there has been no genuine use are revoked.

3. SMC filed a counterstatement, denying both grounds and claiming the mark has been used in the UK during the relevant periods, attaching a witness statement from Jeremy Leigh, Company Secretary of Suzuki GB PLC (PLC). The counterstatement states:

“It will be appreciated that use of the mark on vehicles will cover parts and fittings therefore and should there be any items which may not be covered in the auxiliary field for vehicles, which it will be appreciate [sic] is a major product, then one might expect usage thereon in the fullness of time as the vehicle promotion and usage develops and any such delay is requested be permitted.”

4. Only SMC filed evidence. Both parties seek an award of costs. They were advised that they had a right to a hearing and that if one was not requested a decision would be made from the papers and any written submissions received. Neither party requested a hearing and each party filed written submissions via its trade mark attorney.

## **Evidence**

5. SMC has filed four witness statements. Two are from Jeremy Leigh, dated 17 March 2008 and 22 July 2009, and two are from David C.F. Gilmour, dated 9 January 2009 and 15 September 2009.

### 6. Jeremy Leigh's evidence

Mr Leigh is Company Secretary of PLC, a position he has held from 1994. He states SUZUKI GB PLC is a wholly owned subsidiary of SMC. Mr Leigh states that the O<sub>2</sub> mark was first used in the UK by PLC in 2002 and that:

“I confirm that mark O<sub>2</sub> has been used in the UK by SUZUKI GB PLC on vehicles, parts and fittings thereof as follows:-

#### Jimmy O<sub>2</sub> Passenger Car since 2002

The following UK Registrations have been recorded:

2002	563 vehicles
2003	897 vehicles
2004	808 vehicles
2005	412 vehicles
2006	4 vehicles”

I note that Mr Leigh has referred to the “Jimmy O<sub>2</sub>”, but this appears to be a typographical error as the evidence and the remainder of the references from both witnesses refer to ‘Jimny’. Both Mr Leigh’s witness statements give the same numerical information, as above. Mr Leigh exhibits what he states to be a Suzuki Vehicle Retail Price List dated January 2005 showing the Jimny O<sub>2</sub> as a model of

PLC (exhibit JL1). The front page of the document says that it is the January 2005 price list. It does not appear to be a final version, but a draft: at the top is printed "Price list artwork 3/2/05 1.16pm", together with graphic design marking up symbols around the borders of a photograph of the left hand rear lights of a car which has "SUZUKI" next to the lights. The document shows several vehicles, such as "Grand Vitara", LIANA Hatchback, IGNIS and "Jimny Estate" with prices in sterling. Page 6 of the exhibit shows a picture of a car with an open back with the words "Jimny O<sub>2</sub>", priced at £10,499:

- 1.3 litre, 16v, fuel injected engine
- Power assisted steering
- Central door locking
- Driver & front passenger airbags
- Electric door mirrors
- Electric windows
- ABS with EBD
- 'Drive Action' 4-wheel drive
- Radio/CD player
- Leather steering wheel + gear shift
- Front fog lamps
- Alloy wheels
- Side impact protection beams
- Immobiliser
- Metallic paint

MODEL	TRANSMISSION	INSURANCE GROUP	CO <sub>2</sub> EMISSIONS	ON THE ROAD PRICE
1.3 J1X O <sub>2</sub>	5 speed manual	7D	179 g/km	£10,499.00

In the details for the car the model is referred to as "1.3 J1X O<sub>2</sub>". The website at the end of the document is Suzuki.co.uk and the address is Suzuki GB PLC, in Crawley, West Sussex.

## 7. David Gilmour's evidence

Mr Gilmour is a consultant to and former partner of Potts, Kerr & Co, SMC's attorneys in these proceedings. Exhibit DG1 is a copy of the Community Trade Mark (CTM) certificate of registration 768549 for JIMNY in the name of SMC. Exhibit DG2 is a printout from the website of the Office for Harmonization in the Internal Market showing the details of the CTM. Mr Gilmour states that he is 'advised' that Suzuki GB PLC is a wholly owned subsidiary of SMC.

8. Mr Gilmour's second witness statement was filed as part of its written submissions in lieu of a hearing. O2 was given an opportunity to request a hearing against the admission of the evidence and an opportunity to reply to it should it be admitted. No hearing was requested and the late-filed evidence was admitted into the proceedings as further evidence. There was no reply to it from O2. The

evidence consists of printouts from the internet. Mr Gilmour states that exhibit DG3 is “a copy of three of many pages obtained by entering “O2 SUZUKI UK” in the Google search engine and identifying Suzuki vehicles registered in particular years and use of O<sub>2</sub> separately of ‘JIMNY’ to identify an edition or model variation.” Exhibit DG4 are “copies from Automart .co.uk selected at random and having O<sub>2</sub> models marketed and indicating years of registration and use of O<sub>2</sub> separate from ‘JIMNY’”.

9. The pages in exhibit DG3 were printed on 8 September 2009. The term in the search box is “o2” suzuki uk.’ The results are not expanded and the search was not limited to the UK. The results all show O2, O2 or o2 in conjunction with Suzuki Jimny or Jimny Suzuki. Only some of the results show dates of registration of the cars and so I will only list those that do:

- “Jimny Suzuki o2 soft top, SUZUKI JIMNY 1.3 O2 SPECIAL EDITION SOFT TOP WITH LOW MILES, 3 Doors, Manual, Soft-Top, Petrol, 2004.” The website is cars.mitula.co.uk.
- “Suzuki jimny o2, Suzuki Jimny, 2004, Blueish Black/Silky Silver (Multicolour), 1298cc, Petrol, Manua..., Suzuki jimny o2.” The website is cars.trovit.co.uk/used cars.
- “Find Suzuki Jimny (1998-) 2Dr Soft Top 13 O2 Edition performance, running costs, and technical data with our comprehensive specifications guide.” The website is visitcars.co.uk/car-specs-results.
- “2003 Suzuki Jimny O2 3dr for sale finished in BLUE with 42000 miles Manual Petrol is...Compucars.co.uk accepts no liability for the content of the advert...”. The website is compucars.co.uk.
- “Main image of SUZUKI JIMNY SPECIAL EDS (2002-2005) 1.3 O2 3DR. click here to Enlarge image Enlarge image. Picture of SUZUKI JIMNY SPECIAL EDS (2002)...” The website is autotrader.co.uk.
- “8 Aug 2009...suzuki jimny 1298cc convertible O2 – good condition O2 limited edition, year 2002, ... used Suzuki jimny for sale @ desperateseller.co.uk...” The website is cars.yakaz.co.uk.
- “SUZUKI JIMNY 1.3 O2 3DR GREAT VALUE SOFT TOP (2002/03)...Velour upholstery, Split Rear Seat, UK CAR, Retractable Rear Seats, Adjustable Seat Height...” The website is pistonheads.co.uk.
- “Suzuki Jimny 1.3 O2 3DR. £3999. 2003 Suzuki Jimny, 38601 miles, Black. Bristol Street (Burton) on Motors.co.uk – Shobnall, Staffs 1 week ago...” The website is local.thesun.co.uk/vehicle.
- “Search for your next used Suzuki Jimny from our advanced network of UK dealers...2004 Suzuki Jimny O2 Jlx Soft Top. Transmission: Manual. Colour...” The website is vcars.co.uk/used-cars.

- “Suzuki Jimny o2, Soft Top (Limited Edition). Listing #22782...,suzuki Jimny o2, Soft Top, (Limited Edition). 4x4, 2003 – 53 Plate, 1.3 JLX...” The website is swapcycle.co.uk.
- “2003 Suzuki Jimny O2 3DR GREAT VALUE SOFT TOP for sale finished in Red with 33270... Compucars.co.uk accepts no liability for the content of the advert...” The website is compucars.co.uk.

10. Exhibit DG4 was printed on 8 September 2009. The website is automart.co.uk and appears to be an online used car search engine for locating cars according to the search criteria entered in the search enquiry fields. The search that was undertaken on this date looked for a Suzuki Jimny in Flintshire, Staffordshire, West Midlands and Aberdeenshire. The results state that 67 cars matched this search criteria. The ‘view details’ options have not been expanded. I list here those which specifically refer to O2, but not the remainder:

- “Suzuki Jimny, 2005, 10 miles, 1298cc  
Price £7995 O2 1298cc 3 door  
CD Player, ABS Brakes, Alloy Wheels, Central Locking, Driver’s Airbag, Multiple Airbags, Power Steering, Mileage Verified, Immobiliser, Electric Windows”.
- Suzuki Jimny, 2004, 6600 miles, 1298cc  
Price £6695  
O2 1298cc 3 door  
CD Player, ABS Brakes, Alloy Wheels, Central Locking, Driver’s Airbag, Multiple Airbags, Power Steering, Mileage Verified, Immobiliser, Electric Windows”.
- Suzuki Jimny, 2002, 35500 miles, 1298cc  
Price £4995  
O2 1298cc 3 door  
CD Player, Alloy Wheels, Central Locking, Driver’s Airbag, Multiple Airbags, Power Steering, Immobiliser, Electric Windows”.
- Suzuki Jimny, 2003, 24500 miles, 1298cc  
Price £6990  
O2 1298cc 3dr SOFT TOP  
CD Player, Alloy Wheels, Central Locking, Driver’s Airbag, Multiple Airbags, Power Steering, Mileage Verified, Title Check, Immobiliser, Electric Windows”.
- Suzuki Jimny, 2002, 11746 miles, 1298cc  
Price £5995  
O2 1298cc 3 door  
CD Player, Alloy Wheels, Central Locking, Driver’s Airbag, Multiple Airbags, Power Steering, Title Check, Immobiliser, Electric Windows”.
- Suzuki Jimny, 2003, 6918 miles, 1298cc  
Price £6495  
O2 1298cc 3 door

CD Player, Alloy Wheels, Central Locking, Driver's Airbag, Multiple Airbags, Power Steering, Title Check, Immobiliser, Electric Windows".

## Decision

11. Section 46 of the Act reads as follows:

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

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

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;

(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it 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 either 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.”

### **The relevant dates**

12. Section 100 of the Act states:

“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.”

Consequently, the onus is upon SMS to prove that it has made genuine use of the trade mark in suit, or that there are proper reasons for non-use, in the relevant periods. The evidential burden lies with SMS. The evidence has come from a company secretary of SMS and from its trade mark attorney. For ease of reference, the relevant dates for the two five-year periods during which SMC must satisfy the evidential burden are:

#### Section 46(1)(a):

Completion of registration procedure	Five year period in which to commence use started	Five year period in which to use ended	Revocation date sought
4 October 2002	5 October 2002	4 October 2007	5 October 2007



Section 46(1)(b):

Application for revocation filed	Five year period in which to use starts	Five year period in which to use ends	Revocation date sought
25 February 2008	25 February 2003	24 February 2008	25 February 2008

There is an overlap between both periods of non-use pleaded between 25 February 2003 and 4 October 2007. O2 requests revocation takes place from 5 October 2007 or, failing that, from 25 February 2008. It acknowledges in its written submissions that if SMC shows genuine use of the mark with its consent within the section 46(1)(b) period then the section 46(1)(a) claim will fall away (as per section 46(3) of the Act).

**Use by the proprietor or with his consent**

13. O2 submits that the evidence is provided on behalf of PLC who is not the registered proprietor; hence the evidence cannot show use by or with the consent of the registered proprietor, SMC. Mr Gilmour states that he is 'advised' that Suzuki GB PLC is a wholly owned subsidiary of SMC; being 'advised' is not sufficient to establish a consensual trading relationship. I note that the Form TM8 and counterstatement refers to SUZUKI GB PLC as the registered proprietor, whereas SMC is the proprietor of record. Mr Gilmour states that his firm is instructed by both PLC and SMC via its Japanese trade mark attorney's Yuasa & Hara, Tokyo. Mr Leigh is Company Secretary of PLC and he states that SUZUKI GB PLC is a wholly owned subsidiary of the proprietor of record, SMC and is licensed to use the mark in the UK. As a company secretary, it would be expected that Mr Leigh would know of the trading relationship and so, taking the various statements in the round, I accept that if use has taken place it is with the consent of SMC.

**Forms of use shown by SMC**

14. O2 states that there is no use of O<sub>2</sub> on its own and that Mr Leigh only claims that there has been use of Jimny O<sub>2</sub>. With regard to Mr Gilmour's evidence that JIMNY is registered as a CTM, O2 submits "the fact that the element JIMNY is itself registered is irrelevant to the assessment of this matter, and does not mean that the mark JIMNY O<sub>2</sub> is not in itself a new composite mark giving a different impression to the registered mark." O2 argues that there is not use of O<sub>2</sub> with an 'obvious' house mark such as Suzuki: "This is not an O<sub>2</sub> product from Suzuki, it is a JIMNY O<sub>2</sub> product from Suzuki".

15. Section 46(2) of the act refers to use of a trade mark as "includ[ing] 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". I have to consider whether the instances of

use of O<sub>2</sub> with Suzuki and Jimny constitutes an acceptable variant. In *Castellblanch SA v Office for Harmonization in the Internal Market (OHIM)* T-29/04 [2005] ECR II-5309, the General Court (GC), formerly the Court of First Instance, said:

“33 In the contested decision the Board of Appeal found that there is no precept in the Community trade mark system that obliges the opponent to prove the use of his earlier mark on its own, independently of any other mark. According to the Board of Appeal, the case could arise where two or more trade marks are used jointly and autonomously, with or without the name of the manufacturer’s company, as is the case particularly in the context of the automobile and wine industries.

34 That approach must be followed. The situation is not that the intervener’s mark is used under a form different to the one under which it was registered, but that several signs are used simultaneously without altering the distinctive character of the registered sign. As OHIM rightly pointed out, in the context of the labelling of wine products joint affixing of separate marks or indications on the same product, in particular the name of the winery and the name of the product, is a common commercial practice.”

I note that the GC made particular reference to the automobile industry. It is commonplace in the motor trade to use what might be called sub-brands. JIMNY is used as a sub-brand which defines a particular model or range of SUZUKI vehicle, and the JIMNY model or range is further sub-branded to differentiate the various technical or trim level differences between models. I note that exhibit DG4 has results for JIMNY ‘MODE’, JIMNY ‘SPECIAL’ and JIMNY ‘JLX’ which have a larger engine size, 1328cc, than the O<sub>2</sub>. Such use is comparable to the examples given in *Castellblanch*. I do not think that the lack of a subscripted 2 is significant in a used car advertisement or listing placed by a third party. I conclude that the use constitutes an acceptable variation of the mark as registered and falls within the parameters of section 46(2).

### **Does the evidence establish genuine use?**

16. In *Anheuser-Busch Inc v OHIM* Case T-191/07, the GC gave a summary of the genuine use criteria:

“99 In interpreting the concept of genuine use, account should be taken of the fact that the ratio legis of the requirement that the earlier mark must have been put to genuine use if it is to be capable of being used in opposition to a trade mark application is to restrict the number of conflicts between two marks, in so far as there is no sound economic reason resulting from an actual function of the mark on the market (Case T-174/01 *Goulbourn v OHIM – Redcats (Silk Cocoon)* [2003] ECR II-789, paragraph 38). However, the purpose of the provision is not to assess commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-203/02 *Sunrider v OHIM – Espadafor Caba (VITAFRUIT)* [2004] ECR II-2811, paragraph 38, and judgment of 8

November 2007 in Case T-169/06 *Charlott v OHIM – Charlo (Charlott France Entre Luxe et Tradition)*, not published in the ECR, paragraph 33).

100 There is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the registration (Case C-234/06 P *Il Ponte Finanziaria v OHIM* [2007] ECR I-7333, paragraph 72; see also, by analogy, Case C-40/01 *Ansul* [2003] ECR I-2439, paragraph 43). In that regard, the condition of genuine use of the mark requires that the mark, as protected on the relevant territory, be used publicly and externally (*Silk Cocoon*, paragraph 99 above, paragraph 39; *VITAFRUIT*, paragraph 99 above, paragraph 39; *Charlott France Entre Luxe et Tradition*, paragraph 99 above, paragraph 34; see also, by analogy, *Ansul*, paragraph 37).

101 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (*VITAFRUIT*, paragraph 99 above, paragraph 40; *Charlott France Entre Luxe et Tradition*, paragraph 99, paragraph 35; see also, by analogy, *Ansul*, paragraph 100, paragraph 43).

102 As to the extent of the use to which the earlier trade mark has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use (*VITAFRUIT*, paragraph 99 above, paragraph 41, and *Charlott France Entre Luxe et Tradition*, paragraph 99 above, paragraph 36).

103 The question whether use is sufficient to maintain or create market share for the goods or services protected by the mark thus depends on several factors and on a case-by-case assessment. The characteristics of those goods and services, the frequency or regularity of the use of the trade mark, whether the mark is used for the purpose of marketing all the identical goods or services of the proprietor or merely some of them, or evidence of use which the proprietor is able to provide, are among the factors which may be taken into account (Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237, paragraph 71).

104 To examine whether an earlier trade mark has been put to genuine use, an overall assessment must be carried out, which takes into account all the relevant factors of the particular case (*VITAFRUIT*, paragraph 99 above, paragraph 42; *Charlott France Entre Luxe et Tradition*, paragraph 99 above, paragraph 37; see also, by analogy, *Ansul*, paragraph 100 above, paragraph 39).”

17. O2's submissions refer to the Court of Justice (CJ), formerly the European Court of Justice, cases *Ansul BV v Ajax Brandbeveiliging BV*, Case C-40/01 [2003] ETMR 85, and *La Mer Technology Inc v Laboratoires Goemar SA* [2004] E.T.M.R. 47, quoting from the latter:

“22 The question whether use is sufficient to preserve or create market share for those products or services depends on several factors and on a case-by-case assessment which is for the national court to carry out. The characteristics of those products and services, the frequency or regularity of the use of the mark, whether the mark is used for the purpose of marketing all the identical products or services of the proprietor or merely some of them, or evidence which the proprietor is able to provide, are among the factors which may be taken into account.”

At the time of filing its submissions, O2 had only seen the price list in exhibit JL1 and Mr Leigh's figures as to the number of Jimny O<sub>2</sub> vehicle registrations; Mr Gilmour's internet results were admitted to the proceedings after O2's submissions were filed. As stated earlier in this decision, O2 were given a) the opportunity to contest the admission of Mr Gilmour's evidence and b) to reply to it if it was admitted, but neither possible course of action was pursued. So, although O2's submissions relate to the significance of Mr Leigh's evidence, I also have to take into account Mr Gilmour's evidence.

18. O2 submits that price lists are often for internal use and that there is no information regarding the price list in exhibit JL1; further that the brochure does not indicate whether the mark JIMNY O<sub>2</sub> appears on the car. It is possible that the price list exhibited in JL1 is not a final version because of the markings around the margin; it is also possible that it was for internal use, although there is nothing to indicate purely internal use. Use which is purely internal does not qualify as genuine use; the mark must be used publicly and externally. However, there are also the registration figures which Mr Leigh gives: 412 vehicles were registered as JIMNY O<sub>2</sub> vehicles in the UK in the year of the price list, 2005. O2 submits that the most that SMC can argue is that the people who have bought the car have seen the mark and that the total is a little over 2500 people in five years (I would add that the registration of a vehicle does not mean that it was sold). O2 submits that the market is the entire driving population so that this figure cannot be seen as creating a presence on the market. I consider that not every vehicle is aimed at the entire driving population. From exhibit JL1 and SMC's submissions, it appears that the vehicle to which the mark is attributed is an open-backed four-wheel drive, or sports utility vehicle. The characteristics of the market for a vehicle like this are such that the market is much smaller than for a regular family hatchback or saloon.

19. Neither the price list nor the registration figures are determinative by themselves but they assist in building a picture of facts and circumstances to which regard must be had in a case-by-case assessment. The third and final piece of evidence to add to the picture is Mr Gilmour's second set of evidence, the internet results. The results relate to used vehicles for sale by third parties, so these are not sales by SMC or a related undertaking. However, the fact that used JIMNY O<sub>2</sub> cars were available for re-sale means that they had previously been sold (the mileage indicates

that they had been used). The listings include the year of registration and those that I have listed above are from UK websites (identified by '.co.uk'). The years of registration are 2002, 2003, 2004 and 2005, falling within both the section 46(1)(a) and 46(1)(b) date ranges. "O2" appears as a JIMNY model identifier. Although O2 submits that the scale of use is *de minimis*, there is nothing to indicate that the sales figures were token or sham. Mr Leigh's figures, although not high, are regular; further it has been established by the CJ and GC that there is no *de minimis* rule<sup>1</sup>. The nature of the enquiry is not to assess the commercial success of the JIMNY O<sub>2</sub> or to review the economic strategy of SMC. O2 submits that "everything points to the fact that any use has ceased". I am looking for use between various points in time, not the position as at the date of O2's submissions. The collective evidence establishes that sales of cars had taken place in those years, that the sales took place in four consecutive years according to the vehicle registrations, and that the sales were real commercial exploitation of cars bearing both JIMNY and O<sub>2</sub> as trade marks aimed at creating a market for those goods which is warranted for the type of vehicle.

### **A fair specification**

20. I have found genuine use on cars but the registration covers more than cars. My next task is to decide what is a fair specification based on the evidence filed by SMC.

21. There is an established body of case law which deals with the task of framing a fair specification. In *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32, the court advised:

"31 ... The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use."

In *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281:

"When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade."

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<sup>1</sup> *The Sunrider Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case C-416/04 P, *Sonia Rykiel création et diffusion de modèles v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-131/06, *Il Ponte Finanziaria SpA Case C-234/06 P* Opinion of AG Sharpston, *Helge B Cohausz v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-409/07, *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T- 325/06.

In *Animal Trade Mark* [2004] FSR 19:

“20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a picky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.”

22. The public at large is reasonably informed regarding cars which are a feature of everyday life. I should therefore approach the description of the goods from the standpoint of the general public. SMC submits that the mark O<sub>2</sub> alludes to the open air aspect of the convertible vehicle so that it can be appropriately used in respect of different models of motor vehicles other than 'JIMNY' and on other land vehicles. It further submits that 'land vehicles' is a fair description of the goods supported by the use to date. It makes a further claim regarding parts and fittings, but I will deal first with the claim to 'land vehicles'. O<sub>2</sub> submits that the evidence does not mention any product other than a car and that cars are commercially separate sub-categories of 'land vehicles' or 'motor vehicles'.

23. In *Reckitt Benckiser (España), SL v OHIM* Case T-126/03, the GC stated:

“42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27 above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-334/01 *MFE Marienfelde v OHIM – Vétoquinol (HIPOVITON)* [2004] ECR II-0000, paragraph 32, and Case

T-203/02 *Sunrider v OHIM – Espadafor Caba (VITAFRUIT)* [2004] ECR II-0000, paragraph 38).

43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark

and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

24. Bearing in mind SMC’s submissions, it seems to me that I should consider whether the term ‘land vehicles’ should be further defined so as to reflect the circumstances of trade. I agree that the category of goods for which use has been shown would be described by the trade and by the average consumer as cars. This would not appear to be a pernicky way to subcategorise land vehicles which covers a disparate range of vehicles. To allow SMC to retain coverage for such a wide term would be unjustified according to the evidence and contrary to the *ratio legis*.

25. In its counterstatement, SMC has claimed:

“It will be appreciated that use of the mark on vehicles will cover parts and fittings therefore and should there be any items which may not be covered in the auxiliary field for vehicles, which it will be appreciate [sic] is a major product, then one might expect usage thereon in the fullness of time as the vehicle promotion and usage develops and any such delay is requested be permitted.

It is not clear, but the mention of “fullness of time” and “delay” would indicate this is intended to be a defence pleaded on the grounds of genuine reasons for non-use. SMC submits there is “necessarily a market in parts and fittings for the models”. O2 submits that there is no evidence at all and a claim to use on parts and fittings, which have a commercial life of their own, must be established in its own right. O2 further submits that commercial delay is not a proper reason for non-use.

26. In *Hauptl v Lidl Stiftung & Co KG*, Case C-246/05, [2007] ETMR 61, the Court of Justice stated at paragraph 54:

“It follows that only obstacles having a sufficiently direct relationship with a trade mark making its use impossible or unreasonable, and which arise independently of the will of the proprietor of that mark, may be described as ‘proper reasons for non-use’ of that mark.”

“As the vehicle promotion and usage develops” is nowhere near being an obstacle arising independently of the will of the proprietor<sup>2</sup>. There is nothing in SMC’s

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<sup>2</sup> Article 19(1) of the Agreement on Trade-Related Aspects of Intellectual Property Rights 1994:

“References to “proper” reasons for non-use” need to be interpreted in accordance with Art. 19(1) of TRIPS which uses the expressions “valid reasons based on the existence of obstacles” to the genuine use which is required. “Circumstances arising independently of the will of the owner of the trademark, such as import restrictions on or other governmental requirements for goods and services protected by the trademark, shall be recognized as valid reasons for non-use”



statement which suggests the delay is abnormal or not a routine characteristic of the trade. The CJ in *Ansul* stated:

“40 Use of the mark may also in certain circumstances be genuine for goods in respect of which it is registered that were sold at one time but are no longer available.

41. That applies, *inter alia*, where the proprietor of the trade mark under which such goods were put on the market sells parts which are integral to the make-up or structure of the goods previously sold, and for which he makes actual use of the same mark under the conditions described in paragraphs 35 to 39 of this judgment. Since the parts are integral to those goods and are sold under the same mark, genuine use of the mark for those parts must be considered to relate to the goods previously sold and to serve to preserve the proprietor's rights in respect of those goods.

42. The same may be true where the trade mark proprietor makes actual use of the mark, under the same conditions, for goods and services which, though not integral to the make-up or structure of the goods previously sold, are directly related to those goods and intended to meet the needs of customers of those goods. That may apply to after-sales services, such as the sale of accessories or related parts, or the supply of maintenance and repair services.

43 In the light of the foregoing considerations the reply to the first question must be that Art. 12(1) of the Directive must be interpreted as meaning that there is “genuine use” of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of the goods or services at issue, the characteristics of the market and the scale and frequency of use of the mark. The fact that a mark that is not used for goods newly available on the market but for goods that were sold in the past does not mean that its use is not genuine, if the proprietor makes actual use of the same mark for component parts that are integral to the make-up or structure of such goods, or for goods or services directly connected with the goods previously sold and intended to meet the needs of customers of those goods.”

27. Whether or not O<sub>2</sub> vehicles are still sold, there could be a market for the parts and fittings for the vehicles. However, SMC has not provided any evidence at all in relation to parts and fittings; it could be that part and fittings have been sold by reference to Suzuki or Jimny as opposed to model-specific Jimny parts and fittings. The onus is on SMC to prove genuine use or proper reasons for non-use in relation to the goods for which it claims either genuine use or proper reasons for non-use.

Reasons for non-use are not tantamount to proper reasons for non-use, as per *Hauptl*; reasons require substantiating through evidence. There is no genuine use and there are no proper reasons for non-use in relation to parts and fittings.

28. In *Nirvana Trade Mark*, O/262/06, paragraph 58, Mr Richard Arnold QC, sitting as the appointed person confirmed that:

“(3) In arriving at a fair specification, the tribunal is not constrained by the existing wording of the specification of goods or services, and in particular is not constrained to adopt a blue-pencil approach to that wording: *MINERVA* at 738; *Decon v Fred Baker* at [21]; *Thomson v Norwegian* at [29].

(4) In arriving at a fair specification, the tribunal should strike a balance between the respective interests of the proprietor, other traders and the public having regard to the protection afforded by a registered trade mark: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [29]; *ANIMAL* at [20].”

I consider that a fair specification based upon the evidence is:

“Cars.”

## **Conclusion**

29. The application for revocation on the grounds of non-use succeeds except in relation to ‘cars’ for which the registration remains. The registration is revoked in respect of all other goods with effect from 5 October 2007.

## **Costs**

30. O2 has been mostly successful in its application and is therefore entitled to an award of costs on the following basis. I have factored in the late-filed evidence and submissions of SMC, off-set by the partial success of SMC:

Preparing a statement and considering the other side’s statement:	£200
Official fee:	£200
Considering SMC’s evidence and submissions:	£600
Written submissions:	£300
<b>Total:</b>	<b>£1300</b>

31. I order Suzuki Motor Corporation to pay O2 Holdings Limited the sum of £1300. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 15 day of April 2010**

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