

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO 1128486
IN THE NAME OF SAAB AB**

**AND THE APPLICATION FOR REVOCATION THERETO
UNDER NO 11423
BY SAAB TEXTILES LTD**

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Background

- 1) On 2 February 2000 Saab Textiles Ltd filed an application for the revocation of trade mark registration no 1128486 standing in the name of Saab AB. The trade mark was registered on 16 June 1982 in respect of "*articles of outer-clothing*". The specification has not been amended since registration.
- 2) On 9 May 2000 the registered proprietor filed a counterstatement contesting the application for revocation. He also furnished evidence in order to show use of his trade mark
- 3) In his statement of grounds the applicant states that he has made enquiries which show that the registration in suit has not been used by the proprietor or with his consent in the United Kingdom in relation to the goods covered by the registration (and in particular ladies' blouses, dresses, skirts and men's jackets, trousers and shirts) for an uninterrupted period of five years three months prior to the filing of the application for revocation. He also states that there are no proper reasons for non-use. The applicant seeks the revocation of the registration in suit under the provisions of sections 46(1)(a) and/or (b) of the Act.
- 4) The registered proprietor denies the above grounds.
- 5) Both parties seek an award of costs.
- 6) Both parties filed evidence.
- 7) The matter came to be heard on 5 February 2002 when the applicant was represented by Mr Burkhill of Counsel, instructed by Hughes Clark & Co, and the registered proprietor was represented by Mr Morcom of Her Majesty's Counsel, instructed by Wildbore and Gibbons.

The registered proprietor's evidence under rule 31(2)

- 8) This consists of a statutory declaration dated 5 May 2000 by Nicholas R Mir, who is the after sales accessories marketing manager of Saab Great Britain Limited (SGB). Mr

Mir states that SGB is a wholly owned subsidiary of the registered proprietor and is responsible for the sale and distribution of Saab vehicles and other products in the United Kingdom.

9) Mr Mir states that the trade mark SAAB has been used in the United Kingdom in relation to articles of outer clothing in the United Kingdom in the past five years, including shirts for men and women, t-shirts, jackets and trousers, sweaters, slippers, windstoppers, ties, overalls and workwear, trousers, bodywarmers, waistcoats, coats, boiler suits, quilted coats, jackets, polo shirts, blouses, ties and jogging pants. Mr Mir states that the garments are on general display by Saab dealers in their showrooms. He states that the dealers are provided with a catalogue entitled "Saab Marketing Support Catalogue" which gives details of SAAB accessories including clothing to assist local promotions. He states that this catalogue is published on a yearly basis and includes new prices, new products etc.

10) Mr Mir exhibits at NM1 extracts from two editions of the catalogues published for the years 1995 and 1997 respectively. The extracts from the catalogue for January 1995 show the following products: windstoppers, t-shirts, ties, sweaters, baseball jackets and polo shirts. The extracts from the catalogue for January 1997 show the following products: cotton Oxford shirts, jersey shirts, polo shirts, sweaters, denim cotton shirts, slippers (from the illustration this would appear to be a type of pullover), baseball jackets, technicians' jackets, ladies' short sleeved cotton shirts, blouson jackets, waterproof sets, windstoppers and t-shirts. The extracts from the catalogues include pages that do not bear an indication of date. These pages show t-shirts, rain and wind sets, swing jackets (the rubric indicates that these goods are windjackets), women's shirts and shirts at large. All the dated pages bear a SAAB SCANIA device together with the word SAAB. In the January 1995 dated pages SAAB can be seen on the front of a t-shirt, two types of ties are respectively described as SAAB corporate tie and SAAB "Crash test dummies" tie, navy sweaters, baseball jackets and polo shirts are all described as SAAB items – the former two items are described as bearing the SAAB logo and on the latter item the word SAAB appears (although owing to the quality of reproduction it is not possible to state categorically if this appears with any other matter such as a logo). In the January 1997 pages the technicians' jacket, the navy sweater and the baseball jacket are described as being SAAB goods, it is also stated that these goods either bear the SAAB logo or SAAB branding, t-shirts and waterproof sets are seen bearing SAAB on their fronts. On undated pages SAAB can be seen on the sleeves and fronts of t-shirts, the swing jacket is described as bearing the SAAB logo.

11) Mr Mir goes on to exhibit at NM2 printouts from SGB's computer database which he states show the usage history of SAAB articles of clothing. He gives a key to the data. Mr Mir goes on to summarise the information in the printouts in relation to articles of clothing identified by the SAAB trade mark as follows:

Women's shirts –	1997 – 18 garments
Rain and wind set (top and trousers) –	1999 – 6 garments
	1998 – 2 garments
	1997 – 6 garments
	1996 - 2 garments
Jeans Shirts	1999 – 4 garments
	1998 – 7 garments
	1997 – 27 garments
	1996 – 9 garments
Polo shirts	1999 – 14 garments
	1998 – 103 garments
	1997 – 59 garments
	1996 – 1 garment
	1995 – 19 garments
Sweaters	current – 45 garments
	1999 – 35 garments
	1998 – 291 garments
	1997 – 206 garments
	1996 – 229 garments
	1995 – 283 garments
Windstoppers	1999 – 6 garments
	1998 – 9 garments
	1997 – 15 garments
	1996 – 2 garments
	1995 – 2 garments
Jackets	Current – 22 garments
	1999 – 257 garments
	1998 - 432 garments
	1997 – 561 garments
	1996 – 402 garments
	1995 – 245 garments
Shirts	1999 – 20 garments
	1998 – 11 garments
	1997 – 80 garments
	1996 – 15 garments
T-shirts	1999 – 2 garments
	1998 – 29 garments

The various items in each category are identified by part numbers which relate to part numbers in the catalogue pages. I have analysed the computer printouts and have found that the raw figures do not seem to coincide with the total figures given by Mr Mir. My own calculations in relation to the printouts are as follows for the years 1995-1999 (inclusive): polo shirts –23, shirts –121, sweaters/jumpers –1156, slipovers –3, windstoppers – 14, baseball jackets 1539, technician's jackets – 336, ties 494, t-shirts – 583, Oscar Jacobason windstoppers – 30, women's shirts – 24, rain and wind sets –12, swing jackets – 29, jersey shirts – 176. There is clearly a discrepancy.

12) Mr Mir states that most of the garments are uni-sex and that they are offered for sale in small, medium, large, XL and XXL sizes. He states that the small and medium sizes fit women and the larger sizes fit men.

13) Finally he exhibits at NM3 photographs of people wearing a selection of SAAB articles of clothing. These do not bear a date. The photographs show SAAB appearing on jackets, pullovers and polo shirts – all of which are being worn by men.

The applicant's evidence under rule 31(4)

14) This consists of a statutory declaration dated 4 October 2000 by Kuldip Singh Randhawa, who is a director of the applicant for revocation. Mr Randhawa begins by giving a brief history of the applicant. This does not have a bearing upon the issues before me and so I will say no more about it.

15) Mr Randhawa states that he and members of his family have visited a number of SAAB car dealerships; namely Haymill Saab, Alperton Saab, Saab City Ltd, Premier Saab and Whitehouse Saab. He states that they did not notice any items of clothing being displayed for sale. Mr Randhawa states that they did see members of staff wearing t-shirts with SAAB marked on them, and one was wearing a shirt with SAAB marked on it. He goes on to state that the sales figures in Mr Mir's declaration appear to show the quantity of clothes that were supplied to various SAAB car dealerships rather than the quantity sold to the public. He states that the numbers are very small. Mr Randhawa states that he believes that there are over one hundred SAAB car dealerships in the United Kingdom. He states that it would seem likely that all the items of clothing supplied are being worn as uniforms by dealership staff.

16) Mr Randhawa states that SGB do not allege use for women's and children's dresses, trousers, skirts and blouses. He goes on to state that he does not believe that SGB have shown genuine use of the trade mark in suit. If they are able to show genuine use in respect of certain garments he requests that the trade mark should be restricted to those types of garments.

Registered proprietor's evidence under rule 31(6)

17) This consists of a further statutory declaration by Mr Mir, dated originally 15 January 2001 and re-dated by hand on 26 February 2001.

18) Mr Mir states that exhibit NM1 to his declaration comprises just (sic) extracts from the SAAB marketing support catalogues published for the years 1995 and 1997. He states that these catalogues continued to be used by SAAB dealers throughout these years. He states that similar catalogues would have been published and used for the years 1996 and 1998-2000.

19) Mr Mir states that SAAB articles of clothing have been sold to members of the public as well as to dealership staff and that this has been the case over the whole of the period under consideration. He states that for the purpose of selling the articles to members of the public, the principal means used is the display of items for sale in all the showrooms through catalogues, which are available to be shown to customers. He states that the actual display of articles of clothing themselves is not encouraged because SGB prefer a minimalist showroom environment. He states that quantities of the catalogue have been supplied to dealers and have been available throughout the relevant period, to be picked up and looked at by customers, at all the SAAB showrooms, including those which Mr Randhawa mentions in his declaration. He states that the approximate number of copies printed of each catalogue has been five hundred.

20) Mr Mir states that all SAAB dealerships are able to sell SAAB garments to the public and have done so with varying levels of success. He states that SAAB garments are worn by the staff of SAAB dealerships. He states that salesmen and service receptionists wear SAAB jackets. He states that the dealerships pay for these items for their employees. Mr Mir states that these items are included in the figures shown in the computer printouts exhibited at NM3. He states that on a few occasions SAAB garments are given to customers as goodwill gestures. He states that from time to time he has often (sic) seen customers wearing the garments after they have purchased them or had them given to them. He states that the computer printouts exhibited at NM3 are not comprehensive. He states that they were only a random selection and only covered some of the items of clothing bearing the SAAB trade mark which were sold during the five years shown. He states that they do not include, for example, a number of the items shown in exhibit NM1.

21) Mr Mir states that the promotion and sale of SAAB clothing is used as a means of advertising and promoting the SAAB name and SAAB vehicles. He states that all the garments are items of commerce in their own right, sold under the SAAB trade mark. He states that SAAB are responsible for the quality of the items and take great care in selecting the items which are to be sold under the SAAB trade mark. Mr Mir states that in his experience customers are aware that SAAB clothing has the backing of SAAB or at least assume that to be the case. He states that from his experience of the trade SAAB are not alone in extending their brands to other products and that a number of car manufacturers have for many years used their trade marks for articles of clothing, among other products.

22) Mr Mir states that some of the items of SAAB clothing are specifically for men or specifically for women. He states that shirts are a particular example. He states that most of the items are unisex and that the smaller and medium sizes are suitable for women and young people of both sexes and are purchased by or for, and worn, by women and young people.

Applicant's evidence under rule 31(7)

23) This consists of a further statutory declaration by Mr Randhawa, dated 2 May 2001.

24) Mr Randhawa states that in Mr Mir's second declaration the latter states that exhibits NM1 comprises just extracts from the Saab marketing support catalogues and that the printouts which from exhibit NM2 are not comprehensive. He states that Mr Mir's first declaration implies that the printouts show the complete history of the articles of clothing. He states that whatever the case it must be a fair assumption that the extracts and printouts referred to in Mr Mir's first declaration are the most relevant since otherwise, other extracts from the catalogues and information would have been provided. He states that he will, therefore, limit himself to the material that has been produced by Mr Mir.

25) Mr Randhawa refers to Mr Mir's statement that Saab has a minimalist showroom environment. In relation to the visits made by himself and members of his family to Saab showrooms Mr Randhawa states that they did not see any marketing support catalogues on display; the only catalogues on display related to Saab's range of cars and colour charts. He states that when asked not one sales representative was able to provide to himself or members of his family a copy of the marketing support catalogue. Mr Randhawa states that since his first declaration he and members of his family have revisited Saab City, London and Whitehouse Saab and have also visited Saab Select and Saab City, The Highway. He states that as before they did not see any articles of clothing being displayed for sale and neither did they see any marketing support catalogues on display. He states that when asked no sales representative was able to provide a copy of the marketing support catalogue. He states that there does not appear to be any real attempt to sell items of clothing. Mr Randhawa states that Mr Mir's second declaration does not appear to take matters any further. He states that Mr Mir has not provided any details of the alleged sales to members of the public despite this being a point raised in his previous declaration.

Decision

26) The ground for revocation are pursuant to sections 46(1)(a) and (b) of the Act which state:

46.- (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;

Section 46(3) of the Act states:

(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.

27) In the instant case nothing turns upon section 46(3). The registered proprietor claims that he has used the trade mark in respect of the relevant goods in the relevant five year period, five years prior to 2 February 2000. At the hearing counsel for both parties agreed that this was the relevant period. As this is the relevant period section 46(1)(a) is not relevant in the instant proceedings; as this relates to a five year period commencing from the date of registration. Consideration has to be taken, also, of section 100 of the Act which states:

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.

Consequent upon section 100 the onus is upon the registered proprietor to prove that he has made use of his trade mark in respect of the goods, or some of the goods, for which it is registered.

28) Much of the submissions of counsel for both parties dealt with the issue of whether there had been “trade mark” use of SAAB or whether there had been “t-shirt” use, as characterised by Pumfrey J in *DaimlerChrysler AG v Javid Alavi (t/a MERC)* [2001] RPC 813. Reference was made by both counsel to *Kodiak* [1990] FSR 49 in relation to secondary use and trade mark use. Mr Morcom referred inter alia to *Bon Matin* [1989] RPC 537 and *Hermes* [1982] RPC 537. I do not consider that these latter two cases have a bearing upon the instant case, I consider that they turned on essentially different facts.

29) The first question that I consider that has to be resolved is whether the registered proprietor has demonstrated that he has used SAAB as a trade mark, i.e. as an indicator of origin. It is possible that dual use could have been made of SAAB i.e. “t-shirt use” and indicator of origin use. Dual use, however, requires demonstration of such use. I can only reach a conclusion upon the basis of the evidence before me. The onus is upon the registered proprietor, it is not for me to infer or conjecture that such use might have been made.

30) The registered proprietor states that his goods are sold and that there is a price list. He exhibits no proof of such sales and has not adduced into the proceedings a price list. He has supplied two extracts from catalogues. These catalogues are the only demonstration of the use on the goods. However, from the catalogues it is impossible to ascertain whether the use of SAAB has been used on the labels inside the garments or whether the use is solely “t-shirt” use. The registered proprietor has chosen, for whatever

reason, not to adduce into the proceedings actual goods. He must stand or fall by his decisions. I note that the catalogues are not furnished in their complete form. So it is not possible to put the extracts into a clear context. I also note the title of the catalogue – “After Sales Marketing Programme”. This strikes me as a title for internal use, it is hardly the title for a catalogue for the general public.

31) Mr Morcom criticised the declarations of Mr Randhawa, observing that the comments about his visits to the showrooms of the registered proprietor were hearsay. I consider that Mr Morcom is completely correct in this analysis, Mr Randhawa does not specify which particular people visited which showrooms. However, the declaration of Mr Randhawa of 4 October 2000 does have some importance in its relation to the second declaration of Mr Mir. This is a clear cause and effect. In his first declaration Mr Mir states that the garments are on general display in Saab showrooms. Mr Randhawa states that he and his family found no evidence of this. In his second declaration the position of Mr Mir has changed – now the actual display of clothing is not encouraged and sales are through the catalogue. Mr Morcom argued that this could represent a change during the period between the swearing of the two declarations. I am not swayed by this argument. If there had been a change in marketing policy Mr Mir could have stated this. Instead, he changes his position when it is challenged. In his second declaration Mr Mir states that the computer printouts exhibited at NM2 are not comprehensive. This is certainly not how I believe that a reasonable person would read his statement in his first declaration:

“There is now produced and shown to me marked NM.2 printouts from Saab’s computer database regarding the usage history of SAAB articles of clothing. They indicate the number of articles sold per year for the past five years and the part number of the garment in question.”

“Usage history” indicates to me a complete picture not a partial one. In itself nothing turns upon this as I can only consider the evidence before me. Mr Mir could have adduced further printouts into the proceedings with his declaration. He did not. However, this issue brings forward another anomaly in the first declaration of Mr Mir.

32) Mr Morcom referred to *MERC*. There are parallels in that in that case the parties were also primarily vehicle manufacturers and clothing producers. However, there is a vast difference in the facts. In particular I consider the analysis of the use at page 823 shows the differences between that case and the instant case:

“In relation to clothing, there is one principal distinction which can normally be drawn. Much clothing carries a clear indication of its trade origin in internal labels commonly on the neck-band or inside the breast and on swing tickets which hang from the sleeve or hem. With trousers and skirts the labels is commonly on the waistband and/or the hip pockets. Such MERCEDES or MERCEDES-BENZ clothing as I have been shown can be described as follows. There are two blue anoraks which, apart from the three-pointed star device on the breast and the words MERCEDES-BENZ on the upper arm, contain no other labels. There is a grey anorak which contains a neck label “Designed exclusively for Mercedes-

Benz and some T-shirts. The neck labels of the latter either carry the words “Sportswear designed by IS” and below that a picture of a motor car and the word “Mercedes” or, on one white T-shirt, the words “the Mercedes-Benz collection” (with a three-pointed star over the breast). All these articles were sold in Mercedes car showrooms and were ordered through the Mercedes-Benz accessories list. The association of the goods with the car showrooms tends, in my judgement, to reinforce the suggestion that what I have called T-shirt use is in this case use which indicates trade origin, at least when the sale is in what can be called a Mercedes-Benz context.

An interesting example of a use which cannot found a reputation in respect of clothing is given by Mr Cartmell in his evidence. He is the Warranty Technical Manager at DaimlerChrysler U.K. Limited. When he joined the company:

“In order to carry out my duties in this department it was necessary to wear overalls and, upon joining the company, I recall that I was given two packets of blue and white cloth badges to be sewn onto my overalls. These badges were embroidered with the distinctive Mercedes-Benz three pointed star encircled by the words “Mercedes-Benz” “

Saab is a car manufacturer, and so there is a parallel with *Merc*. However, in the instant case there is no evidence of actual sales adduced. All that Mr Mir states is that sales have been made. However, he gives no details of which of the goods in the computer printouts have been sold and which have been given to Saab staff or given to Saab customers. Unlike in the *Merc* case no goods have been adduced into the proceedings to show use on internal labels, tags, swing tickets etc. From the quality of the reproduction in the catalogue it is not possible to see what any of the garments bear in the way of labels etc. The photographs exhibited at NM3 would seem to show Saab staff wearing the garments. This is the sort of use described by Mr Cartmell. It identifies the person as being an employee of Saab rather than indicating the origin of the goods. It is, I consider, t-shirt use.

33) From the evidence adduced into the proceedings I cannot find that the registered proprietor has demonstrated anything other than “t-shirt” use, whether that be promotional use or badge of allegiance use. It is possible that there has been indicator of origin use but the evidence before me does not allow me to come to this conclusion. It is for the registered proprietor to prove his use. The recitals to the Directive clearly make genuine use of the trade mark an essential part of the harmonised internal market:

“it is essential to require that registered trade marks must actually be used, or if not used be subject to revocation”.

34) In *Arsenal Football Club Plc v Reed* [2001] RPC 922 Laddie J drew clear distinctions between indicator of origin use and badge of allegiance use. I consider that the clear implication of his comments at page 940 paragraph 50:

“Fourthly, section 46 provides that there can be revocation of a registration if the “trade mark” has not been used for a sufficient time. The fact that the proprietor may have used it as a non-trade mark sign and can stop others using in that way would be irrelevant.”

is that badge of allegiance use (or t-shirt use) is not genuine use in the context of revocation action. Laddie J in the above part of the decision is dealing with the apparent anomalies in the law relation to use of the sign in ways other than indicator of origin use.

35) Laddie J goes on to say that “If AFC had only used the signs in the way that they have been used on Mr Reed’s products, I would have held that there has been no relevant trade mark use.” In that case there was evidence to demonstrate that the signs of the plaintiff had been used as an indicator of origin, there had been dual use. Again in the instant case I have nothing before me to show that there has been dual use by the registered proprietor. This is no evidence that clearly indicates that SAAB has been used as an indicator of origin of the goods of the registration in suit. As Jacob J stated in *Laboratoires Gemar SA v La Mer Technology Inc* (unreported) the registered proprietor in a revocation for non-use action needs to dot his i’s and cross his t’s. The registered proprietor had opportunity to dot his i’s and cross his t’s in relation to the nature of the use of SAAB and he has failed so to do. Whether this was because he could not do so or did not wish to do so is not a matter that concerns me. I can only judge upon the evidence before me.

Conclusion

36) I do not consider that the evidence before me demonstrates that the registered proprietor has used the trade mark SAAB in other than a promotional or badge of allegiance use. Such use I do not consider to be genuine use within the context of section 46(1)(b). Consequently I find that the registration should be revoked in its entirety with effect from 2 February 2000. The applicant for revocation is entitled to a contribution towards his costs. I, therefore, order the registered proprietor to pay him the sum of £835. 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 11 day of March 2002

**D.W.Landau
For the Registrar
the Comptroller-General**