

**O-320-15**

**TRADE MARKS ACT 1994**

**CONSOLIDATED PROCEEDINGS**

**APPLICATION 500330 BY DELOREAN MOTOR COMPANY  
FOR THE REVOCATION OF TRADE MARK REGISTRATION 2390542**

**DE LOREAN**

**IN THE NAME OF DELOREAN MOTOR COMPANY LIMITED**

**AND**

**TRADE MARK APPLICATION NO. 3031978  
BY DELOREAN MOTOR COMPANY LIMITED  
TO REGISTER THE SERIES OF TWO TRADE MARKS**

**De Lorean  
DE LOREAN**

**AND THE OPPOSITION THERETO UNDER NUMBER 401867  
BY  
DELOREAN MOTOR COMPANY**

## Background

1. On 23 November 2013, Delorean Motor Company Limited, of Stockport in the UK (hereafter “Stockport”) applied for a series of two marks, as shown below, in Class 12 for *vehicles; apparatus for locomotion by land, air or water; wheelchairs; motors and engines for land vehicles; vehicle body parts and transmissions.*

### De Lorean DE LOREAN

2. The application was published in the Trade Marks Journal on 13 December 2013, following which DeLorean Motor Company, of Texas, USA (hereafter “Texas”) opposed the application on the basis of section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The section 5(4)(a) ground is based on use of the signs DeLorean, DELOREAN, DeLorean Motor Company and DELOREAN MOTOR COMPANY which Texas claims have been used throughout the UK since 12 May 1995 in relation to car covers, floor mats and T-shirts, and since 1999 on parts, fittings and accessories for motor vehicles; distributorship services for motor vehicles, parts, fittings and accessories for motor vehicles; the retailing of motor vehicles and of parts, fittings and accessories for motor vehicles; the provision of advice in relation to restoration of motor vehicles. Texas claims that the application is so similar to the signs in which it has goodwill that there would be a misrepresentation and damage would follow. It claims that it is entitled to prevent the registration of Stockport’s application under the law of passing off.

3. Stockport also owns a trade mark registration (2390542) for a series of two marks, De Lorean and DE LOREAN, for *motor cars, and parts thereof (bodies, mechanical parts, fittings, accessories) included in Class 12.* This was filed on 27 April 2005 and it completed its registration procedure on 16 December 2005. Texas has applied to have the registration revoked, under sections 46(1)(a) and 46(1)(b) of the Act, on the grounds that the trade mark (I will refer to the series in the singular) has not been put to genuine use for any of the registered goods. Texas sets out two periods during which it claims that there was no genuine use of the trade mark:

(i) 17 December 2005 to 16 December 2010 (the 46(1)(a) period): effective date of revocation 17 December 2010;

(ii) 12 March 2009 to 11 March 2014 (under 46(1)(b)): effective date 12 March 2014.

This registration currently has a status of ‘expired’, because it was not renewed on 27 April 2015. It was registered at the time of the application for revocation, and is currently within the period allowed for renewal and restoration under section 43 of the Act. (It would also be taken into account for a year after expiry in determining the registrability of a later mark, unless it were shown that there was no bona fide use of the mark during the two years immediately preceding expiry.)

4. Stockport denies the grounds of both the opposition and the application for revocation. It claims that it commenced use of its marks in 2005 for the class 12 goods and has a reputation in its marks. Stockport claims that Texas would have known about its marks with little effort and that it did not oppose its registration;

according to Stockport, this means that Texas has acquiesced within the meaning of section 48 of the Act. Stockport claims that there are several entities using De Lorean or Delorean and it claims a defence of honest concurrent use.

5. The defence and counterstatement for the revocation action was filed on behalf of Stockport by Mr Hassan Webb, who said this in the counterstatement:

“It is denied that this mark has not been in use in relation to the goods registered within the two five years [sic] periods applied for under section 46(1) and 46(2). Evidence will duly be filed in support of this assertion. There may also be a proper reason for non-use, in terms of delay in the earlier development of use of the mark, as opposed to it not being in use. This reason was namely the murder of a close relative whilst working abroad, resulting in a period of incapacity.”

6. The proceedings were consolidated and a hearing took place before me on 12 May 2015. Texas was represented by Mr Jeremy Heald, of Counsel, instructed by Boulton Wade Tennant, who appeared via video conference. Stockport was represented by Mr Webb, via telephone conference.

## **Evidence**

7. Mr Stephen Wynne, of Texas, and Ms Catherine Wolfe, of Boulton Wade Tennant, have filed evidence totalling nine pages. Mr Webb, of Stockport, has filed three witness statements totalling thirty-six pages.

### Stephen Wynne's evidence for Texas

8. Mr Wynne has been Texas' Chief Executive Officer since 1995. He gives some background about the original DeLorean Motor company, which achieved notoriety in the early 1980s, as did its owner, John DeLorean. The company was famous for its gullwing sports car, the DMC-12, of which 9000 were made. They were only made in the UK (in Belfast), but all were intended for export to the USA. Mr Wynne states that 20 were sold in the UK and remained in the UK.

9. The original company went into receivership in 1982. Texas does not claim that it owns any goodwill from the original company. All of the unsold cars and parts were shipped to Ohio in 1983, where they were managed, by an unrelated party, as an inventory for the next fourteen years.

10. Mr Wynne, a car mechanic from Liverpool, opened a service centre for DMC-12s in California in November 1981. This business developed so that in 1988 his company, then called DeLorean One, opened a satellite centre in Texas. After a parting with this company, Mr Wynne founded Texas in 1995. The main areas of the business were sales of used cars, parts and accessories, servicing and restoration. Texas purchased the entire parts inventory referred to above in 1997, together with racks, manuals, engineering drawings, intellectual property, and records. Mr Wynne states that, as a result, Texas has been able to offer an unrivalled selection of original, unused DeLorean parts and reproduction parts made by Texas to the original drawings.

11. Mr Wynne states that Texas commenced selling new-build DeLorean cars in 2008, assembled from new old stock (parts from the original inventory), from original equipment manufacturer (OEM) parts made by third parties and used in the original cars, and also from reproduction parts made by Texas. Mr Wynne states that Texas stopped selling new-build cars in 2011 to focus upon other projects.

12. Mr Wynne states that Texas sells cars, parts and accessories to consumers from its base in Houston, Texas, through its main website delorean.com, its online shop store.delorean.com, by telephone and by mail order. Texas also sells its goods through franchise dealerships elsewhere in the US and in the Netherlands. Texas takes orders from and exports to customers worldwide, including the UK. Texas sells to both the retail and wholesale markets. Mr Wynne states:

“13. We use names like DMC (Texas) or DMC (Houston) to distinguish ourselves from the original DMC. I am not aware of any other company in the market currently using the name “DeLorean Motor Company” or “DMC”.

*The DeLorean Motor Company Limited (Stockport)*

14. The DeLorean Motor Company Limited is the Applicant for the trade mark in dispute. I have some knowledge of the UK market for DeLorean car parts but DMCL (Stockport) is not a company I have ever encountered in this market and I am not aware of it ever having traded in the goods in respect of which it seeks to register the trade mark.”

13. Mr Wynne states that Texas has exported to the UK, since 1995, goods which include DMC-12 car parts, car covers, floor mats and t-shirts. Exhibit SW1 shows photographs of what he describes as merchandise exported to the UK:

- A gift box (holding a keychain) which is embossed with a heavily stylised “DMC DeLorean” logo;
- A cap which does not show the signs relied upon;
- A car cover which does not show the signs relied upon;
- Floor mats which do not show the signs relied upon;
- A licence plate insert which does not show the signs relied upon;
- A textile patch which shows the letters and words DMC DE LOREAN.
- Two T-shirts which show designs incorporating a representation of a gullwing car and/or the letters and words DMC De Lorean Motor Company.
- A binder for service publications which shows the word De Lorean Motor Company
- A technical information manual which does not show the signs relied upon;
- Pages from a leaflet about Texas and a car which bears the words De Lorean, which Mr Wynne states was printed in 2007.

14. Mr Wynne gives ‘shipment values’ from Texas’ corporate office (Houston, Texas) to the UK between 2008 to 2013:

<b>Year</b>	<b>UK Sales</b>
2013	\$ 7,395
2012	\$ 6,556
2011	\$ 7,135
2010	\$ 81,464
2009	\$ 15,135
2008	\$ 24,352
2007	\$ 16,956

15. Mr Wynne estimates that from 2000 to 2006, annual shipments to the UK averaged \$10,000. From 1995 to 1999, the estimate for annual shipments is \$1,000 to \$2,000, but figures for these years have not been retained. These figures are Mr Wynne's recollection from being personally involved in Texas' financial affairs. Additionally, shipments of DeLorean<sup>1</sup> products were made from Texas' Netherlands franchisee to the UK from 2006 to the present, increasing by \$1,500 each year to \$13,000 in 2013.

16. Mr Wynne states that the market for DeLorean cars and parts is a relatively small but tight-knit community of enthusiasts. He says that Texas generally avoids advertising in mainstream media as this would have limited returns. Texas engages with the 'DeLorean community' more directly:

- Via websites which inform customers about Texas and its products and services. UK customers can order through the website. Example prints from the website are shown in exhibit SW2, which Mr Wynne states are substantially the same as they would have been at the relevant date for the opposition;
- A Facebook page which Texas has operated since 2008 and which has approximately 155,000 followers. At the relevant date for the opposition, 7,546 out of 110,142 visitors/followers were specifically UK "self-identified" (a statistical analysis print is shown in exhibit SW-3). Mr Wynne submits that as English (UK) language users (as opposed to English US language) numbered 12,786, the figure of 7,546 is likely to be greater in reality.
- Mr Wynne maintains a close relationship with the two DeLorean owners' clubs in the UK: the DeLorean Club and the DeLorean Owners Club UK. Exhibit SW-4 shows a page from the DeLorean Club website describing Texas. Mr Wynne states that he believes that the page, although recently accessed, was substantially identical at the relevant date. He does not say why he believes this to be case, given that this is a third-party website, not his own. However, he is likely to be correct that the page looked the same in 2013 since it refers to Texas having recently begun selling 'new' remanufactured De Lorean cars. Mr Wynne states in his own evidence that this ceased in 2011, which tends to support his view that the pages looked the same: they have not been updated for several years.

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<sup>1</sup> DeLorean and De Lorean appear to be used interchangeably.

- Mr Wynne and other Texas officers attend DeLorean events in the UK, run by the owners' clubs, running a Texas trade stand to promote Texas. The events are attended by DeLorean enthusiasts from all parts of the UK. Exhibit SE-9 is a DVD which shows a 2011 episode of "Wheeler Dealers", featuring a DeLorean event in Norfolk.
- Mr Wynne estimates that Texas has spent the following on UK promotional activities during the last seven years:

Year	Expenditure
2013	\$3,260
2012	\$2,250
2011	\$5,750
2010	\$3,270
2009	\$1,020
2008	\$1,020
2007	\$1,020

17. Mr Wynne states that Texas has a significant reputation in the DeLorean community as a result of these activities. Additionally, Texas has received coverage in mainstream media:

- Exhibit SW-5 shows a BBC news article from October 2011 about a new electric version of the DMC-12 to be produced by 2013 (which did not happen, according to Mr Wynne's own statement).
- Exhibit SW-6 shows an article from the June 2008 issue of Top Gear Magazine: "DeLorean Lives – Time Machine"<sup>2</sup>. Photographs within the article show Texas' workshop, including signage which incorporates the words DeLorean Motor Cars. The article refers to a factory in Texas still building the DMC-12, and gives details about the Ohio inventory and Texas' history, outlined in this evidence summary, plus details about the rebuilding of the cars themselves. The article implies that the rebuilds are planned, rather than rolling off the production line.
- Exhibit SW-7 shows a 2008 article from a US magazine called Inter Section. There is no indication that this was seen by customers from the UK.
- Exhibit SW-8 shows front covers and relevant pages from DeLorean World (the magazine of the DeLorean Owners Club Association) from 1995, 1997 and 1998. The magazine appears to be a US publication (e.g. pricing of car parts and merchandise is in US dollars).
- Exhibit SW-9 shows the episode of "Wheeler Dealers" referred to above, and an episode of "Classic Car Rescue" broadcast on Channel 5HD in Spring 2014 (after the relevant date). "Wheeler Dealers" includes a reference to the original De Lorean company having produced enough parts to build 35,000

<sup>2</sup> A De Lorean DMC-12 was used in the 1980s film "Back to the Future".

cars, although only 9,000 were ever built. The presenter says that one company now owns them all (Texas). The presenter in "Classic Car Rescue" says that there are 6,500 original cars in existence and that they cost between £30,000 and £40,000 to buy. In both programmes, which are centred on the restoration of an original DMC-12, the presenters travel to the USA to locate the car, then they visit Texas' premises and buy the parts needed for the restoration. The exhibited DVD also shows an episode of "The One Show" first broadcast on BBC1 in 2010, but this appears to relate to the history of the car produced by the original company, and its demise, and not to Texas.

#### Hassan Webb's evidence

18. Mr Webb's first witness statement is prolix, containing more postulation than facts about use of the mark.

19. Mr Webb states that Stockport's trade mark (I will refer to the series in the singular) was first used in the UK on 19 February 2008, although 2005 is the date pleaded in the counterstatement. He states that, prior to 12 February 2014, 16 units of sale were made (although he does not say of what). Mr Webb puts the figure of original DeLorean cars made at 8,500 and states that there are 6,500 surviving worldwide. He estimates the number left in the UK to be around 130, some of which are unroadworthy. They typically cost £30,000 to buy or import. With such a small market to supply, Mr Webb states that advertising is largely based upon ensuring that Stockport can be found by using search engines, rather than traditional forms of publicity. Further, the need for spare parts is affected by the fact that the cars' bodywork is made from stainless steel, which either doesn't rust or rusts slowly, unlike mild steel cars. There are few spare parts in open circulation.

20. Some of Mr Webb's statement is devoted to details about other parties, unrelated to these proceedings, using the sign De Lorean in order to prove that they have all acquiesced to each other's use. This is relevant neither to the grounds of opposition nor to the requirement for Stockport to prove genuine use of its mark.

21. Mr Webb claims that exhibit DMC4 supports his statement that the mark was first used on 19 February 2008. This exhibit is an invoice for three domain name registrations. Mr Webb states that this is use because, "[w]ithout immediately available production or marketing capacity in place, in the interim, a different method of using the mark was sought, in order to use it in relation to the goods for which the trade mark was registered." Mr Webb states that the domain names were registered via 1-2-3- Reg.co.uk, a UK website hosting firm, and that they were landing pages carrying website content and ad links deemed relevant by 1-2-3- Reg.co.uk, which generated keywords based upon the domain names. Mr Webb states that this means the mark was displayed on the internet linked to Class 12 goods. Mr Webb states:

"18. It is at the discretion of the IPO whether they consider this to be genuine use of a mark, but on prior advice we will not assert such a claim".

22. After 4 April 2008, the domains were 'pointed' towards a different on-line UK service provider: sedo.co.uk. Mr Webb states:

“This party runs a parking service where you can display the web page on the internet with relevant ads on it to earn commission should users who see the adverts then click through on one of the advertiser’s links.”

23. Exhibit DMC1 and 1(1), and DMC2 and 2(1), show how the parked pages for deloreanmotor.com and deloreandmc.com appear. There are a number of adverts for different websites: webcrawler.com, wowshop.co.uk, adrianflux.co.uk, ask.com and wow.com, under headings such as DeLorean DMC12 Insurance and DeLorean Parts. Webcrawler.com and ask.com are search engines, not car parts sales companies. There is no evidence about what the user would be taken to if he clicked on any of these links, but Mr Webb maintains that the “website directs those accessing it to UK related website links that satisfy the needs of the UK Delorean enthusiast. The keywords serve to optimize the types of advertisers displaying their ads and assist users to find the site through their interaction with search engines.” Mr Webb gives explanations about click through rates which it is not necessary to detail here, but I note that his evidence of use is entirely based upon ‘clicks’ on the advertiser links hosted on the three domain name parked pages.

24. Exhibit DMC12 gives visitor figures for the deloreanmotor.com parked page. 47% of the visitors were from the UK. These figures only relate to the 12 months to July 2014 (after the relevant dates) and they all occurred in February 2014 or afterwards. There were only 15 unique visits in total, worldwide.

25. Mr Webb states:

“I refer to exhibit DMC16. The total website traffic recorded as received by these three parked websites (deloreanmotor.com, deloreandmc.com & dmcdeleorean.co.uk) between April 2008 and January 2014 (with the query manually cut off at the end of January due to the mid month Opposition date) was 196 unique visitors of which 16 visitors/customers clicked through during this period due to finding what they were looking for, giving a good click through rate of 8.16%”.

There was a single visitor to the dmcdeleorean.co.uk site, but that visit generated no income at all, which implies that there were no clicks on the advertised links. For the other two domains, a total of 0.72 Euros was earned. In paragraph 71, Mr Webb describes the activity like this:

“Our earlier method of use of this mark [provided] a portal for links to providers to OEM stock Delorean items, or items remanufactured by the closely knit supplier base...”.

26. Mr Webb states that, in May 2012, he was invoiced by a company for the development of a website to develop and sell remanufactured auto spares for a number of old classic cars, including Delorean cars, using the website hillmanmotors.co.uk. He states that the initial products marketed (he does not say produced or sold) were stainless steel body panels (Delorean cars were made of stainless steel). He says (paragraph 38):



“The Chinese suppliers in question were sourced from the Alibaba.com B2B portal and another source that I won’t name but more than 10 such firms with turnover of \$10M and high quality car component making track records for modern date OEMs were approached to find the right partners, willing and able to deliver ...”.

The evidence said to support this statement is exhibit DMC23, comprising emails between Mr Webb and an unknown entity. The name and address details have been redacted. At best, the content indicates a speculative enquiry: “Hi Tony, out of interest while we wait, what would the typical manufacturing lead time be from placing an order to the goods being ready? Do you think you can also make these types of products out of stainless steel, not just mild steel?” The first enquiry Mr Webb made was for car wings from mild steel, for unspecified cars.

27. Only two car spare parts have been purported to have been marketed. Exhibit DMC11 is a screenshot showing left and right-hand stainless steel external body sills, listed at a price of £150 on the Hillman website as Delorean sills. The screenshot is dated 20 August, some five months after the relevant non-use period. Mr Webb states that there have been no orders for these items. He says:

“This lack of sales was the reason for the latest trade mark application. We realized that it would be necessary to launch a separate stand-alone Delorean parts website using one of the existing parked website addresses in order to market and supply a wider range of items, identifying along the way where demand existed for gaps in the availability from other Delorean suppliers.”

Mr Webb goes on to say that, due to the lack of orders, the Delorean items have not yet been manufactured to stock but the technical capability to do so is in place. No evidence is provided to support this statement and I note that, elsewhere in his statement, Mr Webb refers to the fact that remanufactured parts each require specific jigs or moulds which cost a significant amount of money to build.

28. In a further witness statement (dated 13 November 2014), Mr Webb cites as proper reasons for non-use the murder of a close relative. He states that this affected the development of use of the mark for a period of time from 18 May 2008 because Mr Webb is Stockport’s sole proprietor and director. Mr Webb says that the event affected his ability to develop his career until the start of 2012. He exhibits email exchanges between himself and his employer (Mr Webb was also employed by a company unrelated to these proceedings) at the time of the event, July 2008, and then again in January 2012 when he was ready to devote energy to developing his career.

#### Catherine Wolfe’s reply evidence for Texas

29. Ms Wolfe’s witness statement serves as a challenge to exhibit DMC11<sup>3</sup>, the screenshot from the hillmanmotors.co.uk website, showing two Delorean sills for purchase. The screenshot is dated 20 August 2014. Ms Wolfe exhibits at CW1, from the Wayback Machine Internet Archive, three archive copies of the website for

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<sup>3</sup> As per Tribunal Practice Notice 5/2007.

three times on which the website was 'saved' between 6 May 2013 and 18 December 2014. The only archive copy available during the relevant period is dated 6 May 2013. The archive copy does not look like the screenshot and the two Delorean sills do not appear. Delorean is only shown in the printout from 16 May 2014, which is after the opposition and revocation actions were filed and is outside the relevant period. Ms Wolfe says that this evidence shows that exhibit DMC11 does not show an example of a static webpage which consistently used the Delorean mark throughout the relevant period.

## **Decision**

### The application for revocation on the grounds of non-use

30. 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.”

31. In *Stichting BDO v BDO Unibank, Inc.*, [2013] EWHC 418 (Ch), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

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

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”.

32. Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

33. The burden of proving use lies with the proprietor of the trade mark, pursuant to section 100 of the Act, which 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.”

34. In relation to the 1-2-3- Reg.co.uk evidence, Mr Webb states:

“18. It is at the discretion of the IPO whether they consider this to be genuine use of a mark, but on prior advice we will not assert such a claim”.

35. If Stockport does not claim that its own evidence constitutes genuine use, then I do not need to consider it in order to make a finding that the 1-2-2 Reg.co.uk period does not constitute genuine use. For the avoidance of doubt, even without Mr Webb’s withdrawal of its defence in relation to this specific evidence (domain name registration confirmation, and landing pages displaying adlinks deemed relevant by 1-2-3- Reg.co.uk based upon the domain names), I would have found that it did not show genuine use of the mark in relation to the goods for which the mark is registered. A click-through business is not a business creating or maintaining a share in the market for class 12 goods.

36. Moving to the evidence relating to the parked pages of the three websites pointing to sedo.co.uk, these display automatically selected adverts. There is no evidence as to what the links lead to, and two of them are simply search engines, which do not sell car parts. Dmcdelorean.co.uk is the only one of the three websites which can be said to be aimed at the UK (the others end in.com). However, there was a single visitor to this website during a six year period, which generated no click-through income. Visitor numbers for deloreanmotor.com amounted to 15, all in the month prior to the end of the relevant period and less than half can be attributed to the UK. The 16 visitors for the six years between 2008 and 2014 generated less than a Euro’s worth of income. I agree with Texas that the evidence does not show that any of the three websites are the websites of an active car parts business. At best, this activity might constitute some sort of retail ‘portal’ service. It is certainly not genuine use of the trade mark in relation to the class 12 goods for which it is registered. It is on such a minute scale over such a long period of time that it cannot be said to be warranted in the economic sector concerned to maintain or create a share in the market – even the spares market in the UK for DeLorean cars.

37. Ms Wolfe’s evidence casts doubt upon the reliability of Mr Webb’s exhibit DMC11, which shows pictures of DeLorean sills for sale on the hillmanmotors.co.uk exhibit. However, even without this doubt, Mr Webb’s evidence as a whole fails to convince me that Stockport made genuine use of the mark in the relevant period in relation to the goods for which the mark is registered. The screen shot shown in exhibit DMC11 shows six other pictures of body parts, for other car marks, such as Hillman. The logos of various car makes appear at the top of the screen. Beneath these are the words “Steel & Stainless Steel Replacement Body Panels For Your Hillman, Commer, Sunbeam Rapier, Sunbeam Alpine & Sunbeam Tiger, Singer & De Lorean.” Underneath the pictures of the car parts (the representation of this exhibit is poor) is printed the name of the car for which they are replacement parts. For the two pictures of sills, the words DeLorean [something illegible] sill £150 appear. (Mr Heald must have seen a better copy of this exhibit: he described the wording underneath one of the pictures as “DeLorean nearside sill £150”). This is not trade mark use of De Lorean; the average consumer would consider this to be a retail service by an undertaking called Hillman Motors, selling sills for (amongst body parts for other cars) De Lorean cars. Furthermore, the redacted emails between Mr Webb and the unknown Chinese entity are weak in the extreme. The enquiry appears to have been about parts for other cars, because he asks, almost as an aside, whether the entity would be able to make parts in stainless steel. There is no

more evidence than that of how the enquiry was progressed and what parts were ever made. The evidence of both parties shows that De Lorean cars were made out of stainless steel. So, the enquiries made for car parts to be made in China out of mild steel were not parts for De Lorean cars.

38. I have come to the clear conclusion that there has not been genuine use for the mark in relation to any of the registered goods at any time since registration (nor since the mark was filed). In reaching this conclusion I have borne in mind that the market for De Lorean parts is niche. As per *Ansul*, I have considered all the facts and circumstances of the case, including that the genuine use assessment is not concerned with assessing commercial success or economic strategy. However, the evidence does not build a picture of use warranted in the economic sector concerned to maintain or create a share in the market, even taking into consideration how specialised that market is. It is for Stockport to 'show' the use in the UK. In Plymouth Life Centre, O/236/13, Mr Daniel Alexander QC, sitting as the appointed person, observed that:

"Providing evidence of use is not unduly difficult. If an undertaking is sitting on a registered trade mark, it is good practice in any event from time to time to review the material that it has to prove use of it."

39. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd* ('CATWALK'), BL O/404/13, Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

"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."

40. Stockport's evidence does not show any exhibits which qualify as genuine use. The lengthy witness statements and the exhibits, which are full of long, detailed theories, postulations and copious details about other cars and their histories, are obfuscatory. If there had been evidence of use, this ought to have been a relatively simple thing to have shown.

41. Mr Webb claims, on behalf of Stockport, that the murder of his uncle and the personal disruption it caused him in developing Stockport's business, of which he is the moving force and controlling mind, is a proper reason for non-use, should I find that there has not been genuine use. In *Armin Häupl v Lidl Stiftung & Co. KG*, Case C-246/05, the CJEU held that:

52. In particular, as correctly stated by the Advocate General in [79] of his Opinion, it does not suffice that "bureaucratic obstacles", such as those pleaded in the main proceedings, are beyond the control the trade mark proprietor, since those obstacles must, moreover, have a direct relationship with the mark, so much so that its use depends on the successful completion of the administrative action concerned.

53. It must be pointed out, however, that the obstacle concerned need not necessarily make the use of the trade mark impossible in order to be regarded as having a sufficiently direct relationship with the trade mark, since that may also be the case where it makes its use unreasonable. If an obstacle is such as to jeopardise seriously the appropriate use of the mark, its proprietor cannot reasonably be required to use it nonetheless. Thus, for example, the proprietor of a trade mark cannot reasonably be required to sell its goods in the sales outlets of its competitors. In such cases, it does not appear reasonable to require the proprietor of a trade mark to change its corporate strategy in order to make the use of that mark nonetheless possible.

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. It must be assessed on a case-by-case basis whether a change in the strategy of the undertaking to circumvent the obstacle under consideration would make the use of that mark unreasonable. It is the task of the national court or tribunal, before which the dispute in the main proceedings is brought and which alone is in a position to establish the relevant facts, to apply that assessment in the context of the present action.

55. Having regard to the foregoing considerations, the answer to the second Proper question referred for a preliminary ruling must be that Art.12(1) of the Directive must be interpreted as meaning that obstacles having a direct

relationship with a trade mark which make its use impossible or unreasonable and which are independent of the will of the proprietor of that mark constitute “proper reasons for non-use” of the mark. It is for the national court or tribunal to assess the facts in the main proceedings in the light of that guidance.

42. I am aware that Mr Webb’s reasons for non-use were recently considered by another of the Registrar’s hearing officers, Mr Allan James, in BL O/312/14 (17 July 2014). The non-use dates in issue in that revocation case were 26 August 2006 to 25 August 2011, and 22 May 2007 to 21 May 2012. The Hearing Officer said this, at paragraph 31:

“I have no doubt that the tragic death of Mr Webb’s uncle in 2008 had a profound effect on him and caused him and his family a great deal of grief. However, he was able to continue working throughout the period 2008 to 2012 so it plainly did not incapacitate him. Further, whilst one might accept that the death of a close relative could adversely affect commercial activity for a limited period of time, this is not a proper reason for non-use of the mark by Beers over a period in excess of 3 years.”

I am not bound by this decision, but I find that I agree with it and with the Hearing Officer’s reasoning. As a consequence, I find that Stockport may not rely upon the defence of proper reasons for non-use.

#### **Revocation outcome**

**43. There has been no genuine use of registration 2390542 during either period of non-use claimed and no proper reasons for non-use.**

**44. Registration 2390542 is revoked from 17 December 2010.**

#### The opposition under section 5(4)(a) of the Act

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

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)...

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

46. Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman*



*Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

47. In *Roger Maier and anor v. ASOS plc and anor* [2015] EWCA Civ 220, Kitchin LJ said, at paragraph 165:

“Under the English law of passing off, the relevant date for determining whether a claimant has established the necessary reputation or goodwill is the date of the commencement of the conduct complained of (see, for example, *Cadbury-Schweppes Pty Ltd v The Pub Squash Co Ltd* [1981] RPC 429). The jurisprudence of the General Court and that of OHIM is not entirely clear as to how this should be taken into consideration under Article 8(4) (compare, for example, T-114/07 and T-115/07 *Last Minute Network Ltd* and Case R 784/2010-2 *Sun Capital Partners Inc.*). In my judgment the matter should be addressed in the following way. The party opposing the application or the registration must show that, as at the date of application (or the priority date, if earlier), a normal and fair use of the Community trade mark would have amounted to passing off. But if the Community trade mark has in fact been used from an earlier date then that is a matter which must be taken into account, for the opponent must show that he had the necessary goodwill and reputation to render that use actionable on the date that it began.”

48. The position is no different in relation to a national trade mark application. As there has been no use by Stockport of its application (nor of its registration), the relevant date is the date of its trade mark application: 23 November 2013.

49. Mr Webb mentions several times in his evidence that Texas has a reputation but it is not exclusive. For a claimant to succeed in a passing-off action, he does not need to prove that the sign relied upon is exclusively distinctive. In *Associated Newspapers Ltd v Express Newspapers* [2003] FSR 51 (HC), Laddie J. stated that:

“28. As Mr Watson implicitly accepts, there is no requirement in the law of passing off that the claimant's reputation has to be exclusive. There have been a number of cases where a claimant has succeeded even though he

was not the only trader with a reputation in the mark. A newcomer who adopts a mark employed by more than one competitor and thereby deceives the public harms each of them. There is no reason in principle and no authority which suggests that because a number of proprietors are harmed, none of them can seek to restrain the interference with their trade.”

50. In his first witness statement, Mr Webb states that Texas is “very well known (but more so in the USA than the UK), but known as one of a number of suppliers in this field...” (paragraph 56) and “[t]he minds of the purchasing public are aware of the other side’s reputation but do not equate it with the OEM, an entity that very publicly became defunct and people know no longer exists. The goodwill and reputation of the two are distinct” (paragraph 66).

51. In his third witness statement (dated 1 February 2015), Mr Webb says:

“3) I have already accepted DMC Texas’s assertion that their company is known in the UK in relation to the Delorean name and it is clear that they have worked hard to develop their company. However, I have also referred in detail to the fact that it is not an exclusive reputation...”.

and

“25) The UK revenues of DMC Texas are not that high in the grand scheme of things reflecting the competition that exists between a number of competing parties in this marketplace and what we have said all along about the difficulty of making sales in this or any other European market where there are actually very few cars in number, even by classic car standards....It is likely that the reputation of DMC Texas in the UK is no bigger and may be smaller therefore than other operators in this market as described in our initial witness statement”.

and

“49) In summary, we have never disputed that DMC Texas are likely to have had sales and therefore some form of reputation within the UK, given there [sic] well established presence in the Delorean marketplace. However, the true extent, validity and exclusivity of that reputation in relation to Class 12 goods in this Mark, specifically in the UK, is what is at stake given we question some of the claims that have been made, for the reasons stated. We would also like to state that the reputation we consider they are describing is that of “DMC Texas” itself as a business, and not necessarily the Delorean mark itself which is not exclusively and singularly used by DMC Texas within the UK (or in the USA itself)”.

52. At the hearing, Mr Webb said that Texas is well-known and, in response to being asked what Texas is well-known for, he said:

“They are known in the industry, whether in the USA or beyond, they are known for marketing spare parts through their website, which they have shown, and marketing memorabilia and so on, primarily. The matter of the PR around

being well known for producing vehicles, we believe that we have submitted enough evidence that there is some doubt around that, but I do not dispute that they have a reputation in their own right, as do the other players in the marketplace.”

53. I need to decide whether Mr Webb’s statements amount to an acceptance of goodwill or reputation, or both. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co’s Margerine Ltd* [1901] AC 217 at 223:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates.”

54. In the same case, Lord Lindley said:

“Goodwill regarded as property has no meaning except in connection with some trade, business, or calling. In that connection I understand the word to include whatever adds value to a business by reason of situation, name and reputation, connection, introduction to old customers, and agreed absence from competition, or any of these things, and there may be others which do not occur to me. In this wide sense, goodwill is inseparable from the business to which it adds value, and, in my opinion, exists where the business is carried on. Such business may be carried on in one place or country or in several, and if in several there may be several businesses, each having a goodwill of its own.”

55. It is important not to conflate goodwill with reputation. Goodwill is an item of legal property, as distinct from reputation which is non-proprietary, legally. Goodwill must be owned, as per Oliver L.J. in *Anheuser-Busch Inc v Budejovicky Budvar NP* [1984] F.S.R. 413:

“[T]hat, as it seems to me, is to confuse goodwill, which cannot exist in a vacuum, with mere reputation which may, no doubt, and frequently does, exist without any supporting local business, but which does not by itself constitute a property which the law protects”.

56. This is a key point in this case. As accepted by Stockport/Mr Webb, Texas does have a reputation in the UK (one of its signs relied upon is identical to its business name) for DeLorean spare parts. That is clear from the Top Gear evidence and from the television programmes. However, the whole thrust of the Top Gear and television programme evidence is that Texas has a reputation for being the business in the USA which holds all the original stock. The presenters in the two programmes visit Texas in the USA to buy the parts they need for their respective DMC-12 restorations. The Top Gear article focuses on the history of the demise of the original company and the new lease of life promised because of the business plans

of Texas to build 'new' cars from new old stock (which, on the evidence, did not materialise). This all supports reputation, as opposed to goodwill. Texas points to its websites from which, to quote Mr Wynne, "customers in the UK can also order products from DMC (Texas)". It is the nature of the internet that people from all over the world can access websites. The potential ability of UK customers to order products from US websites does not equal actual orders from the UK.

57. Reputation, business in the jurisdiction, and internet access were recently the subject of a decision of the UK Supreme Court in *Starbucks (HK) Limited and anor. v British Sky Broadcasting Group PLC and others* [2015] UKSC 31, in a passing off action. Lord Neuberger<sup>4</sup> gave the leading judgement. The claimants were extremely well-known in Hong Kong, where they provided a subscription-based TV viewing service to half the households. There were no customers in the UK, but a substantial number of Chinese speakers in the UK were aware of the claimants' business, through exposure to it when living in or visiting Hong Kong. The Chinese language content was also accessible free of charge on their websites and on their YouTube channel. It was found, at first instance<sup>5</sup>, that the claimants had a modest reputation in the UK, but the claim failed because those in the UK who associated the sign NOW TV with the claimants were not customers in the UK. There was no goodwill in the UK: the jurisdiction in which the passing action had been brought. Further, mere accessibility of the claimants' websites in the UK did not give rise to a protectable goodwill in the UK.

58. My view is that Stockport has admitted that Texas has a reputation in the UK but has not expressly, nor implicitly, conceded that Texas has a goodwill in the business associated with its signs in the UK. Does Texas' evidence support its claim to goodwill in the signs upon which it relies in the UK? The reputation it has amongst UK De Lorean enthusiasts does not appear to translate to custom in the UK, without which there is no goodwill in the jurisdiction. The potential for UK enthusiasts to purchase parts from the US website does not equate to actual sales, just as in the *Starbucks* case.

59. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

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

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<sup>4</sup> With whom Lord Sumption, Lord Carnwath, Lord Toulson and Lord Hodge agreed.

<sup>5</sup> Upheld on appeal.

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

60. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

61. It is not fatal that Texas' shipment figures are small, given the specialised nature of the business because the law will protect a small goodwill (but not a trivial goodwill; see *Stacey v 2020 Communications* [1991] FSR 49, *Stannard v Reay* [1967] FSR 140 (HC); *Teleworks v Telework Group* [2002] RPC 27 (HC); and *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA)). However, it is a puzzle that the advertising figures in the UK amount to half of Texas' sales figures. I note that the advertising figure for 2013 is about half of the shipment values given for that year, and the advertising figure for 2011, when Mr Wynne visited the UK, was roughly two-thirds of the shipment values for that year. Mr Wynne says that it is not easy to divide the expenditure between UK and non-UK advertising spending. During 2007-2010, Mr Wynne states that he tried to maintain an advertising ratio of 5% to UK sales. This would be about \$500 a year. I also note that Mr Wynne states that he tries to maintain an expenditure on advertising related materials of \$2,000 to \$3,000. This is against a backdrop of shipment values to the UK of no more than \$7,395 in any year since 2010. The exceptional year was 2010, the year before Texas stopped selling new-build cars, when the shipment figure was \$81,464. The spike is not explained, but Mr Wynne's exhibit SW-4, the website of DeLorean Club, shows that the base retail price of a car was \$57,500. So, the 2010 figure may include the shipment of a car, perhaps pre-owned; it is not explained. Exhibit SW-8, the DeLorean World magazine from 1995, refers to being able to buy De Lorean pre-owned cars from Texas' premises.

62. Further, the exhibits provided by Mr Wynne either do not show the signs relied upon or show the sign(s) relied upon on clothing and memorabilia. There is not a single invoice in the evidence.

63. I have viewed Texas' evidence in the round, and have taken into account what Mr Webb, on behalf of Stockport, has said about Texas' renown. I come to the

conclusion that, despite being known in the UK as a source of De Lorean parts in the USA, Texas has not proven that it had a protectable goodwill in the UK, at the relevant date, in its business associated with the signs upon which it relies. Consequently, there can be no misrepresentation and no damage. The section 5(4)(a) claim fails. For completeness, I will add here that Stockport's defence of acquiescence would have failed since Texas had no knowledge of its mark(s).

#### **64. Section 5(4)(a) outcome**

**The section 5(4)(a) ground fails. The application may proceed to registration.**

#### **Costs**

65. Ordinarily, applying a broad brush, this would be a score draw. However, I consider that Texas should receive a small award for having to consider the voluminous witness statements of Mr Webb. Consequently, I order Delorean Motor Company Limited to pay to DeLorean Motor Company the sum of £300 which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

**Dated this 8th day of July 2015**

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