

O/589/19

TRADE MARKS ACT 1994

TRADE MARK APPLICATIONS 3164282/83, 3186701, 3158947/8 AND 3248751

BY JAGUAR LAND ROVER LIMITED

TO REGISTER 6 THREE-DIMENSIONAL SHAPE MARKS

AND

OPPOSITIONS 409980-984 AND 413358

BY INEOS INDUSTRIES HOLDINGS LIMITED

Background and pleadings

1. Jaguar Land Rover Limited (“JLR”) applied to register six trade marks consisting of three dimensional shapes of the Land Rover Series 1, Series 2, Defender 90 and 110 models (the latter two shapes with and without a rear mounted spare wheel).

2. The application forms show six views of each of the shapes at issue. One view of each of the shapes is shown below.

3186701 (Series 1)



3248751 (Series 2)



3164283 (DEFENDER 90)



3158947 (DEFENDER 90 SPARE WHEEL)



3164282 (DEFENDER 110)



3158948 (DEFENDER 110 SPARE WHEEL)



3. JLR seeks to register these marks in relation to a range of goods and services in classes 9, 12, 14, 28, & 37. The full list is shown at Annex A. At this stage it is

sufficient to note that it includes vehicles and parts for vehicles in class 12, toy and model vehicles in class 28, electrical goods which are, or could be, accessories for vehicles in class 9, vehicle maintenance, repair and customisation services in class 37, as well as jewellery, watches and badges in class 14.

4. Applications 3158947/8 (shapes of DEFENDER 90 and 110 with spare wheels) were filed on 11th April 2016. Applications 3164282/3 (shapes of DEFENDER 90 and 110 without spare wheels) were filed on 12th May 2016. Application 3186701 (shape of Series 1) was filed on 20th September 2016. Application 3248751 (shape of Series 2) was filed on 7th August 2017.

5. All the applications were initially objected to because registration of the marks appeared to be contrary to ss.3(1)(b) and (c) of the Trade Marks Act 1994 (“the Act”). This was because the shapes were considered to be descriptive of a sports utility vehicle (and toy models thereof) and devoid of any inherent distinctive character.

6. At an *ex parte* hearing before the Office on 29th September 2016 the scope of the objections was narrowed to:

Class 12: Vehicles; motor vehicles; apparatus for locomotion by land; commercial vehicles; land vehicles and their engines; military vehicles; police vehicles.

Class 28: Toys; scale models, vehicles and kits therefor; toy vehicles; toy trucks; toy cars.

7. JLR subsequently submitted evidence that the marks had acquired a distinctive character in relation to these goods through long use in trade. The registrar accepted this evidence and published the applications for opposition purposes.

8. INEOS Industries Holdings Limited (“Ineos”) opposes the applications. The grounds of opposition are:

- (i) Under s.3(1)(a) of the Act because the signs at issue are not capable of being graphically represented or distinguishing the goods or services of a particular undertaking;
- (ii) Under ss.3(1)(b) and (c) of the Act because the marks are descriptive of the goods/services or otherwise devoid of any distinctive character;
- (iii) Under s.3(1)(d) of the Act because the marks consist of signs that have become customary in the bona fide and established practice of the trade in the goods/services at issue;
- (iv) Under s.3(2) of the Act because the shapes result from the nature of the goods themselves and/or are necessary to achieve a technical result and/or give substantial value to the goods;
- (v) Under s.3(3)(a) of the Act because the shapes are designs and registration of them as trade marks would be contrary to public policy;
- (vi) Under s.3(6) of the Act because the applications were filed in bad faith as (a) JLR had no intention to use the marks and/or, (b) the marks are of a kind which cannot be registered for services in class 37, and/or (c) the marks are designs which should be in the public domain.

9. JLR filed counterstatements denying the grounds of opposition and asserting that the marks at issue have acquired a distinctive character as trade marks through extensive use.

10. The opposition proceedings are consolidated.

The Hearing

11. Both sides filed evidence. A hearing was held on 17th June 2019. Ms Lindsay Lane QC appeared as counsel for JLR, instructed by Mills & Reeve LLP. Mr Michael Bloch QC appeared as counsel for Ineos, instructed by Potter Clarkson LLP.

The evidence

12. JLR's evidence consists of:

- (i) Two witness statements (with 23 exhibits) by Ms Amanda Beaton, who is the company's Global Intellectual Property Counsel;
- (ii) Two witness statements (with 2 exhibits) by Mr Andrew Wheel, who is the Chief Designer (Exterior Design Realisation) at JLR;
- (iii) Two expert witness statements (with 5 exhibits) by Mr J Mays, who is a Visiting Professor of Vehicle Design at the London's Royal College of Art, having previously managed the design departments of multiple automotive companies, including Audi, Ford, Volvo, Mazda and JLR;
- (iv) A witness statement (with 12 exhibits) by Mr Tim Hannig, who is the Director of Jaguar Land Rover Classic;
- (v) An expert witness statement (with 5 exhibits) by Mr Philip Malivoire, an independent market researcher who conducted a survey of 500 members of the public about the distinctiveness of the shape and appearance of the Land Rover Defender 90.

13. Ineos's evidence consists of:

- (i) Two witness statements (with 31 exhibits) by Mr James Williams-Mitchell, who is the Head of Legal, Automotive, at Ineos;
- (ii) Two expert witness statements by Mr Stephen Harper, who is a design consultant with long experience of automotive design;
- (iii) A witness statement (with 1 exhibit) by Mr Ashley Belton, who is an experienced Mechanical Design Engineer.

14. I have read all the evidence.

The basic facts

15. The Land Rover Series 1 was launched at the Amsterdam Motor Show in 1948. The vehicle was originally developed for farm and light industrial use. It had a steel

box-section chassis and aluminium body. The vehicle was a success and generated orders from all over the world. By 1950, £5m of sales had been achieved.

16. The Land Rover Series 2 was introduced in 1958. It replaced the Series 1. By 1966, 500k Land Rovers had been produced. Sales peaked in 1969/70 at 60k units per annum. Production of the Series 2 model depicted in the '751 mark appears to have ended in 1969. However, a 'late-model' version with different lights and a different front grill appears to have remained in production until 1972.

17. The Defender 90 and 110 models were introduced around 1983, although they only acquired the name 'Defender' in 1990. The shapes remained unchanged between 1983 and 2015 when the 2 millionth vehicle was produced. These vehicles were also sold all over the world.

18. Mass production of the Defender models ceased in January 2016.

19. Over 136k new vehicles corresponding to one or other of the shapes covered by the 'Defender' marks were sold in the UK between 1994 and 2017. Sales ranged from a high of 11k vehicles in 1997 to a low of just 10 vehicles in 2017. Typically, UK sales were in the region of 5-6k vehicles per annum.

20. There is a strong second-hand market in the vehicles. There were around 20k second hand sales of Defender vehicles in each of the years between 2012 and 2016. In 2016, there were around 55k Land Rover Defenders on the road in the UK.

21. By November 2015, Ineos knew that that JLR intended to cease mass production of the Defender vehicles. It contacted JLR to discuss whether it was willing to sell tooling and other production equipment so that Ineos could continue to manufacture the Defenders. JLR initially appeared to countenance the idea, but subsequently broke off discussions on 13th January 2016. JLR later wrote to Ineos making it clear that it would regard the production of vehicles of the same shape and appearance as the Defender models as a breach of its IP rights and as a misrepresentation that JLR was connected to those vehicles.

The opposition under s.3(1)(b) and (c) of the Act – lack of inherent distinctive character/descriptiveness

22. Section 3(1) of the Act is as follows:

“3(1) The following shall not be registered –

- (a) signs which do not satisfy the requirements of section 1(1),
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

23. In the skeleton argument served on behalf of Ineos, Mr Bloch broke down the objections under ss.3(1)(b) and (c) of the Act as they applied to the goods/services covered by the contested applications into six categories. These are as follows:

Category 1: Vehicles, together with vehicle parts and equipment

Class 12:

1. Vehicles. 2. Motor vehicles. 3. Apparatus for locomotion by land, air and/or water 4. Commercial vehicles. 5. Land vehicles and their engines. 6. Military vehicles. 7. Police vehicles. 8. Trailers. 9. Parts, components and accessories for all the aforesaid goods. 10. Pumps for inflating vehicle tyres. 11. Spoilers for vehicles.

24. The objection to the registration of the marks in relation to the above goods focusses on their *prima facie* lack of distinctive character. It is submitted that the shapes do not depart significantly from the norms and customs of the land vehicle sector in such a way that consumers will appreciate that the shapes are badges of origin.

Category 2: Model, kit and toy vehicles

Class 28:

12. Scale model vehicles and kits therefor. 13. Toy vehicles, toy trucks, toy cars.

25. The objection to the registration of the marks in relation to the above goods also focusses on their *prima facie* lack of distinctive character. It is submitted that the shapes do not depart from the norms and customs of the toy vehicle sector in such a way that consumers will appreciate that the shapes are badges of origin.

Category 3: Goods specifically related to vehicles

Class 9:

14. Car telephone installations.

Class 12:

15. Shaped covers for steering wheels, vehicle seats, spare wheels, and for vehicles. Shaped or fitted mats and floor coverings for motor vehicles. 17. Fitted covers for vehicles. 18. Covers for vehicles. 19. Baby, infant and child seats for vehicles. 20. Sun blinds, roof racks, luggage carriers and nets, cycle carriers, sail board carriers, ski carriers, and snow chains, all for vehicles

Category 4: Services specifically related to vehicles

Class 37:

21. Conversion, repair, servicing, stripping, maintenance, care, cleaning and painting of vehicles, motors and engines, and parts therefor, vehicle repair.

22. Finishing and tuning of motor vehicles, included in class 37. 23. Custom adaptation of automobiles, included in class 37.

26. The objection to the registration of the marks in relation to the above goods/services focusses on their *prima facie* descriptive character. It is submitted that an image of a member of a class of goods may be used by those trading in the goods, or related services, to indicate the nature of their goods/services, e.g. an image of a bicycle indicates that a bike shop sells and services bicycles.

Category 5: Goods which relate to things which may relate to vehicles

Class 9:

24. Computer hardware, firmware or software. 25. Multimedia devices

26. Compact discs, compact disc players. 27. DVDs, DVD players.

28. MP3 or MP4 apparatus and equipment. 29. Apparatus for recording, transmission, reproduction of information in electronic form. 30. Sound

reproducing equipment. 31. Recording media. 32. Storage boxes for recording media not included in other classes. 33. Speakers. 34. Radios. 35.

Telecommunication equipment. 36. Apparatus and equipment for streaming audio, video and data. 37. Electrical and scientific apparatus and instruments included in this class. 38. Anti-theft warning devices. 39. Gauges. 40.

Instrument panels and clusters. 41. Lenses for lamps. 42. Odometers. 43.

Speedometers. 44. Tachometers. 45. Temperature sensors. 46. Voltmeters.

47. Ammeters. 48. Testing apparatus. 49. Tape players. 50. Tape cassettes.

51. Global Positioning Systems apparatus, Satellite Navigation Systems. 52.

Highway emergency warning equipment. 53. Thermometers. 54. Compasses.

55. Protective clothing included in this class.

Class 14:

56. Horological and chronometric instruments. 57. Key rings. 58. Keyfobs
59. Badges of precious metal.

27. The objection to the registration of the marks in relation to the above goods/services is essentially the same as the objection taken to goods/services specifically relating to vehicles. e.g. 'satellite navigation systems' includes satellite navigation systems for vehicles.

28. Additionally, or alternatively, Ineos submits that, to those consumers who recognise the shapes as denoting a particular vehicle model, e.g. the Land Rover Defender 90, the shapes may designate that car parts, accessories and related services marketed under the marks are for use with the corresponding Land Rover models. However, such use of the signs would not guarantee that the goods/services are provided by, or under the control of, JLR. In this connection, Ineos points out that replacement parts and maintenance services are provided by numerous undertakings, some of whom specialise in particular makes of cars.

Category 6: Goods which have nothing to do with vehicles

Class 9:

60. Headsets for computers or for audio, audiovisual or telecommunications equipment. 61. Personal Digital Assistants. 62. MP3 or MP4 recordings. 63. Mobile hard drives. 64. USB flash drives. 65. Blank USB cards, blank USB flash drives. 66. Universal Serial Bus drives. 67. Computer mice. 68. Mouse mats. 69. Cameras, included in this class. 70. Web cameras (Webcams). 71. Discs for storage of digital media. 72. Optical media, including optical recordings. 73. Digital books (tablets). 74. Telephones. 75. Mobile telephones. 76. Mobile phone headsets and accessories. 77. Mobile phone covers. 78. Mobile phone cases. 79. Home theater systems. 80. Televisions. 81. Calculators. 82. Projectors. 83. Contact lenses, spectacles.

Class 14:

84. Jewellery. 85. Watches. 86. Clocks. 87. Cuff links. 88. Ornaments. 89. Statues and statuettes of precious metals. 90. Tie clips. 91. Tie pins.

Class 28:

92. Toys, games, and playthings. 93. Stuffed toys. 94. Puzzles. 95. Balloons. 96. Sporting articles. 97. Christmas decorations.

29. Ineos accepts that the use of 3D shapes of vehicles may serve as trade marks for the goods shown in the preceding paragraph provided that (i) the use of such signs in relation to the goods “*makes sense*” and (ii) the signs will not be perceived as merely decorative.

30. In this connection, Ineos submits that the shapes might be used as, or as decorative aspects of, cuff links, key rings, key fobs, ornaments, statues and statuettes of precious metal, tie clips, tie pins and Christmas decorations, or depict the form of a puzzle that can be taken apart and reassembled. Ineos accepts that if they have nothing to do with vehicles, the marks cannot be subject to descriptiveness objections under s.3(1)(c). However, it maintains that the marks are devoid of distinctive character, unless they would be perceived as serving the essential function of a trade mark, i.e. as designating the trade origin of the goods.

31. There are inconsistencies in these categorisations. For example, it is not clear to me why ‘satellite navigation systems’ fall in category 5 (goods which relate to things which may relate to vehicles) because they cover satellite navigation systems which could be for vehicles, whilst ‘telephones’ are placed in category 6 (nothing to do with vehicles) when this term is wide enough to cover ‘car telephone installations’ in category 3 (goods specifically related to vehicles). Similarly, it does not make sense to say that the marks lack distinctive character for ‘toy vehicles’ because those goods take the form of vehicles and yet place ‘toys’ (which covers toy vehicles) in category 6 because they have nothing to do with vehicles. The same point applies to puzzles. I will therefore return to the scope of the objections under ss.3(1)(b) and (c) later.

32. Most (although not all) of Ineos’s objections under ss.3(1)(b) and (c) depend on the correctness of its central submission that the shapes at issue do not depart significantly from the norms and customs of the vehicle sector in such a way that consumers will appreciate that they designate the goods or services of a particular undertaking (as opposed to just a 4x4 type land vehicle). The correct approach to the application of s.3(1)(b) to non-conventional trade marks was considered by the Court of Appeal in *The London Taxi Corporation Limited v Fraser-Nash Research Ltd and Another*¹. Giving the lead judgment, Floyd L.J. noted that:

“36. The judge [at first instance] approached the issue of inherent distinctive character on the basis that a necessary, but not a sufficient, condition for registration in the case of a mark consisting of the shape of a product was that the registered shape must be one that departs significantly from the norm or customs of the sector for products of that kind. In addition, he held that, as with all other marks, the marks must be perceived by the average consumer as identifying the origin of the goods. Applying those tests, he concluded, firstly, that the CTM would have been perceived by the average consumer of taxis as merely a variation of the typical shape of the taxi. Equally he considered that the CTM would be considered by the ordinary consumer of cars as merely a variation of the typical shape of a car. The judge also considered that the CTM would not have been perceived as identifying the origin of the goods. It was therefore devoid of distinctive character. The judge came to the same conclusion in relation to the UKTM.”

33. Floyd L.J. went on to say that:

“37. The principles to be applied to the assessment of the distinctive character of a trade mark consisting of the shape of a product under Article 7(1)(b) of the Regulation and Article 3(1)(b) of the Directive were summarised by the CJEU in Joined Cases C-344/10 P and C-345/10 P Freixenet SA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2011] ECR I-10205 as follows:

¹ [2017] EWCA 1729 (Civ)

“42. According to settled case-law, for a trade mark to possess distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 it must serve to identify the goods in respect of which registration is sought as originating from a particular undertaking, and thus to distinguish those goods from those of other undertakings (see, in particular, Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraph 34; Case C-136/02 P Mag Instrument v OHIM [2004] ECR I-9165, paragraph 29, and Case C-238/06 P Develey v OHIM [2007] ECR I-9375, paragraph 79).

43. That distinctive character must be assessed, first, by reference to the goods or services in respect of which registration is sought and, second, by reference to the perception of the relevant public (see, in particular, Henkel v OHIM, paragraph 35; Case C-25/05 P Storck v OHIM [2006] ECR I-5719, paragraph 25, and Develey v OHIM, paragraph 79).

...

45. It is also settled case-law that, the criteria for assessing the distinctive character of three-dimensional trade marks consisting of the appearance of the product itself are no different from those applicable to other categories of trade mark (see, in particular, Mag Instrument v OHIM, paragraph 30; Case C-173/04 P Deutsche Sissie-Werke v OHIM [2006] ECR I-551, paragraph 27; Storck v OHIM, paragraph 26, and Case C-144/06 P Henkel v OHIM [2007] ECR I-8109, paragraph 36).

46. However, when those criteria are applied, account must be taken of the fact that the perception of the average consumer is not necessarily the same in relation to a three-dimensional mark consisting of the appearance of the product itself as it is in relation to a word or figurative mark consisting of a sign which is independent of the appearance of the products it designates. Average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of

any graphic or word element, and it could therefore prove more difficult to establish distinctive character in relation to such a three-dimensional mark than in relation to a word or figurative mark (see, in particular, Mag Instrument v OHIM, paragraph 30; Deutsche SiSi-Werke v OHIM, paragraph 28, and Storck v OHIM, paragraph 27).

47. In those circumstances, only a mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin is not devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 40/94 (see, in particular, Mag Instrument v OHIM, paragraph 31; Deutsche SiSi-Werke v OHIM, paragraph 31, and Storck v OHIM, paragraph 28)."

38. In Case T-629/14 Jaguar Land Rover Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2016] ETMR 12, the General Court applied the principles in Freixenet v OHIM to a trade mark consisting of the shape of a Range Rover. The applicant had applied to register the trade mark in respect of a variety of goods in Classes 12, 14 and 28. The Second Board of Appeal allowed the applicant's appeal in respect of "apparatus for locomotion by air or water", but dismissed it as regards the remainder. The General Court allowed the applicant's further appeal in respect of "vehicles for locomotion by air and water" for the following reasons:

"25. In the present case, the Board of Appeal correctly observed ... that the sign applied for depicts an apparatus for locomotion by land and not an apparatus for locomotion by air or water. It must, therefore, be regarded as departing significantly from the norm and customs of the sector for apparatus for locomotion by air and water and, consequently, as not being devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 207/2009. The Board of Appeal was therefore correct in annulling the examiner's decision as regards 'apparatus for locomotion by air or water' in Class 12 and allowing the application for registration in respect of those goods.

26. However, it must be stated that the same reasoning ought to have led the Board of Appeal also to annul the examiner's decision as regards 'vehicles for locomotion by air and water' in Class 12 and allow the application for registration in respect of those goods. The sign applied for depicts an apparatus for locomotion by land and not 'vehicles for locomotion by air and water'. It must, therefore, be regarded as departing significantly from the norm and customs of the sector for vehicles for locomotion by air and water and, consequently, as not being devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 207/2009. It follows that the contested decision must be annulled in so far as it refused registration of the mark applied for as regards 'vehicles for locomotion by air and water' in Class 12." (emphasis supplied)

39. The General Court went on, however, to dismiss the applicant's appeal in respect of the remaining goods, and in particular vehicles for locomotion by land because the sign was "merely a variation of the typical shape of a car and is, therefore, devoid of any distinctive character for the purposes of Article 7(1)(b) of Regulation No 207/2009." Put crudely, the makers of the Range Rover could have registered the shape for a plane or a boat but not for a car.

40. The language used by the CJEU might suggest that marks which depart significantly from the norms and customs of the sector necessarily possess distinctive character. However, in *Bongrain SA's Trade Mark Application* [2004] EWCA Civ 1690, [2005] RPC 14, a case decided before *Freixenet and Jaguar Land Rover*, Jacob LJ, with whom Potter and Longmore LJJ agreed, suggested that this was not so. He did not accept that the CJEU's jurisprudence at that date established that departure from the norms and customs was enough. He said at [25]:

"As a matter of principle I do not accept that just because a shape is unusual for the kind of goods concerned, the public will automatically take it as denoting trade origin, as being the badge of the maker."

41. *Mr Campbell relies on Jaguar Land Rover to submit that the CJEU's test of "departs significantly from the norm or customs of the sector" is now, even more clearly, both a necessary and sufficient condition for inherent distinctiveness. He stresses the phrase "and consequently" in paragraphs 25 and 26 of Jaguar, which he submits removes any lingering doubt that there might have been when the CJEU used the phrase "and thereby" in Freixenet.*

42. *Like the judge, I consider that there is much force in Mr Campbell's submissions. The matter is not, however, acte claire. If the point turns out to be necessary for us to decide the appeal, we should refer a question to the CJEU. In the event however, as I shall explain, I do not consider that the marks depart significantly from the norms and customs of the sector in the manner required by the jurisprudence of CJEU."*

34. Floyd L.J. suggested the following approach be taken:

"45. The first step in the exercise is to determine what the sector is. Then it is necessary to identify common norms and customs, if any, of that sector. Thirdly it is necessary to decide whether the mark departs significantly from those norms and customs."

35. It is common ground that the relevant sector so far as vehicles is concerned is 'passenger cars'.

36. It is also common ground that the distinctiveness of the contested marks must be assessed as at the dates of the applications to register them, i.e. between 11th April 2016 (for the Defenders) and 7th August 2017 (for the Series 2).

37. The matter must be assessed through the eyes of average consumers of the goods/services at issue. In *London Taxi*, Floyd L.J. said that *"the average consumer includes any class of consumer to whom the guarantee of origin is directed and who would be likely to rely on it, for example in making a decision to buy or use the goods."* The reference to consumers who "use" the goods had a particular significance in the *London Taxi* case. It meant that those who might hire a taxi and

be influenced to do so by its shape were to be included. This aspect of *London Taxi* is not relevant in this case. However, the broad definition given to the term 'average consumer' supports JLR's position that it includes (at least) those in the market for a new or used passenger car. There is no serious dispute about this.

38. Given that a passenger car is usually an important financial purchase and a product that is likely to be used for a number of years, average consumers are likely to pay a relatively high degree of attention when selecting the goods at issue.

39. Mr Mays' evidence is that the norms and customs of the 4x4/SUV sector include:

- High ground clearance;
- High driving position;
- Excellent visibility as a result of a large glass area, narrow pillars and good binocular vision;
- A spacious passenger package with a large, open cabin with 5 to 7 seats and stadium seating;
- 4 x 4 or all-wheel drive capabilities which means that the tyres will have a large aspect ratio (aspect ratio being the proportion of height to width), and all wheels being the same size because the vehicle is driven on all four wheels;
- A spacious utility package (i.e. cargo compartment) with wide access to the cargo compartment;
- Stamped or pressed body panels which are contoured and aerodynamic and which have a high quality exterior finish;
- Body panels which are joined invisibly;
- High quality interior finishing;
- Contoured glazing;
- Contoured, aerodynamic headlamps and tail lamps with integrated turn signals and back up lamps;
- Integrated bonnet;
- Protruding wheel arches with space for suspension travel;
- Tough, durable looking bumpers;
- Integrated skid plates;

- Exterior chrome or aluminium bright work e.g. door handles, window surrounds and mirrors.

40. According to Mr Mays, the Defender models do not fall with the norms and customs of the sector. The following are the most important (or relevant) differences relied on:

- (i) The Defender has small windows and wide front pillars which hamper visibility;
- (ii) The rear of the Defender has three windows; one very small one either side of another larger one that forms part of the part of a centrally positioned rear opening door;
- (iii) The Defender has flat panels which are not aerodynamic or contoured;
- (iv) The finish obtained by spot welding the body panels is out of step with the seamless finish obtained by using modern pressed panels;
- (v) Except for alpine windows, the glass in the Defender is flat, not contoured, reinforcing the 'boxy' shape of the vehicles;
- (vi) The Defender has a horizontal 'waist line' running from bonnet height around the body of the vehicle with the passenger housing inset on top of a marginally wider, lower, full length box;
- (vii) The Defender's bonnet sits on top of the front section of the body and is not integrated into the design or aerodynamic;
- (viii) Alpine windows.

41. Mr Harper's evidence in support of Ineos's position is that square 'two box' designs are commonly used for what he calls 'functional' 4 x 4s (as opposed to SUVs designed for occasional off-road use). This is due to manufacturing considerations and the desire to project the image of a serious utilitarian off-roader. The use of flat body panels was originally driven by the limitations of using aluminium rather than steel panels. However, the desire to project a functional image meant that boxy shapes were still used in later designs for vehicles using steel body panels, despite the availability of new technology which made it more practical to use curved aluminium panels.

42. According to Mr Harper, the use of flat glass in the Series 1 Lands Rover design was driven by technical considerations: it was the only glass available. He provides examples of other 4x4s using similar glass. The use of narrow 'arrow shot' rear windows either side of the centrally positioned rear loading door was also driven by technical considerations, i.e. avoiding blind spots. However, I note that although Mr Harper provides an example of other manufacturers using a centrally positioned rear loading door for a 4x4 design (the Mercedes G-Wagon, Santana PS10 and the Iveco Massif) he does not provide any examples of other manufacturers using 'arrow shot' windows.

43. Mr Harper says that 'clam shell' bonnets are not unique to the Defender design. Originally this design of bonnet was driven by the use of a separate chassis, high fenders and ease of manufacture. The 1940s Jeep and the later Mercedes G Wagon use(d) a similar design. According to Mr Harper, the use of a 'waistline' between the lower and upper sections of car bodies is not an unusual or unique feature of the contested shapes. He provides examples of other cars from the present or past which have, or had, this feature. In the 4x4 sub-sector, these include the Toyota Land Cruiser, the Nissan Patrol 60, the Mitsubishi Shogun/Pajero and the Mercedes G-Wagon.

44. As to the use of alpine windows, Mr Harper says that (1) alpine windows were used in coaches before Land Rover adopted them, and (2) they serve a technical purpose, i.e. improving visibility from the high set bench seats in the rear of the Land Rover. Mr Harper points out that the Volkswagon Type 2 T1 microbus also used this design feature from 1951 onwards. However, Mr Harper does not provide any examples of other manufacturers using this solution for passenger cars.

45. Mr Harper's evidence includes examples of other manufacturers using relatively small windows and relatively wide front pillars, e.g. the Jeep Wrangler and the Santana PS10. These features do not therefore appear to be unique to the designs at issue. In any event, they do not seem to me to be the sort of features that would catch the attention of average consumers. Rather, they would simply form aspects of the overall designs of the vehicle shapes at issue.

46. I therefore conclude that, on the evidence, the 'arrow shot' rear windows and alpine side windows are the most unusual aspects of the various Defender designs in the context of passenger cars. These features were not part of the Series 1 or 2 Land Rover designs.

47. The parties disagree as to the appropriate level of generality at which to assess the norms and customs of the sector. Mr Bloch submitted that JLR's list was too low level. In this connection, he pointed out that Floyd L.J. had rejected similar arguments in the *London Taxi* case. The relevant part of the judgment is shown below:

"43. In support of its case that the shapes the subject of the LTC marks depart from the norms and customs of the sector, LTC relies on the list of characteristics identified by it in the particulars of claims ("the LTC features"), namely:

- i) the large size and relatively upright slope of the windscreen;*
- ii) the triangle of the bonnet tapering towards the front grille;*
- iii) the impression conveyed of a deep/high bonnet;*
- iv) the extended prominent front grille;*
- v) the "TAXI" light in the centre above the windscreen;*
- vi) the round headlamps, and the alignment thereof with the top of the grille;*
- vii) the smaller round parking lights, and the alignment thereof with the bottom of the grille;*
- viii) the overall front, side, and rear views of the vehicle.*

44. There was argument, on this aspect of the case, as to the extent to which it was legitimate to take account, as part of the norms and customs of the sector, the designs of specific models of taxi made and sold by LTC or their predecessors. To my mind this debate is somewhat beside the point. When deciding what are the norms and customs of the sector it is necessary to step back and look at the sector as a whole, and not merely at one particular design. In case T-450/09 Simba Toys GMBH & Co KG v OHIM Seven Towns intervening [2015] ETMR 15, the General Court pointed out that the existence

on the market of a design which resembled the mark applied for did "not suffice to demonstrate that the shape of the contested mark is the norm in the sector": see paragraph [106]. What that shows is that the relevant sector needs to be viewed with a wider perspective in mind.

46. –

47. The norms and customs of the car sector are not difficult to establish. Typical cars have a superstructure carried on four wheels, the superstructure having a bonnet, headlamps and sidelights or parking lights, a front grille and no doubt other features. The public will have experienced taxis with sharp linear features like the old Metrocab, and more rounded ones like LTC's taxis. They will have experienced both modern cars and more old fashioned ones. They will know that if the car is a taxi it will often have a light or other sign bearing the word TAXI on its roof.

48. When the LTC features are compared with these basic design features of the car sector, each is, to my mind, no more than a variant on the standard design features of a car. A windscreen has a slope, a bonnet has a height and a grille has a shape. It is obvious that none of the LTC features is so different to anything which had gone before that it could be described as departing significantly from the norms and customs of the sector. Whether considered individually or as a whole the LTC features are simply minor variants on those norms and customs."

48. Approaching the matter from the broad perspective set out in paragraph 47 of the judgment in *London Taxi*, Mr Bloch submitted that none of the features relied on by JLR was sufficient for the shapes applied for to depart significantly from the norms and customs of the passenger cars sector. The features either did not form part of the shape and external appearance of the vehicles as covered by the marks, or they did not depart from the norms and customs of the sector, or they departed in minor ways, i.e. they were minor variations from the norms.

49. I accept that it would be inappropriate to assess the elements of the shapes at issue at a lower level of detail than would realistically be undertaken by an average consumer of the goods. This means that it is necessary to exercise a degree of

caution when deciding how much weight to attach to the evidence of design experts, such as Mr Mays, who say that there are important design differences between the shapes at issue and those of other similar vehicles on the market.

50. Further, although I accept that it is necessary to consider what are the norms and customs of the sector, reducing this process to a comparison between written descriptions of common features and written descriptions of the features that make up to the contested marks runs two risks. Firstly, reducing a shape mark to written descriptions of its various features may not capture the way that those features are arranged or configured. Configuration could, by itself, make the shape as a whole depart significantly from the norms and customs of the sector. Secondly, focussing exclusively on the individual features of a shape mark may give those elements of the marks more or less importance than they deserve in terms of their contribution to the overall shapes of the product.

51. It is important to keep in mind that what ultimately matters is whether the shapes as wholes depart significantly from the norms and customs of the sector. Therefore, although it is relevant, it is not necessarily fatal that some (perhaps even, all) of the features of a shape are not unique to the mark at issue or unusual in the sector concerned. Equally, the presence of one or more features which are unique to the shapes at issue, or at least unusual in the sector concerned, does not automatically mean that the shapes as wholes departs significantly from the norms and customs of the sector. This may be a factor when, considered by itself, the unique or unusual feature(s) in question makes only a small contribution to the overall impression created by the shapes.

52. The most relevant shapes for passenger cars that were either present on UK roads in 2016 or accepted as having been on sale in the UK in the past, are shown below².

² See exhibit AW2 to Mr Wheel's witness statement of 8th January 2019 and paragraph 4(1)(a) of Mr Harper's witness statement of 9th January 2018

Perspective view of the vehicles



Land Rover Defender 90



Mercedes G-Wagen SWB



Mitsubishi Shogun/Pajero



Toyota J70



Land Rover Defender 110



Mercedes G-Wagen LWB



Santana PS10



Land Rover Series I



Jeep Wrangler



Daihatsu Taft

Rearview



Land Rover Defender 90



Mercedes G-Wagen SWB



Mitsubishi Shogun/Pajero



Toyota J70



Land Rover Defender 110



Mercedes G-Wagen LWB



Santana PS10



Land Rover Series I



Jeep Wrangler



Daihatsu Taft



Daihatsu Fourtrak

53. According to information obtained from the Society of Motor Manufacturers and Traders database³ the following numbers of vehicles were on the roads of the UK in 2016:

- (1) 5631 Jeep Wranglers;
- (2) 6967 Daihatsu Fourtraks;
- (3) 49756 Mitsubishi Shoguns;
- (4) 1675 Mercedes G Wagons;
- (5) 203 Santana PS10s.

54. Additionally, although none appear to have been still on the road in 2016, Mr Wheel of JLR accepts that the Toyota Landcruiser J70 was on sale in the UK in the past. He says that the Daihatsu Taft was built in the 1970s and 1980s and that it would have been very unusual to see one on British roads in 2016. He does not appear to dispute that the car was also sold here in the past.

55. According to Ms Beaton's statement of March 2018, the Santana PS10 was a Spanish built Land Rover produced in Spain under licence from Land Rover. The arrangement started in 1958 and ended in 1990. The subject matter of the licence is not clear, i.e. whether copyright in drawings, designs, patents, and/or unregistered trade marks. According to Ineos's written submissions, the Santana PS10 was launched in 2002, after the licence from JLR ended. So far as I can see, there is no hard evidence as to when the vehicle was launched. However, I note that JLR's later

³ See exhibit JM3 to Mr Mays' witness statement of 13th December 2018

filed evidence did nothing to counter Ineos's claim that the Santana was launched in 2002. The sale of Santana PS10s after 2002 would also be consistent with 203 of the vehicles still being on the road in 2016. The Santana PS10 was branded as a Santana product. There is nothing to indicate that UK consumers would have been aware of any trade connection between Santana and JLR, even if there was one after 1990. Therefore, looking at the matter through eyes of an average consumer who has seen the Santana PS10, it is a very similar shape to a Land Rover Defender 110, but marketed by a different company.

56. At the relevant dates, the average UK consumer of passenger cars, particularly 4x4 type vehicles, was likely to be aware of at least some of the vehicles shown above.

57. Mr Mays says that the shapes of the Defender models are different to other vehicles on the market in important respects. In his view, the most similar designs are the Mercedes G-Wagon and the Jeep Wrangler. According to Mr Mays, the contested shapes are notably boxier than those of either of these vehicles. He points to a number specific design differences, the most notable ones of which appear to be:

- (i) The G Wagon has a longer front overhang (from the front wheels);
- (ii) The G Wagon has a more rounded roof and rear profile that falls away;
- (iii) The panels on the G Wagon are smooth modern pressings instead of spot welded flat body panels used in the contested shapes, which create surface irregularities;
- (iv) The Jeep Wrangler grille is pushed well back between the front fenders and angled backwards;
- (v) The roof of the Jeep Wrangler is slightly rounded in profile (not flat) and the rear section leans forward creating a less abrupt transition from vertical to horizontal;
- (vi) The panels on the Jeep Wrangler are smooth modern pressings instead of spot welded flat body panels used in the contested shapes, which create surface irregularities;

- (vii) The Defender models are the only ones to have a “waist line” whereby the upper section of the vehicle is slightly inset within the bottom section;
- (viii) The use of alpine windows in the Land Rover Defender.

58. I have noted Mr Mays evidence. Some of the design differences he points out, such as surface irregularities on the body of the Defender vehicles from the use of spot welded flat body panels, are not visible in (and, therefore, not part of) the marks applied for. More generally, Mr Mays is a design expert. Differences in design that appear important to him may be unimportant, or may not even register, on average consumers of passenger cars. I am therefore doubtful whether many of the other design differences he considers important would be regarded as significant departures from the norms and customs of the sector by average consumers of passenger cars.

59. JLR also relies on published comments by journalists and others to the effect that the shape of the Defender models is distinctive. However, these observations depend, at least in part, on the writers’ familiarity with the shape(s) because of their long use in trade. In my view, this part of JLR’s evidence is more relevant to the case that the shapes have acquired a distinctive character through use. I will therefore return to this evidence in more detail when I come to deal with this part of JLR’s case.

60. Considering the matter at the relevant dates, I find that the shapes and appearance of the Defender 90 and 110 models did not depart significantly from the norms and customs of the passenger car sector. That is the case whether or not the shapes include a rear mounted rear wheel, as in the ‘947 and ‘948 marks. I accept that the shapes applied for look very different to those of some other types of vehicles, such as hatchbacks and sports cars, but the test is not whether the shape of a 4x4 vehicle departs significantly from the shape of a hatchback or a sports car: it must depart significantly from shapes used in any sector of the passenger car market, including the 4x4 sector. It is true that the use of ‘arrow shot’ rear windows and alpine side windows was unusual, if not unique, in the passenger car sector at the relevant dates. However, I find that these are minor variations from the norms

and customs of the passenger car sector. I also note that these features are not part of the '701 or '751 marks, i.e. the Series 1 and 2 Land Rovers. All the other features of the shapes at issue, including the primary features relied on by JLR⁴, are either within the norms and customs of the passenger car sector, or minor variations thereon. Further, although there is a significant design element in the way that the external elements of the vehicles are configured, there is nothing about the configuration which makes the resulting shapes depart significantly from the norms and customs of the sector.

61. The fact that the Defender shapes looked old fashioned at the dates of the applications, and the shapes of the Series 1 and 2 Land Rover looked very old fashioned, is relevant, but not decisive. Simply looking old fashioned does not mean that the shape and appearance of a vehicle departs significantly from the norms and customs of the sector. This is because the average consumer is well aware of retro designs and therefore does not automatically regard old fashioned shapes as departing significantly from the norms and customs of the sector. Further, when encountering an old second-hand vehicle, the average consumer will expect the shape of the vehicle to reflect the period in which it was designed and originally marketed.

62. I therefore find that the contested marks are *prima facie* devoid of any distinctive character in relation to passenger cars. The following descriptions cover passenger cars.

Vehicles; Motor vehicles; Apparatus for locomotion by land; Commercial vehicles; Land vehicles; Military vehicles; Police vehicles.

My findings about passenger cars therefore apply to all the above descriptions.

63. The same objection extends to *Scale model vehicles and kits therefor* and *Toy vehicles, toy trucks, toy cars* in class 28. This is because the shapes at issue represent the shape of the goods, i.e. toy or model vehicles. The shapes do not

⁴ See paragraph 40 above

depart significantly from the norms and customs of the passenger car sector and thereby distinguish the models or toys of a particular undertaking.

64. Logically, the same objection extends to *Toys, games, and playthings* and *Stuffed toys* in class 28 of the opposed applications.

65. Ineos submits that the shapes at issue could be used as the form of a puzzle that can be taken apart and reassembled. I accept this submission, which means that the registration of the marks in relation to *puzzles* is subject to same *prima facie* objections as *toys*.

66. Ineos submits that the shapes might be used as, or as decorative aspects of, cuff links, key rings, key fobs, ornaments, statues and statuettes of precious metal, tie clips, tie pins and Christmas decorations. The logic of this submission is that the contested shapes represent the shape of the goods, or part of the goods, in the form of a non-distinctive vehicle. I accept this submission so far as *cuff links, key rings, key fobs, ornaments, tie clips* and *tie pins* are concerned, which often consist of, or include, decorative shapes. As a matter of logic, this objection must extend to *jewellery* (such as brooches), which often take many purely decorative forms. I do not accept the submission so far as *statues and statuettes of precious metal* are concerned. This is because, as a matter of normal use of language, statues and statuettes represent people or animals, not passenger cars. Further, I do not understand how the shape of passenger cars, as depicted in the contested marks, could be regarded as Christmas decorations. There is nothing about them which evokes Christmas. I therefore also reject Ineos's submission insofar it relates to the registration of the marks in relation to *Christmas decorations*.

63. Having decided that the contested marks depict shapes of passenger cars which do not depart significantly from the norms and customs of the sector, it is necessary to decide whether such shapes are distinctive in relation to:

Land vehicle engines; Trailers; Parts, components and accessories for land vehicles; Pumps for inflating vehicle tyres; Spoilers for vehicles.

64. In *Linde AG & Winward Industries Inc. v Rado Uhren AG*⁵ the CJEU held that:

“1. When assessing the distinctiveness of a three-dimensional shape of product trade mark for the purposes of Article 3(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks, a stricter test than that used for other types of trade mark must not be applied.

2. Independently of Article 3(1)(e) of First Directive 89/104, Article 3(1)(c) also has significance for three-dimensional shape of product trade marks. When examining the ground for refusing registration in Article 3(1)(c) of First Directive 89/104 in a concrete case, regard must be had to the public interest underlying that provision, which is that all three-dimensional shape of product trade marks which consist exclusively of signs or indications which may serve to designate the characteristics of the goods or service within the meaning of that provision should be freely available to all and, subject always to Article 3(3) of the Directive, cannot be registered.”

65. I find that the three-dimensional shape of a 4x4 type vehicle may serve, in trade, to designate the intended purpose of the goods set out in the paragraph 63, i.e. that they are goods for use in, or with, passenger cars. The contested marks are therefore *prima facie* excluded from registration under s.3(1)(c) of the Act in relation to those goods. Marks caught by s.3(1)(c) are necessarily also devoid of any distinctive character and *prima facie* unregistrable under s.3(1)(b). Therefore, I find that these objections apply *prima facie* to the contested marks in relation to these goods.

66. I find that the same objections apply, for the same reasons, to all the goods and services the opponent lists in its categories 3 and 4 of opposed goods/services⁶.

⁵ Joined cases C-53/01 and C-54/01

⁶ See paragraph 25 above

67. I further find that the same objections apply, for the same reasons, to the following descriptions of goods in category 5 of opposed goods/services, which also cover goods for use in, or with, passenger cars⁷.

Class 9:

Computer hardware, firmware or software; Multimedia devices; Compact and compact disc players; DVDs, DVD players; MP3 or MP4 apparatus and equipment; Apparatus for recording, transmission, reproduction of information in electronic form; Sound reproducing equipment; Storage boxes for recording media not included in other classes; Speakers; Radios; Telecommunication equipment; Apparatus and equipment for streaming audio, video and data; Electrical and scientific apparatus and instruments included in this class; Anti-theft warning devices; Gauges; Instrument panels and clusters; Lenses for lamps; Odometers; Speedometers; Tachometers; Temperature sensors; Voltmeters; Ammeters; Testing apparatus; Tape players; Tape cassettes; Global Positioning Systems apparatus; Satellite Navigation Systems; Highway emergency warning equipment; Thermometers; Compasses; Protective clothing included in this class.

Class 14:

Horological and chronometric instruments; Key rings; Keyfobs; Badges of precious metal.

In this connection, I note that the descriptions *compact discs*, *DVDs*, and *tape cassettes* cover recorded sound and images relating to passenger cars, i.e. recordings about cars.

68. As a matter of logic, the same objections must apply *prima facie* to *MP3 or MP4 recordings*, *Optical media, including optical recordings*, *Digital books (tablets)*. And, *Cameras included in class 9* (which includes reversing cameras) *Telephones and Mobile telephones* (which cover car phones) and *clocks* (which includes car clocks).

⁷ See paragraph 26 above

This is despite the fact that these goods are included in category 6 of the opponent's list of opposed goods.

69. Having found that Ineos's primary objection succeeds in relation to the *prima facie* registration of the marks in relation to the goods/services shown above, I find that there is no need to deal with Ineos's alternative argument: that even if the shapes designate particular Land Rover models, the marks are descriptive of the intended purpose of spare parts, accessories and maintenance services etc. for those vehicles. On the same logic one could argue that the words LAND ROVER DEFENDER are descriptive of parts for vehicles marketed under that trade mark. However, no such objection can succeed against a trade mark. Rather, the law requires third parties using trade marks to indicate the purpose of replacements parts etc. to only use the trade mark in accordance with honest practices in commercial matters⁸.

70. It follows that if I had found that the shapes at issue were *prima facie* capable of functioning as trade marks of JLR in relation to passenger cars and related goods/services, Ineos's alternative objection would have failed. However, as I have come to the opposite conclusion on Ineos's primary case there is no need to say any more about this alternative line of argument.

71. As to the remainder of the goods included in category 6 of the opponent's list of opposed goods, Ineos accepts that the use of 3D shapes of vehicles may serve as trade marks for these goods provided that (i) the use of such signs in relation to the goods "*makes sense*" and (ii) the signs will not be perceived as merely decorative. I understand the suggested requirement that use of the marks "*makes sense*" to mean that the use must be plausible as well as distinctive.

72. As to the potential for decorative use of the contested 3D marks, I do not accept that relevant average consumers would regard use of the contested marks in relation to the remaining goods in category 6 as purely decorative. This means that the objections under s.3(1)(b) and (c) fail in respect of:

⁸ See section 11(2)(c) of the Act

Class 9: Headsets for computers or for audio, audiovisual or telecommunications equipment; Personal Digital Assistants; Mobile hard drives; USB flash drives; Blank USB cards; blank USB flash drives; Universal Serial Bus drives; Computer mice; Web cameras (Webcams); Discs for storage of digital media; Mobile phone headsets and accessories; Mobile phone covers; Mobile phone cases; Mouse mats; Home theater systems; Televisions; Calculators; Projectors; Contact lenses; spectacles.

Class 14: Statues and statuettes of precious metals.

Class 28: Balloons; Sporting articles; Christmas decorations.

73. The contested marks are not descriptive of *Apparatus for locomotion by air and/or water*. In *Jaguar Land Rover Ltd v OHIM*⁹ the General Court found that the three-dimensional shape of another JLR product (the Range Rover Evoque) was not devoid of any distinctive character in relation to *apparatus for locomotion by air and water* because the shape at issue departed significantly from the norms and customs of the sectors for those goods. The difficulty in imagining how the shape of a passenger car could be used as a trade mark for aircraft or water vehicles did not prevent the court finding as it did. This may be because the lack of plausible use of a mark in relation to particular goods raises a different question to the distinctiveness of the mark: the question is whether the applicant really intends to use the mark in relation to those goods/services. In the light of the judgment of the General Court, I find that the contested marks are free from objection under ss.3(1)(b) or (c) of the Act in relation to *Apparatus for locomotion by air and/or water*.

74. I further find that the marks are free from objection in relation to *Recording media* in class 9. These goods are, by definition, blank media not recordings about cars. Ineos's objection that the contested marks describe characteristics of such goods, or are otherwise non-distinctive, must therefore be rejected.

⁹ Case T-629/14

The section 3(1)(d) ground of opposition

75. The applicability of any of the exclusions in s.3(1) of the Act is sufficient to prevent the contested marks from registration *prima facie*. I therefore see no need to determine the s.3(1)(d) ground of opposition in relation to any of the goods/services for which Ineos's objections under ss.3(1)(b) and/or (c) have succeeded.

76. So far as the remaining goods in classes 9, 12, 14 and 28 are concerned (as per paragraphs 72 - 74 above), there is no evidence that any of the contested marks consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade. The s.3(1)(d) is therefore rejected insofar as it is directed at these goods.

The section 3(1)(a) ground of opposition

77. Before turning to the question of acquired distinctiveness it is necessary to examine briefly Ineos's case that the signs at issue are not capable of being graphically represented and/or distinguishing the goods or services of a particular undertaking. Ineos's counsel, Mr Bloch, did not address me on this ground of opposition at the hearing. In my view, he was right not to pursue this ground. Firstly, there is no merit in the complaint that the marks are incapable of being graphically represented: they are graphically represented on the application forms. Secondly, there is no category of mark which can acquire a distinctive character which is nevertheless excluded from registration by s.3(1)(a)¹⁰. Thirdly, if registration is to be refused on policy grounds, this must be based on grounds under s.3(2) or s.3(3)(a) of the Act, all of which are pleaded. Therefore, there is no scope for refusing the applications under s.3(1)(a) if the other objections fail, and no point in examining the s.3(1)(a) ground if any of the other grounds succeed.

¹⁰ See the CJEU's judgment in *Koninklijke Philips Electronics NV and Remington Consumer Products Ltd*, Case C-299/99

Acquired distinctiveness of the contested marks in relation to passenger cars

78. The CJEU provided guidance in *Windsurfing Chiemsee*¹¹ as to the correct approach to the assessment of whether a trade mark has acquired distinctive character through use. The guidance is as follows:

“51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.

53. As regards the method to be used to assess the distinctive character of a mark in respect of which registration is applied for, Community law does not preclude the competent authority, where it has particular difficulty in that connection, from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment (see, to that effect, Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 37).”

¹¹ Joined cases C-108 & C-109/97

The shapes and external appearance of the Land Rover Series 1 and 2

79. The basic facts about the use of these shapes is set out in paragraphs 15 – 16 above. Vehicles with shapes and appearances corresponding to the ‘701 and ‘751 marks (the Land Rover Series 1 and 2) were first marketed in 1948 and (with small changes) were sold up until 1972. This means that there were no sales of new vehicles corresponding to the ‘701 or ‘751 marks for at least 44 years prior to the dates of the applications to register the corresponding shape marks. Further, although JLR has provided details of the number of vehicles sold worldwide during the periods of production, it is not clear how many of these vehicles were sold in the UK.

80. Additionally, there is no evidence about the number of Land Rover Series 1 or 2 vehicles still on the road in the UK around the relevant dates.

81. There is evidence that vehicles corresponding to the shapes of the ‘701 and ‘751 marks were advertised to the UK public during the periods of production. Examples of historical sales brochures are in evidence¹². Ms Beaton says that the focus of this promotion was on the shape and appearance of the vehicles. The brochures certainly bear numerous images of the vehicles, but this is probably true of all car brochures. Not surprisingly, all the brochures in evidence have the Land Rover word and/or logo marks on the covers. There is no evidence as to the amount spent promoting the ‘701 or ‘751 shape marks during the periods of production. And as one would expect, there is no evidence that JLR advertised the vehicles after production ceased in 1972.

82. JLR relies on the publication of a magazine by the Land Rover Series One [owners] Club from 1979, which featured pictures of early Land Rovers. Ms Beaton says that she understands that the magazine (now called Legend) is still published six times a year. However, the latest such document in her evidence is dated 2008¹³. According to Ms Beaton, feature articles about the Land Rover Series 1 and 2 have also featured in other third-party publications, specifically Land Rover Owner

¹² See exhibit AJB21 to Ms Beaton’s witness statement of 7th January 2019

¹³ See exhibit AJB22

International and Land Rover Enthusiast. Examples of these publications are also in evidence¹⁴. The latest is dated 2007. There is no evidence as to the circulation of these third-party publications.

83. JLR also relies on the appearance of the Series 2 Land Rover in films, including *Born Free* (1966), *The Italian Job* (1969), *The Omega Man* (1971), *Dog Soldiers* (2002), *The Siege of Jadotville* (2016) and *The BFG* (2016). Typically, the vehicle was used by a character in the film or in car chase scenes. The most prominent use of the vehicle was in *Born Free* where the vehicle was seen being used a lot by the main character. The Series 2 Land Rover was also used in numerous TV shows, including *The Avengers* (1961 – 69), *Doctor Who* (1963 – 89), *Taggart* (1983 – 2010) and *Grey's Anatomy* (2005 – 2018). Again, the vehicle was typically used by a character in the show or in car chase scenes. I see nothing persuasive in this evidence. Cars are used in many films and TV shows. Often the use is incidental from the perspective of the viewer. The most high-profile use of the Series 2 was probably in the film *Born Free*. However, this is only one film, which was released many years before the relevant dates, and long before many current consumers of passenger cars were born.

84. JLR says that the shape of the Series 1 and 2 Land Rovers are basically the same as the shapes of the Defender vehicles. Consequently, it argues that the evidence of sales and promotion of Defenders is also relevant to the distinctiveness of the '701 and '751 marks. I disagree. In my view, the shapes are different in important respects. Indeed, as I have already noted, the two most unusual features of the Defender models, i.e. 'arrow shot' rear windows and alpine side windows, are not part of the shape and appearance of the marks depicting the Series 1 and 2 models. Further, the marks depicting those models show soft tops covering the area behind the main passenger compartment whereas the Defender shapes show entirely solid superstructures.

85. Taking account of the guidance from *Windsurfing Chiemsee*, I find that the evidence of use of the shapes and external appearance of the Series 1 and 2 Land

¹⁴ See exhibit AJB22

Rovers is insufficient to establish that the '701 and '751 marks had acquired a distinctive character through use to a significant proportion of the UK public for passenger cars at the relevant dates in 2016 and 2017.

The shapes and external appearance of the Defender models

86. In my view, the shape and appearance of the Defender vehicles depicted in the '282, '283, '947 and '948 marks are sufficiently similar that they pose one and the same question as to their distinctiveness acquired through use. I will proceed accordingly.

87. The basic details of the use are set out in paragraphs 17 – 20 above. Essentially, the use started in 1983 and continued until early 2017, although mass production of the vehicles ceased in January 2016, a few months before the date of the first of the applications to register the Defender shape marks. 136k Defender models were sold in the UK between 1994 and 2017. This is likely to represent only a tiny fraction of the UK passenger car market, and probably a small proportion of the 4x4/SUV subsector. However, the vehicles were known for their longevity and 55k of the Defender models were still on the road in the UK around the relevant dates in 2016. There was a healthy market in second hand sales of these vehicles.

88. Ms Beaton's evidence is that JLR promoted the shape of the Defender models through advertisements in newspapers and magazines, in rugby match programmes for the England team and Premiership Rugby games, as well as on posters, billboards and on transport vehicles. In 2013, the shape of the Defender was also promoted through advertisements sent by email, on JLR's website, and through the internet.

89. In 2005, JLR spent over £100k promoting its Defender models in newspapers. Two examples are in evidence. The first, from July 2005, featured a 'bat-signal' shone into the night sky through a beam of light. However, instead of the Batman

logo, the beam projected the outline of one of the Defender models¹⁵. The second advertisement from “*in or around 2005*” included a side view of a Land Rover Defender in the middle of a line of leaf cutter ants¹⁶. The Defender vehicle was shown carrying a package on its roof rack. The ants were shown carrying leaves. Ms Beaton says that such advertisements appeared in national newspapers, such as The Daily Telegraph, The Independent, The Times, The Observer, The Sunday Times and the Radio Times.

90. JLR also spent over £100k in 2005 advertising the Defender vehicles in magazines, and the same amount was spent advertising in magazines and online channels in 2007. In 2009, JLR spent over £50k advertising the Defenders in magazines. In 2010, it spent over £100k. The latter corresponded with the marketing of a new version of the Defender 110 model in September 2010. Three examples of such advertisements are in evidence¹⁷. All three adverts prominently feature side views, or the side profile, of Defender vehicles. The advertisements appeared in magazines such as the Veterinary Times, Farmers Guardian, Farmers Weekly, Horticulture Week, The Landscaper, Architecture Today, CLA Land & Business, Thoroughbred, British Farmer & Grower, NFU Countryside and Scottish Farming Leader. Together, these publications had an annual circulation of around 350k readers. Some of the publications are weekly, others are monthly. However, it is not suggested that advertising in these publications took place every week or month during the years in question¹⁸.

91. It appears that promotion of the Defender models continued, to some extent, after 2010. In May 2011, Land Rover sponsored the Rugby World Cup. As part of its sponsorship campaign, JLR released an advertisement featuring the image of a vehicle evoking the shape of a Defender vehicle made up of postage stamps¹⁹. Ms Beaton says that this advertisement appeared in newspapers and magazines nationwide, although she provides no specific details to support this claim. A similar

¹⁵ See exhibit AJB6.5. The Land Rover logo appeared in the bottom right hand corner of the advertisement.

¹⁶ See AJB6.6. The Land Rover logo appeared in the bottom right hand corner of the advertisement.

¹⁷ See exhibit AJB6.20, AJB6.21 and AGB6.22. All three advertisements also included the Land Rover logo and/or the words Land Rover Defender.

¹⁸ See AJB6.23 and AGB6.24

¹⁹ See AJB6.25

advertisement was released in July 2011, which Ms Beaton says, rather vaguely, “*featured in printed publications.*” Two further advertisements of similar character were released in 2013, and another in 2015.

92. Ineos accepts that JLR has promoted the shape of the Defender vehicles in some of its advertising, but disputes that the shape has been promoted as an indication of the trade source of the goods. In this connection, Ineos points out that all bar one of the advertisements in evidence include Land Rover branding. The single exception is a photographic advertisement from 2004 showing the front view of a Land Rover Defender parked on top of a rock with a goat standing on the roof²⁰. However, Ineos points out that only the photograph is in evidence, which may not have been the whole advertisement, i.e. that the Land Rover brand could have been used in association with the photograph. I accept this is possible. In any event, this is a single advertisement from 2004, at least 12 years prior to the relevant dates.

93. Ineos also points out that the amount JLR spent promoting the Defender vehicles is very small by the standards of the automotive trade. In this connection, Ineos points out that according to JLR’s published accounts, the company spent over £328m on publicity in the year ending 31st March 2010. Ineos also points out and that no figures have been provided for the amounts spent advertising or promoting the defender vehicles after 2010.

94. JLR relies on comments made by third parties in relation to the distinctiveness of the external appearance of the Land Rover Defender. In an article in the Independent on 13th October 2013 about JLR’s decision to cease production of the Defender in 2015, motoring journalist Mr W wrote that he had owned eight Defender vehicles and that it was “*the most recognised automotive silhouette on the planet.*”²¹ In an article for Auto Express dated 25th June 2015, motoring journalist Mr H wrote that “*The original mini apart, there’s arguably no other British car that is as instantly recognisable [as the Defender].*”²² On 29th January 2016, motoring journalist Mr F wrote about the end of production of the Defender, which he called “*a British Icon*”

²⁰ See exhibit AGB6.4

²¹ See AGB1

²² See AGB2

with which he had had a life-long love affair²³. He later published a book about Land Rover.

95. JLR also draws my attention to what Ineos has said publicly about the shape of the Defender. In a press release dated 16th July 2016 (by which time JLR had ceased production of the Defender), Ineos announced that it had commissioned a feasibility study into resurrecting the car. The press statement referred to the car's "*much loved exterior shape*" which it promised to "*treat like a listed building.*" In an interview published in The Sunday Times in July 2016, Ineos's Chairman, Mr Jim Ratcliffe, who is described as "*an avowed petrolhead*", is quoted as saying that the Defender was "*iconic...very British*" and "*one of, if not almost the only vehicle you can recognise from the 1940s.*" The article describes Ineos's intention to re-launch the car with a new name.

96. According to Ms Beaton, an industry has existed for many years to meet the demand for customised versions of standard production vehicles. She says that third party businesses in the UK have marketed modified versions of the Land Rover Defender with more powerful engines, visual tweaks, and other changes. Ms Beaton cites Twisted, Overfinch, Kahn/The Chelsea Truck Company and JE Motor Works as examples of such modifiers. According to Ms Beaton, these modifiers remove the manufacturer's badging from the vehicles and replace it with their own. Pictures of such re-badged Defenders are in evidence²⁴. JLR did not agree to, or authorise, the sale of these modified vehicles. Ms Beaton says that the clear intention of the modifiers was that their customers would recognise the base vehicle as a Defender from its shape, which is why she believes that customers wanted to buy the modified vehicles. Ms Beaton thereby relies on the unauthorised activities of these vehicle customisation businesses as supporting JLR's case that the Defender shape marks are distinctive.

97. Considering the factors identified in *Windsurfing Chiemsee* I find that:

²³ See exhibit AGB3

²⁴ See AGB17

- (i) The Defender models had only a tiny fraction of the UK passenger car market in the period 2000 to 2017 (between 2000 and 2013, UK sales averaged only 5-6k cars per annum);
- (ii) It is not clear what proportion of the smaller market for 4x4 type vehicles the Defender vehicles had up until sales effectively ceased in 2016, but it was probably only a small share of that market;
- (iii) Defender vehicles were sold throughout the UK and beyond;
- (iv) Vehicles corresponding to the shapes of the Defender models had been on the UK market for many years at the relevant dates, although production of the vehicles was known to have recently ceased;
- (v) The amount spent promoting the Defender models was small by the standards of the automotive sector, and there appears to have been very little promotion of the vehicles after 2010;
- (vi) The shape or profile of the Defender vehicles was a prominent aspect of the advertising and promotion that did occur;
- (vii) The public's recognition of the shapes of the Defender vehicles would have been enhanced by the longevity of the vehicles and the relatively large (by comparison with sales of new Defenders) number of vehicles on UK roads in the years leading up to the relevant dates in 2016.

98. The weight of the evidence summarised in the previous paragraph indicates that a significant proportion of average consumers of passenger cars would not have recognised the shapes of the Defender models at the relevant date. It follows that these consumers would not have associated the shapes with any particular undertaking. This brings me to the key question, which is whether, at the relevant dates, at least a significant proportion of average UK consumers of passenger cars would have identified passenger cars corresponding to the shapes at issue as originating from a particular undertaking because of the trade marks applied for.

99. I have noted the views of the motoring journalists cited by JLR. I accept that the shapes at issue were distinctive to them. However, I do not accept that their views are likely to be representative of the views of average consumers of passenger cars.

100. Ineos's Chairman, Mr Ratcliffe, also appears to be a motoring enthusiast, but I attach more weight to his public statements that the shapes of the Defender vehicles are recognisable. Indeed, Ineos's plan to launch its own version of the Defender under a different name appears to depend on the appeal of the Defender's "*much loved exterior shape*" to at least a section of the relevant public. I do not regard this statement as amounting to an acceptance that the shapes at issue denote only the goods of JLR. This brings me an important part of Ineos's case, which is that the shapes of the Defender models do not, by themselves, guarantee the trade source of the vehicles. This is said to be because JLR has not used the shapes as trade marks. Rather, it has used LAND ROVER and DEFENDER to identify the trade source of the goods.

101. In *Nestlé SA v Cadbury UK Ltd*²⁵, Kitchen L.J. (as he then was) addressed this issue as follows:

"77. I think it may be helpful to say a little more about a concept which is woven into the decisions of the CJEU, including the decision of the CJEU in this case, concerning the acquisition of distinctive character by an inherently non-distinctive three-dimensional shape mark such as the Trade Mark. As we have seen, the CJEU has held that it is not sufficient for the applicant to show that a significant proportion of the relevant class of persons recognise and associate the mark with the applicant's goods. However, to a non-trade mark lawyer, the distinction between, on the one hand, such recognition and association and, on the other hand, a perception that the goods designated by the mark originate from a particular undertaking may be a rather elusive one. Nevertheless, there is a distinction between the two and, as I shall explain in a moment, it is an important one.

78. The distinction is this. We are concerned here with a mark, the three-dimensional shape of a chocolate product, that has no inherent distinctiveness. A shape of this kind is not inherently such that members of the public are likely to take it as a badge of origin in the way they would a

²⁵ [2017] EWCA Civ 358

newly coined word or a fancy name. Now assume that products in that shape have been sold on a very large scale under and by reference to a brand name which is inherently highly distinctive. Assume too that the shape has in that way become very well-known. That does not necessarily mean that the public have come to perceive the shape as a badge of origin such that they would rely upon it alone to identify the product as coming from a particular source. They might simply regard the shape as a characteristic of products of that kind or they might find it brings to mind the product and brand name with which they have become familiar. These kinds of recognition and association do not amount to distinctiveness for trade mark purposes, as the CJEU has now confirmed in its decision in this case.

79. The significance of the distinction lies in the considerable value of a registration of a three-dimensional shape as a trade mark. As the hearing officer explained in his decision at [108], it confers upon the proprietor an exclusive right to use that shape in relation to the product concerned. If a third party were to use that same shape for the same product, the proprietor would not need to show a likelihood of confusion about the origin of the product for, subject to certain defences, a likelihood of confusion would be presumed. But if consumers do not perceive the shape as denoting the origin of the product, no one would actually be confused and the protection afforded by the registration would not be justified. I think Jacob J (as he then was) put these points very well in Nestlé v Unilever at [32] to [33]:

"32. There is a bit of sleight of hand going on here and in other cases of this sort. The trick works like this. The manufacturer sells and advertises his product widely and under a well-known trade mark. After some while the product appearance becomes well-known. He then says the appearance alone will serve as a trade mark, even though he himself never relied on the appearance alone to designate origin and would not dare to do so. He then gets registration of the shape alone. Now he is in a position to stop other parties, using their own word trade marks, from selling the product, even though no-one is deceived or misled.

33. I do not think that is what the European Trade Mark system is for. It is a system about trade marks, badges of trade origin. For that reason I think that in the case of marks consisting of product shapes it is not enough to prove the public recognises them as the product of a particular manufacturer. It must be proved that consumers regard the shape alone as a badge of trade origin in the sense that they would rely upon that shape alone as an indication of trade origin, particularly to buy the goods. If that cannot be proved, then the shape is not properly a trade mark, it does not have a "distinctive character" for the purposes of trade mark law."

102. Later in the same judgment, Kitchen L.J. stated that:

"81. Mr Bloch submits that, for the purpose of establishing the acquisition of distinctive character by an inherently non-distinctive mark, it is not necessary to show that consumers have in fact relied upon the mark in selecting or purchasing the goods or services or that they have used the mark at some point after purchase to verify that they have chosen the right goods or services. In other words, it is not necessary to show that the mark has played any part in consumers' purchasing or post-transactional behaviour. Nor is it necessary to show that the mark will play a part in consumer purchasing or post-transactional behaviour in the future. The notion of 'reliance' is, he says, different from 'perception' and is one which has developed through a series of English cases, culminating in Vibe, but it has played no part in the exposition by the CJEU of what is necessary to establish distinctive character under Article 3(3) of the Directive.

82. I cannot accept the generality of these submissions. I recognise that the CJEU has not used the term 'reliance' in giving the guidance to which I have referred. However, the essential function of a trade mark is to guarantee to consumers the origin of the goods or services in relation to which it is used by enabling them to distinguish those goods or services from others which have a different origin. Perception by consumers that goods or services designated

by the mark originate from a particular undertaking means they can rely upon the mark in making or confirming their transactional decisions. In this context, reliance is a behavioural consequence of perception.

83. The mark performs this function through its distinctive character. That character may be inherent or it may be acquired, but it can only be acquired through the use of the mark as a trade mark, that is to say for the purposes of the identification by consumers of the relevant goods or services as originating from a particular undertaking. I recognise that the CJEU explained in Nestlé v Mars that the acquisition of distinctive character may be the result both of the use, as part of a registered mark, of a component of it and of the use of a separate mark in conjunction with a registered trade mark; and further that in both cases it is sufficient that, in consequence of that use, the relevant consumers perceive the goods or services, designated exclusively by the mark applied for, as originating from a given undertaking. But once again, in such a case and were the mark to be used alone, consumers would not only perceive the goods or services designated by the mark as originating from a particular undertaking but would also rely upon it for that purpose in making or confirming their transactional decisions.

84. Accordingly, I agree with the judge that it is legitimate for a tribunal, when assessing whether the applicant has proved that a significant proportion of the relevant class of persons perceives the relevant goods or services as originating from a particular undertaking because of the sign in question, to consider whether such person would rely upon the sign as denoting the origin of the goods or services if it were used on its own. Further, if in any case it is shown that consumers have come to rely upon the mark as an indication of origin then this will establish that the mark has acquired distinctiveness.”

103. Subsequently, in *The London Taxi Corporation Limited v Fraser-Nash Research Ltd and Another*, Floyd L.J. referred to the Court of Appeal’s earlier judgment in *Nestlé SA v Cadbury UK Ltd* and confirmed that the test is as follows:

"The applicant must prove that, as a result of the use he has made of the mark, a significant proportion of the relevant class of persons perceives the goods designated by that mark, as opposed to any other mark which might also be present, as originating from a particular undertaking. Put another way, the mark must have come to identify the relevant goods as originating from a particular undertaking and so to distinguish those goods from those of other undertakings."

104. According to the settled case law of the CJEU, the essential function of a trade mark is:

"to guarantee the identity of origin of the marked 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. For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the [EU] Treaty seeks to establish and maintain, it must offer a guarantee that all the goods or services bearing it have been manufactured or supplied under the control of a single undertaking which is responsible for their quality.²⁶"

105. So the key question is whether JLR has shown that a significant proportion of relevant average consumers would perceive the shapes applied for, without further indication, as distinguishing goods which have been placed on the market by JLR, or with its consent, from those of other undertakings. In answering that question, it is relevant to consider whether consumers would be likely to rely on the shapes at issue to make or confirm their transactional decisions in the goods. However, it is not necessary to show that relevant consumers have relied on the shapes alone in the past. Therefore, JLR's case cannot fail simply because there is no evidence that consumers have relied on the shapes of the Defender models to make or confirm their transactional decisions in the goods in the past.

²⁶ *Arsenal Football Club* (C-206/01, EU:C:2002:651, paragraph 48 and the case-law cited) and, more recently, *W.F. Gözze Frottierweberei GmbH, Wolfgang Gözze v Verein Bremer Baumwollbörse* (C-689/15, at paragraph 41)

106. However, considering the position at the relevant dates in 2016, several things make me doubt whether a significant proportion of relevant average consumers would have both (a) recognised the shapes at issue as those of the LAND ROVER DEFENDER models and (b) perceived the shapes applied for, without further indication, as distinguishing passenger cars marketed under the control of JLR from those marketed by other undertakings. Firstly, as Ineos points out, JLR has marketed vehicles embodying the shapes at issue under the distinctive word marks LAND ROVER and DEFENDER. The natural inference is that these signs played the primary roles in distinguishing the trade source of JLR's goods. JLR's counsel, Ms Lane, submitted that, unlike many other goods, the public use the shapes of passenger cars to distinguish the trade source of the products. I accept that consumers are drawn to cars they like the look of and will come to recognise the shapes of popular vehicles, or those of special interest to them. However, in my experience when it comes to making or confirming their transactional decisions about passenger cars, consumers generally use the names of the manufacturer and/or product/model names.

107. Secondly, there is evidence that third parties have sold passenger cars based on the shapes of the Defender models in the UK under different trade names, i.e. the Santana PS10, as well as various companies marketing modified versions of the Defender under different names, such as Overfinch and Twisted. If the shapes of the Defender models were truly distinctive of products marketed under the control of JLR, one would expect third parties marketing passenger cars with very similar shapes to have caused some confusion. However, there is no evidence that consumers were confused into thinking that JLR was responsible for these vehicles, or that they were marketed with JLR's consent. For example, there is no evidence of anyone blaming JLR for a problem they experienced with a Santana or Overfinch vehicle. It is true that the evidence does not establish the size of the market in modified versions of the Defender models, but as JLR itself filed evidence about the existence of this trade, it is reasonable to assume that it considered it to be on scale that was relevant. Further, as the marketing of modified versions of the Defender by Overfinch and other modifiers depended on the availability of Defender vehicles to modify, it is obvious that such use of the Defender shapes for these parties' vehicles

must have occurred when the Defender was still in production, i.e. prior to the relevant dates.

108. JLR's tolerance of third parties marketing passenger cars that look like the Defender models, but which have been rebranded under third party marks after receiving substantial modifications, also makes me wonder whether JLR really believed that the shapes of the Defender models performed the essential function of a trade mark, i.e. as designating goods for which JLR was responsible. If it had, surely it would not have put up with third parties using essentially the same shapes for passenger cars which were not marketed under the control of JLR.

109. My findings at paragraph 97, and the points made at paragraphs 106 to 108, give me serious doubts as to whether the shapes of the Defender models had acquired a distinctive character as trade marks at the relevant dates. With this in mind I turn to JLR's survey evidence to examine whether it is sufficient to remove those doubts and establish that the marks had indeed acquired distinctive character.

The survey

110. After rejecting Ineos's objections that a public survey would add significantly to the parties' costs without adding real value to the evidence, another hearing officer gave JLR permission to file survey evidence. However, JLR was directed to limit the size of the survey to no more than 500 people.

111. JLR's survey evidence is covered by a witness statement from Philip Malivoire. Mr Malivoire is a well-known market research consultant who has overseen many trade mark surveys in the past. He gives expert evidence and recognises his duty to assist the tribunal.

112. The essential features of the survey are as follows:

- (i) UK residents with access to a car were targeted;
- (ii) Members of certain professions were excluded, e.g. those in the car trade;

- (iii) A representative sample of 495 UK residents were interviewed in 19 locations;
- (iv) Interviews took place away from any car advertisements or car sales locations;
- (v) Interviewees were shown a laminated card with 4 pictures of a Land Rover Defender 90, each from a different angle and with all traditional branding removed;
- (vi) Anything they said spontaneously was recorded verbatim;
- (vii) They were then asked, "*What can you tell me about what you are looking at?*" and the answer was recorded verbatim;
- (viii) Following this, all respondents were asked, "*And what else, if anything, can you tell me about it?*" and again the answers were recorded verbatim;
- (ix) If the respondent had not mentioned a car or car manufacturer by this stage, the interview was concluded;
- (x) If the respondent had mentioned a car or car manufacturer, he or she was asked "*You mentioned [X]. Why was that?*" and then "*What else, if anything?*";
- (xi) The interviewer in Newcastle consistently failed to ask the second question in the survey and so her work was disregarded;
- (xii) The interviewer in Watford produced a series of questionnaires with highly distinctive responses suggesting that he had led the interviewees, so his work was also disregarded.

113. Mr Malivore analysis of the survey results indicates that 11% of those shown the pictures of the Land Rover Defender 90 mentioned (only) LAND ROVER before they had been asked any questions. After the first question, this rose to 44%, and after the third question 50% had mentioned (only) LAND ROVER (including mentions of DEFENDER and DISCOVERY – another LAND ROVER model).

114. At the hearing, Mr Bloch, for Ineos, complained that the pictures of the Land Rover Defender 90 used in the survey were more life-like than those used to graphically represent the trade marks. I take his point, but I am not convinced that this made much difference to the results.

115. More importantly, Mr Bloch submitted that (a) the survey showed some degree of recognition of the shape and a level of association with JLR, but not recognition of the shapes as trade marks, and (b) the survey showed significant mis-recognition of the shape as representing a JEEP vehicle. In this connection, he pointed out that 4% of respondents mentioned (only) JEEP before being asked any questions, and after the questions 15% of respondents had mentioned only JEEP. According to Mr Bloch, this showed that a significant proportion of respondents were trying to guess the 'right' answer, and this applied to many of those mentioning LAND ROVER as well as those mentioning JEEP.

116. Mr Malivoire suggested that some respondents appeared to have used JEEP as a generic term for a functional 4x4 vehicle and he provides some examples. He says nothing about whether the same might apply to some of those who mentioned LAND ROVER. In my view, it is likely that some of those who mentioned LAND ROVER were also using the name generically, although probably fewer than used JEEP generically. This is because what the respondents were shown was a LAND ROVER. It is therefore inherently more likely that those answering LAND ROVER recognised the shape shown to them as that of the Defender than that they were using LAND ROVER as a generic term for any functional 4x4.

117. I see more force in Mr Bloch's first point (point (a) in paragraph 115 above). It is certainly true that simply mentioning LAND ROVER and no other brand in response to the pictures of the Defender's shape does not mean that respondents necessarily regarded the shape, by itself, as distinguishing the goods of JLR from those of other undertakings.

118. The respondents' verbatim answers are in evidence²⁷. I have read through the answers of the respondents in the survey (except those of respondents in Newcastle and Watford). They paint a broadly similar picture. I will therefore use the answers given by the first 100 respondents to exemplify my findings.

²⁷ See Annex 5 to Mr Malivoire's statement

119. I note that respondent No.10 answered LAND ROVER in response to question 1, but in response to question 2 added *“does not say Land Rover on the vehicle, could be a kit car.”* That respondent was included amongst those mentioning only LAND ROVER, but he clearly did not think that the shape alone denoted only passenger cars marketed by JLR. Respondent No.39 also mentioned (only) LAND ROVER, but what he actually said was *“looks like a Land Rover and if its not a Land Rover it’s a four wheel drive.”* Again, by itself, the shape of the Defender plainly would not have functioned as a trade mark so far as this respondent was concerned. Respondents 57, 58, 62, 66, 68, 70, 81 and 98 also gave answers which clearly indicated that they would not use the shape alone to distinguish JLR’s goods.

120. About 40% of respondents mentioned LAND ROVER (or DEFENDER or DISCOVERY) in terms that do not clearly undermine the case for saying that they considered the shape of the Defender 90 model to function as a trade mark. In this group I came across some examples of respondents who clearly did consider the shape shown to them to be a LAND ROVER. Respondent No. 2 answered question 1 with *It’s a Land Rover*” and later added *“it has the distinctive shape of a Land Rover.”* Respondent 4 answered question 1 with *“it’s a Land Rover, it’s a Land Rover”* and later explained *“the shape gives it away of a Land Rover.”* Respondent 7 noticed the shape of the vehicle and identified it as a short wheel base Land Rover. Respondent No.9 answered question 1 with *“Land Rover”*, question 2 with *“short wheel base, 2 door”*, question 3 with *“[because] it looks like a Land Rover”* and added *“it’s a Land Rover.”* Respondents 19, 21, 22, 24, 29, 37, 38, 43, 47, 48, 56, 73, 75, 83, 87 and 96 also gave clear unequivocal answers indicating that the vehicle shown to them was a LAND ROVER.

121. The answers given by other respondents were more equivocal. For example, respondent 49 said that *“it looks like a military vehicle of some sort or perhaps a Land Rover, its not something I would drive.”* Respondent 57 said *“It looks like a Land Rover but might not be because they all copy and look the same....”*. Respondent 58 said *“it looks a bit like a Land Rover or something similar.”* Respondent 62 thought the shape looked like a Land Rover Discovery, which has a different shape. Other respondents gave answers that were similarly unclear as to

whether they thought the vehicle shown to them was, going from the shape alone, a JLR vehicle, e.g. respondents 65, 68, 70, 81, 86, 97 and 98.

122. In my view, the survey shows that somewhere between 20 and 40% of respondents were confident that the pictures shown to them depicted a Land Rover Defender. The remaining respondents either did not name a maker, were not sure who made the car, thought that the car was a different one made by another maker, or were guessing. The survey therefore shows a significant, but not overwhelming, degree of recognition of the shape of the Land Rover Defender 90 amongst private car users. It is possible that the level of recognition may have been higher if the survey had separated out the answers given by current or potential users of SUV or 4x4 type vehicles, i.e. likely customers for cars of the Defender type. I do not criticise JLR for addressing the survey to all users of passenger cars. I recognise that the approach taken is entirely in line with that of the Court of Appeal in the *London Taxi* case. However, the point about everyone being a potential user of taxis is not so relevant here. And even though the relevant public may still be comprised of all users of passenger cars, the test is whether the marks are distinctive (in the sense described above) to a significant proportion of that public. It may, therefore, have been helpful to know whether the level of recognition revealed by the survey was (or was not) particularly concentrated among actual or potential customers for vehicles of the type at issue. As is often the case, it is much easier to see these sorts of points with the benefit of hindsight. Further, even if the level of recognition of the shape of the Defender 90 was significantly higher amongst actual or potential customers in the 4x4/SUV subsectors of the passenger car market, there are other factors which pull the other way. In particular, actual or potential customers for these types of vehicles are more likely to be aware of third parties, such as vehicle modifiers, that market very similar shaped vehicles under their own brands and for which they are responsible. Consequently, an increased level of familiarity with the shapes at issue amongst this class of consumers would not necessarily mean that more of them would use the contested shapes alone to distinguish passenger cars marketed under the control of from JLR from those marketed by other undertakings.

123. Applying the same analysis I have applied to those respondents that mentioned (only) LAND ROVER to those who mentioned (only) JEEP, suggests that

approaching 10% of the respondents in the survey appeared confident that the car shown to them was a JEEP. A few mentioned other manufacturers, such as Mercedes. The proportion who seemed clear that the car was a JEEP is clearly unhelpful to JLR's case that the shapes at issue distinguish its cars from those of other undertakings.

124. I find that the survey does not remove the serious doubts I had after examining JLR's case based on the scale, length and nature of its use and promotion of the shapes of the Defender models, statements made by those connected to the trade, and taking account of the presence on the market of vehicles marketed by third parties with very similar shapes. In my judgment, the evidence does not establish that the shapes at issue had acquired a distinctive character at the relevant dates in relation to passenger cars.

125. Ms Lane cautioned me about being influenced by what she called 'the mood music' around the registration of three dimensional shapes and other non-conventional marks in the UK. I have not. I came into this case with an open mind as to whether the shapes at issue distinguished JLR's cars from those of other traders. Indeed, my initial reaction was that JLR may have a case for saying that the contested shapes are distinctive in the required sense of that word. However, the weight of the evidence before me indicates that the shapes at issue have not, and will not, function as trade marks for passenger cars.

Acquired distinctiveness of the contested marks in relation to other goods

126. According to Ms Beaton, the shape of the Defender car features prominently across JLR's official merchandise. She says that this business was "*brought in-house in 2012.*" Sales of such "*merchandise*" take place via JLR's dealer network, on the internet at shop.landrover.com, at employee stores at two of JLR's UK sites, and at "*various UK events.*" Since 2013, sales of merchandise have amounted to 10k units.

127. It is not clear which goods are covered by Ms Beaton's description of "merchandise." Pages from the company's internet site are in evidence²⁸, but these are from 2017/18, i.e. after the relevant dates. In any event, they show the 3D shape of a Defender model being used in relation to just two products: a key ring and a USB stick. The other three examples in evidence show use of the side profile of a Defender model, but not its 3D shape.

128. I have found that the shapes are *prima facie* distinctive for USB drives, so JLR does not have to show acquired distinctiveness in relation to those goods. The example of use of the Defender shape in relation to key rings is from after the relevant date. And there is no indication of the level of such sales prior to the relevant date (or at all). Indeed, JLR's total sales of Defender merchandise between 2013 and 2018 amounted to only 10k units, and this seems to include merchandise which did not use the 3D shapes applied for. Therefore, even if there was some use of the shapes in relation to key rings prior to the relevant dates, the scale of such use is manifestly insufficient to establish that the shapes had acquired a distinctive character in relation to key rings.

129. Ms Beaton says that JLR also licences third parties to manufacture and distribute ride-on cars for children, and other toys, in the shape of the Defender. Zhejiang Dongma Baby Carrier Co. Ltd is one such licensee whose ride-on cars are sold at Halfords. Pacific Cycle is another licensee who distribute their ride-on cars under the brand KidTrax to retailers such as Toys R Us. Screenshots of Halfords and KidTrax's websites are in evidence. They show ride-on toy vehicles in the shape of a Defender. The Halford's product is described as a 'Licensed Land Rover'. The KidTrax website does not mention a licence of any connection with JLR. Neither example of such use of the Defender shape in relation to ride-on cars is dated prior to the relevant dates in these proceedings. There is no evidence as to when such use started, or what level of sales and promotion occurred prior to the relevant dates. There is no evidence as to the subject matter of the licence granted to these parties, i.e. whether it covered copyright in drawings, design rights, the Defender word mark, or unregistered trade mark rights in the shape of the Defender. The evidence is

²⁸ See exhibit AJB14 to Ms Beaton's earliest witness statement

manifestly insufficient to establish that the shapes at issue had acquired a distinctive character prior to the relevant dates and come to distinguish ride-on cars marketed under the control of JLR from those of other undertakings. As Mr Bloch pointed out at the hearing, even if some of the use pre-dates the relevant dates, there is nothing to indicate that consumers would expect ride-on toy cars to originate from JLR just because of their shape.

130. Ms Beaton's evidence about Bruder Spielwaren GmbH being licensed to sell toy model cars in the shapes of the Defender models suffers from the same defects and is rejected for the same reasons.

The opposition under s.3(2) of the Act

131. Section 3(2) of the Act is as follows:

“(2) A sign shall not be registered as a trade mark if it consists exclusively of-
(a) the shape, or another characteristic, which results from the nature of the goods themselves,
(b) the shape, or another characteristic, of goods which is necessary to obtain a technical result, or
(c) the shape, or another characteristic, which gives substantial value to the goods.”

132. At the hearing, Mr Bloch for Ineos focussed his submissions on the opposition under s.3(2)(b) of the Act. When asked, he clarified that whilst Ineos was not dropping its opposition under s.3(2)(a) or (c), he accepted that if the opposition under this s.3(2)(b) failed it was unlikely that Ineos's case under the other sub-sections would succeed. Like Mr Bloch, I will therefore focus mainly on the s.3(2)(b) ground. Ineos's evidence and arguments in support of its s.3(2)(b) ground are directed at the registrability of the contested shapes in relation to passenger cars. I will therefore limit my consideration of Ineos's case under s.3(2)(b) to these goods.

Section 3(2)(b)

133. In *Lego Juris A/S v OHIM*²⁹ the CJEU reviewed the law under article 7(1)(e)(ii) of the EU Trade Mark Regulation, which corresponds to article 3(1)(e)(ii) of Directive 2008/95/EC and s.3(2)(b) of the Act. The court's review of the law took place in the context of an appeal against the EUIPO's decision to invalidate the registration of a trade mark consisting of the shape of a building brick. The court stated:

“48.by restricting the ground for refusal set out in Article 7(1)(e)(ii) of Regulation No 40/94 to signs which consist ‘exclusively’ of the shape of goods which is ‘necessary’ to obtain a technical result, the legislature duly took into account that any shape of goods is, to a certain extent, functional and that it would therefore be inappropriate to refuse to register a shape of goods as a trade mark solely on the ground that it has functional characteristics. By the terms ‘exclusively’ and ‘necessary’, that provision ensures that solely shapes of goods which only incorporate a technical solution, and whose registration as a trade mark would therefore actually impede the use of that technical solution by other undertakings, are not to be registered.

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53. As regards the condition that registration of a shape of goods as a trade mark may be refused under Article 7(1)(e)(ii) of Regulation No 40/94 only if the shape is ‘necessary’ to obtain the technical result intended, the General Court rightly found, at paragraph 39 of the judgment under appeal, that that condition does not mean that the shape at issue must be the only one capable of obtaining that result.

54. It is true, as the appellant points out, that, in some cases, the same technical result may be achieved by various solutions. Thus, there may be alternative shapes, with other dimensions or another design, capable of achieving the same technical result.

²⁹ Case C-48/09

55. However, contrary to the appellant's submission, that fact does not in itself mean that registering the shape at issue as a trade mark would have no effect on the availability, to other economic operators, of the technical solution which it incorporates.

56. In that connection, it should be observed, as OHIM points out, that under Article 9(1) of Regulation No 40/94 registration as a trade mark of a purely functional product shape is likely to allow the proprietor of that trade mark to prevent other undertakings not only from using the same shape, but also from using similar shapes. A significant number of alternative shapes might therefore become unusable for the proprietor's competitors.

57. That would be particularly so if various purely functional shapes of goods were registered at the same time, which might completely prevent other undertakings from manufacturing and marketing certain goods having a particular technical function.

58. Those considerations are moreover reflected in paragraphs 81 and 83 of *Philips*, which state that the existence of other shapes which could achieve the same technical result does not in itself preclude application of the ground for refusal set out in the second indent of Article 3(1)(e) of Directive 89/104, whose wording corresponds to that of Article 7(1)(e)(ii) of Regulation No 40/94.

59. To the extent that the appellant also submits, and OHIM does not dispute, that in order to use the same technical solution, its competitors do not need to place on the market toy bricks whose shape and dimensions are in all respects identical to those of the Lego brick, it is sufficient to observe that that fact cannot prevent application of the rules laid down by the European Union's legislature, interpreted above, under which a sign consisting of the shape of a product that, without the inclusion of significant non-functional elements, merely performs a technical function cannot be registered as a trade mark. Such a registration would unduly impair the opportunity for competitors to

place on the market goods whose shapes incorporate the same technical solution.

60. That applies a fortiori in a case of this kind, where it has been found by the competent authority that the solution incorporated in the shape of goods examined is the technically preferable solution for the category of goods concerned. If the three-dimensional sign consisting of such a shape were registered as a trade mark, it would be difficult for the competitors of the proprietor of that mark to place on the market shapes of goods constituting a real alternative, that is to say, shapes which are not similar, and which are nevertheless attractive to the consumer from a functional perspective.

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68. The correct application of Article 7(1)(e)(ii) of Regulation No 40/94 requires that the essential characteristics of the three-dimensional sign at issue be properly identified by the authority deciding on the application for registration of the sign as a trade mark.

69. As the Advocate General observed at point 63 of his Opinion, the expression 'essential characteristics' must be understood as referring to the most important elements of the sign.

70. The identification of those essential characteristics must be carried out on a case-by-case basis. There is no hierarchy that applies systematically between the various types of elements of which a sign may consist (see, to that effect, Case C-488/06 P L & D v OHIM [2008] ECR I-5725, paragraph 55). Moreover, in determining the essential characteristics of a sign, the competent authority may either base its assessment directly on the overall impression produced by the sign, or first examine in turn each of the components of the sign concerned (see, by analogy, Joined Cases C-468/01 P to C-472/01 P Procter & Gamble v OHIM [2004] ECR I-5141, paragraph 45, and Case C-286/04 P Eurocermex v OHIM [2005] ECR I-5797, paragraph 23).

71. Consequently, the identification of the essential characteristics of a three-dimensional sign with a view to a possible application of the ground for refusal under Article 7(1)(e)(ii) of Regulation No 40/94 may, depending on the case, and in particular in view of its degree of difficulty, be carried out by means of a simple visual analysis of the sign or, on the other hand, be based on a detailed examination in which relevant criteria of assessment are taken into account, such as surveys or expert opinions, or data relating to intellectual property rights conferred previously in respect of the goods concerned.

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84. In examining the functionality of a sign consisting of the shape of goods, once the essential characteristics of the sign have been identified, it is only necessary to assess whether those characteristics perform the technical function of the product concerned.”

134. Ineos relies on the expert evidence of Mr Harper to establish that all the important elements of the six marks at issue are necessary to achieve a technical result. Mr Harper’s evidence covers features of the vehicles, such as riveted bodies, which are not visible (and, therefore, not part of) the marks applied for. He also covers design features, such as the use of perfectly round lights and flared wheel arches, which cannot be regarded as important elements of the overall shapes. Other parts of Mr Harper’s evidence cover (at length) design features which he says were dictated, or at least heavily influenced, by the decision to use aluminium body panels and/or the manufacturing techniques available at the time of the design of the first Land Rover. However, not only is it common ground that manufacturing techniques have moved on considerably since 1948, but the exclusion set out in s.3(2)(b) of the Act does not cover shapes which result from the chosen method of manufacturing the goods³⁰.

135. Mr Mays draws attention to the following features of the shapes and appearance of the Defender vehicles:

³⁰ See the CJEU’s answer to the second question in *Société des Produits Nestlé SA v Cadbury UK Ltd*, Case C-215/14.

- (i) Small windows and wide front pillars which hamper visibility;
- (ii) The rear of the vehicle has three windows; one very small one either side of another larger one that forms part of the part of a centrally positioned rear opening door;
- (iii) Flat body panels which are not aerodynamic or contoured;
- (iv) The finish obtained by spot welding the body panels is out of step with the seamless finish obtained by using modern pressed panels;
- (v) With the exception of alpine windows, the glass in the Defender is flat, not contoured, reinforcing the 'boxy' shape of the vehicles;
- (vi) The Defender has a horizontal 'waist line' running from bonnet height around the body of the vehicle with the passenger housing inset on top of a marginally wider, lower, full length box;
- (vii) The Defender's bonnet sits on top of the front section of the body and is not integrated into the design or aerodynamic;
- (viii) Alpine windows.

136. Like Mr Harper, Mr Mays also draws my attention to at least one feature which is not apparent in the marks applied for, i.e. point (iv) above. I regard some of the other features he mentions, when taken in isolation, to be minor aspects of the overall shapes, i.e. points (i), (v) and (vi). The remaining points come down to (a) a very boxy squared-off shape, which is not aerodynamic, (b) a clamshell bonnet which is not well integrated into the overall design of the vehicles, (c) an unusual rear window configuration, (d) the use of alpine windows.

137. None of these elements are intrinsically decorative. However, I accept that the very boxy 'slab-sided' shapes evident in the marks are counter functional by today's automotive design standards because, among other things, such shapes are likely to be inefficient in terms of fuel consumption. Mr Harper says that this is less important in the functional 4x4 sector compared to other parts of the car market. That may be so, but it does not mean that fuel efficiency is irrelevant. And given the importance attached to protecting the environment and combating climate change, I consider that fuel efficiency is likely to be a material factor in the shapes chosen for vehicles in all parts of the car market.

138. I also consider it important that the shapes at issue – unlike the shape of a single building brick - represent complex products in which the configuration of all the (visible) elements constitutes an important element of the overall shapes. All passenger vehicles have a bonnet and windows, and many are of the basic two-box design taken by the Land Rovers. However, experience shows that the design and configuration of the usual features of such vehicles results in a seemingly endless variety of basically two box shapes. This is different to saying that the technical result(s) could be achieved using other shapes. In my view, there is a design element to the configuration of the elements making up the shapes at issue. In other words, there is a residue of form over function. For example, although windows (alpine or otherwise) serve functional purposes, the use of a centrally positioned rear door on the Defender models with ‘arrow shot’ windows either side is an aspect of design. These design elements are not sufficient for the shapes as wholes to depart significantly from the norms and customs of the sector but, in my view, the contested shapes exhibit some of the design input which is a normal part of automotive design. Therefore, basing my assessment “*directly on the overall impression produced by the sign(s)*” I find that none of the marks consist exclusively of the shape necessary to achieve a technical result.

139. I am fortified in my conclusion when I consider the policy behind s.3(2)(b) of the Act. Assessing the matter at the relevant dates, I see no reason to believe that “*it would be difficult for the competitors of the proprietor of that mark to place on the market shapes of goods constituting a real alternative, that is to say, shapes which are not similar, and which are nevertheless attractive to the consumer from a functional perspective.*” JLR’s competitors are unlikely to wish to use the boxy ‘slab-sided’ shapes at issue for functional purposes. I note Mr Harper’s evidence that in 2010 he designed a functional 4x4 for use by the army of Thailand. The Thai army was facing cuts in its budget at the time and wanted a military transport vehicle that could be produced locally. Mr Harper came up with a design for a vehicle called a Transformer, which he thinks looks similar to the shapes at issue. He says that this is because his design was – like the original Land Rover - a very simple one intended for a vehicle that could be produced cheaply using basic manufacturing techniques. Although there is some resemblance between the shape of the Transformer and the Land Rover shapes (particularly the shape of the Defender 110 model), the overall

shapes are, in my view, visually different. In any event, I am not persuaded that the creation of a design for a vehicle for use in Thailand, which bears some resemblance to one of the shapes at issue, is sufficient to disturb my assessment that the essential elements of the contested shapes are not necessary to achieve a technical result. Mr Harper also gives evidence about an electric 4x4 functional vehicle called a Bollinger B1. Pictures of the vehicle are in evidence³¹. The shape of the vehicle bears some resemblance to the shape of the Defender 90 model but, in my view, the overall shapes are different. There is no evidence about the circumstances surrounding the creation of the design for this vehicle. And there is no evidence that it is intended for manufacture and/or use in the UK. For these reasons, I do not accept that the Bollinger B1 design undermines my finding that the essential elements of the contested shapes are not necessary to achieve a technical result.

140. I therefore reject the ground of opposition under s.3(2)(b) of the Act.

Sections 3(2)(a) and (c)

141. The correct approach to the application of s.3(2)(a) and 3(2)(c) of the Act is set out in the judgment of the CJEU in *Hauck GmbH & Co. KG v Stokke A/S*³², as follows:

“23.an interpretation of the first indent of [Article 3 of the trade mark directive] whereby that indent is to apply only to signs which consist exclusively of shapes which are indispensable to the function of the goods in question, leaving the producer of those goods no leeway to make a personal essential contribution, would not allow the objective of the ground for refusal set out therein to be fully realised.

24. Indeed, an interpretation to that effect would result in limiting the products to which that ground for refusal could apply to (i) ‘natural’ products (which have no substitute) and (ii) ‘regulated’ products (the shape of which is prescribed by legal standards), even though signs consisting of the shapes

³¹ See Mr Harper’s second witness statement at paragraph 3.6, figs 1 -3

³² Case C-205/13

formed by such products could not be registered in any event because of their lack of distinctive character.

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27. Consequently, the answer to the first question is that the first indent of Article 3(1)(e) of the trade marks directive must be interpreted as meaning that the ground for refusal of registration set out in that provision may apply to a sign which consists exclusively of the shape of a product with one or more essential characteristics which are inherent to the generic function or functions of that product and which consumers may be looking for in the products of competitors.

28. By its second question, the referring court asks, in essence, whether the third indent of Article 3(1)(e) of the trade marks directive is to be interpreted as meaning that the ground for refusal of registration set out in that provision may apply to a sign which consists exclusively of the shape of a product with several characteristics each of which may give that product substantial value and if it is necessary to take the target public's perception of the shape of that product into account during that assessment.

29. It can be seen from the order for reference that the doubts expressed by the referring court regarding the interpretation of that provision stem from the fact that, according to that court, although the shape of the 'Tripp Trapp' chair gives it significant aesthetic value, at the same time it has other characteristics (safety, comfort and reliability) which give it essential functional value.

30. In that regard, the fact that the shape of a product is regarded as giving substantial value to that product does not mean that other characteristics may not also give the product significant value.

31. Thus, the aim of preventing the exclusive and permanent right which a trade mark confers from serving to extend indefinitely the life of other rights which the EU legislature has sought to make subject to limited periods

requires — as the Advocate General observed in point 85 of his Opinion — that the possibility of applying the third indent of Article 3(1)(e) of the trade marks directive not be automatically ruled out when, in addition to its aesthetic function, the product concerned also performs other essential functions.

32. Indeed, the concept of a ‘shape which gives substantial value to the goods’ cannot be limited purely to the shape of products having only artistic or ornamental value, as there is otherwise a risk that products which have essential functional characteristics as well as a significant aesthetic element will not be covered. In that case, the right conferred by the trade mark on its proprietor would grant that proprietor a monopoly on the essential characteristics of such products, which would not allow the objective of that ground for refusal to be fully realised.

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35. In that regard, as the Advocate General indicated in point 93 of his Opinion, other assessment criteria may also be taken into account, such as the nature of the category of goods concerned, the artistic value of the shape in question, its dissimilarity from other shapes in common use on the market concerned, a substantial price difference in relation to similar products, and the development of a promotion strategy which focuses on accentuating the aesthetic characteristics of the product in question.

36. In the light of the foregoing, the answer to the second question is that the third indent of Article 3(1)(e) of the trade marks directive must be interpreted as meaning that the ground for refusal of registration set out in that provision may apply to a sign which consists exclusively of the shape of a product with several characteristics each of which may give that product substantial value. The target public’s perception of the shape of that product is only one of the assessment criteria which may be used to determine whether that ground for refusal is applicable.”

142. At the hearing, Ms Lane for JLR submitted that the s.3(2)(a) objection was misconceived because there is no natural shape for a car.

143. However, it is apparent from paragraphs 23 – 27 of the CJEU’s judgment in *Hauck* that s.3(2)(a) covers more than just naturally occurring shapes for goods. Further, unlike the case law under s.3(2)(b), the case law under s.3(2)(a) may cover shapes which result from the method of manufacturing the goods. So, limitations of shape resulting from the use of aluminium body panels could be relevant to the objection under s.3(2)(a). However, this aspect of Ineos’s case is really based on technical limitations that existed 50 - 60 years ago. This appears to be a largely historical constraint.

144. Ms Lane also submitted that the objection does not apply because the overall shape of the Defender is the result of substantial design input. That was one of my reasons for rejecting the s.3(2)(b) objection. I find that it is also relevant to the s.3(2)(a) objection. Admittedly, the design input is more apparent in the shapes of the Defender models than it is in the shapes of the earlier Land Rovers covered by the ‘701 and ‘751 marks. However, Mr Wheel gives the following evidence about the shape of the Series 1 Land Rover:

“5.65 Modern expectations for vehicles with soft tops/convertible roofs are based around customer convenience by which I mean as much of a "one button" operation as is possible. It is desirable to have a more integrated solution that is in keeping with the rest of the vehicle and with as few parts as possible.

5.66 In contrast to this, the Series I soft top is a complex arrangement of soft panels with multiple fixings and it requires a very 'manual' process to remove/refit the roof panels. This results in a soft top which is not tort, does not look tailored and would create drag and noise. It is also not watertight. Clearly therefore it is not a feature designed to achieve a technical result.

5.67 The front grille on the Series I is defined by the positioning of the headlamps behind a protective gauze/mesh, inboard of, and recessed behind, the front fenders. The gauze/mesh is a crude method of protecting headlamps which would not be used in a modern execution of

headlamp design due to improvements in headlamp/lens materials and technology. Lighting legislation and consumer expectations regarding visibility of, and visibility from, vehicle lighting have changed beyond recognition since the Series 1 was defined. Global legislative requirements prohibit an inboard arrangement of headlamps with such a restricted field of view.”

145. I accept Mr Wheel’s evidence. It shows that the shape of the Series 1 Land Rover depicted in the ‘701 mark included features which, at the relevant date, were not generic to passenger cars. The features he mentions were not ones that “consumers may be looking for in the products of competitors.”

146. Some of these points also apply to the Series 2 Land Rover depicted in the ‘751 mark.

147. Therefore, considering the matter at the relevant dates in 2016/17, I find that the s.3(2)(a) objection fails in respect of all of JLR’s applications.

148. It is apparent from the CJEU’s answer to the second question in *Hauck* that marks comprised of shapes whose essential elements are functional and/or have aesthetic appeal may be caught by s.3(2)(c) if they give substantial value to the goods. In considering this matter it is necessary to exclude any value added by the signs’ essential function as trade marks. This means discounting any value added by the fact that the shapes identify goods marketed under JLR’s control. However, if I am right that the shapes at issue do not perform this function, this qualification is irrelevant in this case.

149. Ms Beaton for JLR cites those in the automotive industry who regard the Land Rover as “*a triumph of functionality that over the years was paradoxically to become an icon of style.*”³³ She also cites a modifier, Overfinch, as referring to its modified version of the vehicle “*Retaining its iconic bodyshape but introducing distinctive*

³³ See exhibit AJB4 to Ms Beaton’s witness statement of 12th March 2018

characteristics and a sense of purpose that make it unmistakably Overfinch³⁴. And Mr Ratcliffe is on record as having described the Land Rover's "much loved exterior shape."

150. These and other similar references, together with the existence of a market for modified versions of JLR's Defender models sold under (exclusively) third party marks, indicate that the shapes at issue have acquired a certain aesthetic value over time.

151. Mr Wheel gives evidence for JLR on this matter. He says:

"7.4 It is the Land Rover brand and the values and attributes associated with the brand which gives the vehicle its value. There has been significant investment in the Land Rover brand through sales and marketing over the years which has generated a great deal of goodwill. It is this as opposed to any intrinsic value in the shape which gives the vehicle its value.

7.5. In monetary terms, it is clear that the price of the Defender is comparable with other competitor vehicles such as the Jeep Cherokee, Jeep Wrangler and Mitsubishi Shogun. The price ranges of the Jeep Grand Cherokee and the Mercedes G-Class are higher than those of the Defender (and, in the case of the Mercedes G-Class, much higher). The price range of the Suzuki Jimny is lower than that of the Defender."

152. On the other hand he also says that:

"5.2 The overall shape of the Defender is out of step with developments in automotive design and engineering which have taken place over the past few decades. These developments have been geared towards improving efficiencies for example by making vehicles more aerodynamic, reducing their weight and making vehicles easier to manufacture. There have also been improvements in design execution and in the surface quality and

³⁴ See paragraph 51 of Ms Beaton witness statement of 12th March 2018

build quality of vehicles.”

153. The sum of Mr Wheel’s evidence therefore appears to be that Land Rover Defenders were sold at prices broadly comparable with competitors’ products, despite lacking the benefits of modern automotive design. One possible explanation for this could be that the appeal of the ‘iconic’ shapes to some consumers made up for their other shortcomings. If so, this suggests that the contested shapes account for a substantial part of the value of the goods. However, there could be other explanations for the Defender models commanding prices comparable with more modern and efficient competitors. For example, the robustness of the cars, their longevity and ease of repair. These factors may be particularly important to traditional users of functional 4x4 vehicles, such as farmers and vets with an agricultural practice, although are perhaps relatively less important in the much larger market for mainly road-going SUVs. This is a difficult and developing area of law. I am reluctant to decide the issue without having heard full argument about it. And in the light of my decision to refuse JLR’s applications for passenger cars under s.3(1) on distinctive grounds, it is not strictly necessary for me to decide it. I therefore prefer to leave the s.3(2)(c) objection undecided.

The public policy ground of opposition under s.3(3)(a) of the Act

154. Ineos’s objection under s.3(3)(a) of the Act is, in essence, that the shapes at issue are designs, any design rights have expired or been cancelled, and registration of the shapes of the Land Rover vehicles as trade marks would therefore be contrary to public policy.

155. Section 3(3)(a) of the Act is as follows:

“(3) A trade mark shall not be registered if it is-
(a) contrary to public policy or to accepted principles of morality,..”

156. Mr Bloch did not make submissions in support of the s.3(3)(a) ground at the hearing. He was right not to do so. Section 3(2) of the Act limits the overlap between

trade mark rights and patents, designs and other IP rights. In *Municipality of Oslo*³⁵ the EFTA court was asked whether article 3(1)(f) of the Trade Mark Directive, which corresponds with s.3(3)(a) of the Act, excluded copyright-expired artistic works from registration as trade marks. The court held that:

“Registration of a sign may only be refused on basis of the public policy exception provided for in Article 3(1)(f) of Directive 2008/95/EC, if the sign consists exclusively of a work pertaining to the public domain and registration of this sign would constitute a genuine and sufficiently serious threat to a fundamental interest of society.”

157. However important these marks may be to the parties, there is no question that registration of the signs at issue “*would constitute a genuine and sufficiently serious threat to a fundamental interest of society*” so as to engage s.3(3)(a). I therefore reject this ground of opposition because it is misconceived and unfounded.

The bad faith grounds

158. Section 3(6) of the Act is as follows:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

159. Ineos’s pleaded case is that the applications were filed in bad faith because:

- (a) JLR had no intention to use the marks and/or,
- (b) the marks are of a kind which cannot be registered for services in class 37, and/or
- (c) the marks are designs which should be in the public domain.

160. I reject point (c) above for the same reason that I rejected the ground of opposition under s.3(3)(a).

³⁵ Case E-5/16

161. I reject point (b) above because it is manifestly wrong. The three-dimensional shapes of vehicles can be used as trade marks for services in class 37. Indeed, in his skeleton argument and at the hearing, Ineos's counsel provided examples of the ways that marks of this kind could be used in relation to services, e.g. on a post outside a vehicle sales and servicing facility.

162. Pending the CJEU's answers to the questions referred to it in *Sky Plc v SkyKick UK Ltd*³⁶ the parties agree that the relevant law about the applicant's intention to use the trade mark is as stated by Arnold J. in his judgment in that case. This is as follows:

“225. First, although there is no express requirement of an intention to use in either the Regulation or the Directive, and a registered trade mark cannot be revoked for non-use until five years have expired, the jurisprudence of the CJEU and the General Court suggests that, at least in certain circumstances, it may constitute bad faith to apply to register a trade mark without any intention to use it in relation to the specified goods or services.

226. Secondly, the case law indicates that it is not sufficient to demonstrate bad faith that the applicant has applied to register the trade mark in respect of a broad range of goods or services if the applicant has a reasonable commercial rationale for seeking for such protection having regard to his use or intended use of the trade mark. Nor is it sufficient to demonstrate bad faith that the applicant only has a contingent intention to use the trade mark in relation to certain goods or services in the future.

227. Thirdly, although the court or tribunal must exercise caution for the reasons given in the preceding paragraph, the case law suggests that, in an appropriate case, it may be possible to conclude that the applicant made the application partly in good faith and partly in bad faith if the applicant had an intention to use the trade mark in relation to some of the specified goods or

³⁶ [2018] EWHC (Ch) 155

services, but no intention to use the trade mark in relation to other specified goods or services.

228. Fourthly, provided that section 3(6) of the 1994 Act is interpreted and applied consistently with European law, then it appears probable that section 32(3) is compatible with European law.”

163. Mr Hannig gives evidence on behalf of JLR that when mass production of the Defender models ceased in January 2016 the classic division intended to market modified versions of the Defender 90 and 110 models with much more powerful V8 engines, automatic gearboxes and updated suspension, wheels, brakes and interiors. To this end, 30 unsold standard Defenders were retained by JLR and the classic division undertook a ‘buy-back’ of some Defenders that had been sold to the public. The intention was to create 150 limited edition high performance Defenders that would be marketed in 2018 to celebrate the 70th anniversary of the launch of the original Land Rover. JLR’s classic division subsequently issued a press release in January 2018 announcing the availability of such vehicles for sale at a price of £150k³⁷. Mr Hannig points out that these vehicles retained the body shape of the standard Defender models.

164. Mr Hannig also gives evidence that the classic division intended to launch a spare parts and upgrade service for second-hand Defenders giving consumers the opportunity to upgrade their Defenders with more powerful engines etc.

165. There is no challenge to Mr Hannig’s evidence. Additionally, at the hearing Ms Lane pointed out that although mass production of the Defender models ceased in January 2016, sales of the cars continued for almost another year. Therefore, at the dates of the applications to register the shapes of the Defender models, some of the cars were still on sale to the public.

166. For Ineos, Mr Bloch maintained that the real purpose of the applications was to block Ineos’s plans to launch vehicles of the same shapes as the Defender.

³⁷ See exhibit TH3 to Mr Hannig’s witness statement. I note that even with an engine uprated from the standard 122PS to 405PS, the aerodynamic limitations of the V8 Defender’s shape meant that it had a relatively modest top speed of 106mph.

However, he was constrained to accept that an intention to block Ineos's entry into the car market was not part of JLR's pleaded case.

167. In the circumstances, I have no hesitation in rejecting Ineos's pleaded claim that JLR applied to register the Defender shape marks without any intention of using them in relation to passenger cars and parts and accessories for such goods. If the 'blocking' point had been pleaded, I would have rejected Ineos's argument that JLR applied to register the shapes with the sole intention of preventing Ineos from entering the car market using the shapes.

168. The position is different in relation to the shapes depicted in the '707 and '751 marks. JLR has filed no evidence that it had any intention to market land vehicles corresponding to the shapes of the Series 1 or 2 Land Rovers. According to the evidence, production of these vehicles ceased in 1972 or earlier. There is, therefore, a *prima facie* case for finding that JLR had no intention to use these marks in relation to these cars, which JLR has not directly answered. However, the evidence indicates that JLR continues to provide parts for the old Land Rovers. And part of Ineos's case is that the shapes at issue could be used in trade to designate the intended purpose of parts and accessories for land vehicles. This means that JLR had "*a reasonable commercial rationale*" for applying to register the '701 and '751 marks for parts, accessories and services for land vehicles, as well as goods intended for use with land vehicles. In these circumstances, I find that JLR also had "*a reasonable commercial rationale*" for applying to register the '701 and '751 marks for complete land vehicles.

169. It is inherently very unlikely, if not wholly implausible, that the shape of a 4x4 land vehicle could be used as a trade mark for other kinds of vehicles, such as *apparatus for locomotion by air and/or water*. There is no evidence that JLR has any intention to use the contested marks in relation to such goods. JLR did not have "*a reasonable commercial rationale*" for seeking to register the marks for aircraft, boats etc. Therefore, on the law as it currently stands, I find that JLR applied to register the marks in relation to these goods in bad faith.

170. So far as the applications cover goods which are not vehicles, parts, accessories or services for vehicles, or goods intended for use with vehicles, there is no evidence either way as to whether JLR intended to use the contested marks. Consequently, as the onus is on the opponent to show that the marks were applied for in bad faith, this ground of opposition fails in respect of the remaining goods that survived the lack-of-distinctiveness objections.

171. This means that the bad faith ground of opposition is successful insofar as JLR seeks to register the marks in relation to *apparatus for locomotion by air and/or water*. Otherwise, I reject Ineos's allegation that JLR applied to register the marks in bad faith.

Overall outcome

172. The applications are refused in respect of all goods/services, except:

Class 9: Headsets for computers or for audio, audiovisual or telecommunications equipment; Personal Digital Assistants; Mobile hard drives; USB flash drives; Blank USB cards; blank USB flash drives; Recording media; Universal Serial Bus drives; Computer mice; Web cameras (Webcams); Discs for storage of digital media; Mobile phone headsets and accessories; Mobile phone covers; Mobile phone cases; Mouse mats; Home theater systems; Televisions; Calculators; Projectors; Contact lenses; spectacles.

Class 14: Statues and statuettes of precious metals.

Class 28: Balloons; Sporting articles; Christmas decorations.

Costs

173. The parties agree that costs should be assessed on the usual scale. Ineos has been about 80% successful in terms of the proportion of goods/services for which registration of the marks has been refused. However, the bulk of the evidence and argument was directed at goods/services relating to land vehicles, and Ineos was wholly successful in this respect.

174. Taking these factors into account, I order Jaguar Land Rover Limited to pay Ineos Industries Holdings Limited the sum of £5500. This is made up of:

£900 for filing 6 notices of opposition (official fees);

£800 for completing the notices of opposition and considering JLR's counterstatements;

£2500 for filing evidence and considering JLR's evidence;

£1300 for attending a hearing and filing a skeleton argument.

175. The above sum should be paid within 21 days of the date of this decision or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order to the contrary by the appellate tribunal).

Dated 03rd of October 2019

**Allan James
For the Registrar**

Annex A

Class 9: Computer hardware, firmware or software; headsets for computers or for audio, audiovisual or telecommunications equipment; personal Digital Assistants; multimedia devices; MP3 or MP4 apparatus and equipment; MP3 or MP4 recordings; mobile hard drives; USB flash drives; blank USB cards, blank USB flash drives; Universal Serial Bus drives; computer mice; mouse mats; cameras, included in this class; web cameras (Web cams); compact discs, compact disc players; DVDs, DVD players; discs for storage of digital media; optical media, including optical recordings; apparatus for recording, transmission, reproduction of information in electronic form; digital books (tablets); telephones; mobile telephones; mobile phone headsets and accessories; mobile phone covers; mobile phone cases; car telephone installations; sound reproducing equipment; home theater systems; speakers; televisions; radios; telecommunication equipment; apparatus and equipment for streaming audio, video and data; electrical and scientific apparatus and instruments included in this class; anti-theft warning devices; gauges; instrument panels and clusters; lenses for lamps; odometers; speedometers; tachometers; temperature sensors; voltmeters; ammeters; testing apparatus; calculators; tape players; tape cassettes; recording media; storage boxes for recording media not included in other classes; projectors; Global Positioning Systems apparatus, Satellite Navigation Systems; highway emergency warning equipment; thermometers; compasses; contact lenses, spectacles, sunglasses; protective clothing included in this class.

Class 12: Vehicles; motor vehicles; apparatus for locomotion by land, air and/or water; commercial vehicles; land vehicles and their engines; military vehicles; police vehicles; trailers; parts, components and accessories for all the aforesaid goods; shaped covers for steering wheels, vehicle seats, spare wheels, and for vehicles; shaped or fitted mats and floor coverings for motor vehicles; pumps for inflating vehicle tyres; fitted covers for vehicles; spoilers for vehicles; covers for vehicles; baby, infant and child seats for vehicles; sun blinds, roof racks, luggage carriers and nets, cycle carriers, sail board carriers, ski carriers, and snow chains, all for vehicles.

Class 14: Jewellery; horological and chronometric instruments; watches; clocks; badges of precious metal; cuff links; key rings; key fobs; ornaments; statues and statuettes of precious metal; tie clips; tie pins.

Class 28: Toys, games, and playthings; scale model vehicles and kits therefor; toy vehicles, toy trucks, toy cars; stuffed toys; puzzles; balloons; sporting articles; Christmas decorations.

Class 37: Conversion, repair, servicing, stripping, maintenance, care, cleaning and painting of vehicles, motors and engines, and parts therefor, vehicle repair; finishing and tuning of motor vehicles, included in class 37; custom adaptation of automobiles, included in class 37.