

British Sugar PLC v. James Robertson & Sons Ltd., 1996 R.P.C. 281 (Chancery Division) (U.K.)

JACOB J: In 1909 Sir Herbert Cozens-Hardy MR said:

"Wealthy traders are habitually eager to enclose part of the great common of the English language and to exclude the general public of the present day and of the future from access to the enclosure" (Joseph Crosfield & Son's Appn ("Perfection") (1909) 26 RPC 837 at page 854.)

The trade mark registration Acts up until 1994 stood firmly in the way of wealthy traders. Where they adopted marks which other traders were likely to want to use descriptively they found it either difficult or impossible to register their marks. The same applied to laudatory words and to important geographical marks, such as York. (See YORK Trade Mark [1982] FSR 111) In some cases this policy may have gone too far: registration was denied even to marks which were "100% distinctive", ie those which had, through both use and recognition as trademarks, come to be taken by all concerned as denoting the proprietor's goods. The Trade Marks Act 1994, implementing an EC Directive (189/104/EEC. 21 December 1988) has swept away the old law. A mark which is 100% distinctive will almost certainly be registered now. I am not concerned with such a case. I am concerned with a much commoner sort of case: where a trader has made some use of a common laudatory word along with a distinctive mark. He can show that the word has achieved some recognition (quaere as really denoting trade origin on its own) but no more. Can he then avail himself of the Act to get a monopoly in the common word? If he can, then the 1994 Act enables big business to buy ordinary words of the English language as trade marks at comparatively little cost.

In this case the word is "treat" for dessert sauces and syrup. British Sugar Plc sue James Robertson & Sons Ltd for registered trade mark infringement. Robertson's counterclaim for revocation of the registration. British Sugar's products are well-known to the public under their mark "Silver Spoon" which appears on a large range of their products in an oval device. The Silver Spoon range consists of the following products: sugar (in a range of 12 forms, eg caster, icing, preserving, cubes), meringue mix, golden syrup, black treacle and a sweet syrup product which they call "Treat".

There are currently 5 flavours of this product, namely maple, dark chocolate, milk chocolate, strawberry and toffee. The main use of the syrups is for pouring over desserts, particularly ice-cream. It comes in a squeezable plastic bottle provided with a small hole in the cap through which a thin stream of the syrup can be dispensed. Silver Spoon Treat syrups are currently successful, particularly for ice-cream toppings. They have about 50% of the ice cream topping sector of the market. (The figure is given for dessert toppings in Mr Godwin's witness statement but he made it clear in evidence that the sector was essentially icecream toppings). In supermarkets it is placed in the section containing desserts and ice-cream toppings. Sometimes ice-cream toppings are placed next to ice-cream rather than with desserts generally, in which case the Silver Spoon Treat product will be with the other ice-cream toppings. Not surprisingly the label shows a picture of ice-cream onto which the syrup has been poured. The label is reproduced on page 286.

British Sugar use "Treat" to advertise their product to the trade. They use puns such as "Treat yourself to a complete range"; "We have a Treat in store for you"; "We've treated you to a winner"; "Go on . . . Treat yourself". They do little by way of advertising direct to the public.

"Treat" is registered under No 1516087. The specification of goods is:

"Dessert sauces and syrups; all included in Class 30."

The effective date of registration was 14 October 1992 (See 1938 Act, section 19(1)). The registration was originally made in Part B of the Register kept under the Trade Marks Act 1938. The evidence supporting the application was a short declaration of the marketing director. He merely gave details of the use of the mark and its promotion. In relation to use the evidence showed that the "Treat" range of syrups was introduced in 1986, with the maple flavour. Other flavours came in and by 1991/92 the turnover was £

1.88m. In relation to promotion there was little advertising to the public as such, though there was evidence of special offers and advertisements on Silver Spoon sugar. The evidence did not make it explicit that in fact all use had been accompanied by prominent use of the words "Silver Spoon". (see copy label in original).

I think the Registrar was wrong to accept this evidence as demonstrating that the mark was "capable of distinguishing" for the purposes of section 10 of the 1938 Act. Mere evidence of use of a highly descriptive or laudatory word will not suffice, without more, to prove that it is distinctive of one particular trader -- is taken by the public as a badge of trade origin. This is all the more so when the use has been accompanied by what is undoubtedly a distinctive and well- recognised trade mark. Moreover the annual turnover reached, £ 1.8m (or about 4m units) is not a vast amount for a consumer item to be found in most of the supermarkets in the land. However I am not concerned with section 10 because, following the coming into force of the Trade Marks Act 1994 the registration was transferred to the Register kept under the Trade Marks Act 1994 and has effect as if registered under the 1994 Act (1994 Act, Schedule 3 paragraph 2.).

The defendant is a member of the Tomkins group of companies. It uses "Robertson's" for a range of jams and preserves. "Robertson's" is a household word for such products. It seems that in the 1990's the overall market for these products has, with changing tastes, been shrinking. So Robertson's, in 1994, (with the assistance of an agency called "Blue Banana") set about devising a new kind of sweet spread. They produced a toffee flavoured spread, launched in September 1995. It comes in a slightly oval jam jar, with a typical circular lid. The label is primarily dark mauve (with words such as "yum yum", "fab", "luscious") faintly legible. The key wording on this background is "Robertson's Toffee Treat" coupled with a description "Irresistibly rich toffee spread". "Robertson's" is in clear white capital lettering. "Toffee Treat" is in a fancy script. "Toffee" is at least twice the size of "Treat". The word "New" also appears in a flash. This is appropriate for the product has no exact equivalent in the market. An example of the most important part of the label is as follows: (The label reproduced here does not have the work "New" in a flash on it -- Ed. (See label in original)The product was, when introduced, truly novel. In supermarkets it comes on the shelves containing jams and preserves. It is not presented on the same shelves as the Silver Spoon Treat syrups. Robertson's see their product as primarily competing with other spreads (eg jams) and particularly chocolate spreads. I did not understand this evidence to be challenged.

Although British Sugar led evidence (through their Mr Goodwin) of a belief of confusion between the two products and damage to goodwill, passing off is not alleged. Robertson's, through a variety of witnesses led evidence of an opposite belief. British Sugar did not lead any evidence of actual confusion, although the Robertson product has been available for 4 months. No-one, whether from the public itself, small shopkeepers, wholesalers or supermarkets, have reported confusion to either side. No buyer suggested to Robertson's, when the product was presented, that there might be confusion. I think there is none. Indeed it would be surprising -if there were any; they have different prima purposes (topping rather than spread), different presentations and both products are sold with their house trade marks, Silver Spoon and Robertson's, prominently displayed. Things might perhaps be different if "Treat" were firmly established as a trade mark -- almost a household name, but, as will be seen, I do not think it is. I cannot think that Robertson's use of "Treat" causes British Sugar any commercial harm. Indeed whatever the name of the Robertson's product I doubt whether it would have much effect on the Silver Spoon syrups. By and large one is not in practice a substitute for the other (see below). Nonetheless if there is trade mark infringement and the mark is validly registered, Robertson's must stop using "Treat". It is to these issues I now turn.

It was agreed that the points arising are as follows:

- (a) Does the Robertson product fall within the specification of goods for which the mark is registered?
- (b) Must the defendant use the mark as a trade mark to fall within section 10(1) or (2)?
- (c) If so, is there infringement pursuant to section 10(1)?
- (d) If so, is there infringement pursuant to section 10(2)?

(e) In either event is there a defence under section 11(2)?

(f) Is the registration valid?

(a) The Specification of Goods

There are two points here. First, is the Robertson product a "dessert sauce or syrup"? British Sugar say it is. The small print on the back of the jar says:

"Toffee Treat is delicious at breakfast, with desserts or as a snack anytime. Spread Toffee Treat on bread, toast or biscuits, spoon it over yoghurt or ice-cream or use as a filling for cakes."

So, say British Sugar, the product can not only be used on a dessert, but Robertson's positively suggest this. Thus, even if the product has other uses, it is, *inter alia*, used on desserts. Moreover when so used it is a sauce -- see the dictionary definition of "sauce", viz:

"Any preparation, usually liquid or soft, intended to be eaten with food as a relish."

It does not matter if those other uses are much commoner: the fact that the product can be used as a dessert sauce means it is one.

I reject this argument. Notwithstanding what is said on the label, the use of the spread with a dessert is in practice likely to be slight. Mr Lloyd Jones, Robertson's Marketing Director, thought that all potential uses of the product, otherwise than as a spread, amounted to less than 5% of volume. The product comes in a jam jar because it is like a jam. No one would describe a jam as a "dessert sauce" in ordinary parlance, yet it too can be used on a dessert and everyone knows and sometimes does that. Supermarkets regard the product as a spread. The jam jar invites use as a spread. When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade. The Robertson product is not for the purpose of trade, a dessert sauce.

Even if this were wrong, however, there is the further question of included in Class 30. Under the Trade Marks Acts goods and services are divided into a series of classes. The main purpose of the classes is to enable trade mark searching to be carried out. For instance if you have a new mark for a medicine then you search the relevant class, class 5. When this mark, "Treat", was registered the classes were prescribed in Schedule 4 to the Trade Marks and Service Marks Rules 1986. This (like its predecessors) itemises a variety of goods in various classes and added, for the first time, classes of services because service marks had just been made registrable by the amendment Act of 1984. The classification forms part of an internationally agreed system and is known as the Nice Classification, following the 1934 international conference which took place there. It is widely (indeed I believe universally) used by trade mark registries throughout the world and by the so-called "international" system also known as the Madrid Agreement (in the form of the so-called Madrid Protocol) which this country is considering joining. The classification could not and does not explicitly mention all types of goods and services in detail. But there is a very large and comprehensive list of goods and services by which the Registrar goes. His judgment on where goods go is, for administrative reasons, made final. (At the time of registration by section 3 of the 1938 Act, continued now by section 34(2) of the 1944 Act). This list is used internationally and is amended from time to time, normally to deal with new kinds of goods or services. Occasionally a particular kind of article or service is moved from one class to another.

Generally there is no difficulty in identifying which class is relevant for a particular article. But borderline cases are not infrequent. For these the Registrar often uses the practice of describing the goods or services and adding the words included in this Class or included in Class X. He did that here. The effect of this is to confine the specification to goods which fall within the description and which also were, at the time of registration, put in that class by the Registrar. Thus in *GE Trade Mark* ([1969] RPC 418 at page 458-459) Graham J held that a registration for "Electrical machinery included in this Class" did not cover electrical

switchgear: even though it was admittedly electrical machinery it was not at the time of registration put in the class concerned.

Here I have no evidence from British Sugar suggesting that a spread product of the Robertson kind would, at the time of registration, have been put in Class 30 by the Registrar. Nor do I think that likely, given that jellies and jams (to which the product is most akin) are within Class 29. Confirmation is provided by the fact that it is the Registrar's current view that the Robertson product falls within Class 29 and there is no evidence suggesting that there has been a change of practice since 1992 when the British Sugar was registered.

(b) Scope of section 10: must the defendant use the mark as a trade mark?

Section 9(1) provides generally:

"The proprietor of a registered trade mark has exclusive rights in the trade mark which are infringed by use of the trade mark in the United Kingdom without his consent.

The acts amounting to infringement, if done without the consent of the proprietor, are specified in section 10."

Section 10 then goes on to specify what amounts to infringement in various circumstances. These can be summarised thus (goods in this summary including services):

Same goods/same mark: section 10(1);

Same mark/similar goods, and

similar mark/same or similar goods: section 10(2);

Same or similar mark/dissimilar goods: section 10(3).

The first two of these provisions reads as follows:

"10(1) A person infringes a registered trade mark if he uses in the course of trade a sign which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered.

(2) A person infringes a registered trade mark if he uses in the course of trade a sign where because --

(a) the sign is identical with the trade mark and is used in relation to goods or services similar to those for which the trade mark is registered, or

(b) the sign is similar to the trade mark and is used in relation to goods or services identical with or similar to those for which the trade mark is registered,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the trade mark."

Both of these provisions (and section 10(3), with which I am not concerned) begin with the words:

"A person infringes a registered trade mark if he uses in the course of trade a sign which . . ."

It was argued on behalf of Robertson's that there is a gloss which must be read into all the provisions, namely that the sign must be used as a trade mark (I think either for the defendant's or plaintiff's goods). Here it was said, Robertson's do not use "Treat" as a trade mark and so there could be no infringement within section 10. I will return to that point on the facts. For the present assume a use which is plainly not trade mark use, as for example in the phrase "give your child a treat, give it Robertson's marmalade." Does a non-trade mark use fall within any of the provisions of section 10?

The argument depends on a departure from the language of section 10 which refers only to the use of a sign. The argument runs something like this: section 9(1) says that exclusive rights in a trade mark are

infringed by the use of the trade mark without consent. The contrast is made between trade mark in section 9(1) and sign in section 10. It is said that section 9(1), in providing in general terms for infringement, also is providing an overriding requirement that there be trade mark use. In that respect is said to be like the 1938 Act section 4(1) which specifically, by section 4(1)(a), provided that the use should be use as a trade mark (in effect for the defendant's goods) or a use which referred to the plaintiff or his goods (section 4(1)(b)).

I can see no reason so to limit the provisions of section 10. That is not to say a purely descriptive use is an infringement. It is not, but not because it does not fall within section 10 but because it falls within section 11(2). I see no need to put any gloss upon the language of section 10. It merely requires the court to see whether the sign registered as a trade mark is used in the course of trade and then to consider whether that use falls within one of the three defining subsections. Section 9(1) is really no more than a chatty introduction to the details set out in section 10, itself adding no more than that the acts concerned must be done without consent.

Consideration of the Directive upon which the Act is based supports this conclusion. The infringement provisions are supposed to be implementing Article 5. For reasons which baffle me our Parliamentary draftsman did not simply copy this. He set about re-writing it. So section 9(1) has no exact equivalent in Article 5. Article 5(1) reads.

"The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade . . ." [there then follows language for practical purposes identical to sections 10(1) and 10(2)]

The words in section 9(1), by the use of the trade mark, are not in the Directive. The suggested gloss, which depends on these words, could not apply to the Directive. So the argument based on section 9(1) involves a departure from the Directive. This is wholly improbable. I reject it.

More generally Mr Shipley relied upon *Bravado Merchandising Services Ltd v Mainstream Publishing (Edinburgh Ltd)* ([1996] FSR 205). There Lord McCluskey had to consider whether the owner of the trade mark *Wet Wet Wet*, registered for books, could stop the use of the title *A Sweet Little Mystery -- Wet- Wet Wet -- The Inside Story* for a book about the pop group *Wet Wet Wet*. Lord McCluskey accepted a concession of counsel that use, to fall within section 10(1) -- and the point would be the same for section 10(2) -- must be use in a trade mark sense. He referred to what was said by the responsible Minister in Parliament. Counsel did not object to the reference being made.

I have some difficulty with the reference to what was said in Parliament. The language is taken directly from Article 5 of the Directive and must be intended to have the same meaning. *Pepper v Hart* ([1993] AC 593) allows reference to Hansard to find out the meaning of Parliament in certain limited cases where a statutory intention is ambiguous. But in the case of a provision intended to implement a Directive I cannot think that the *Pepper* principle can apply. The intention of Parliament is to implement whatever the Directive means. Views expressed in parliament about the meaning, even by Minister, cannot assist in resolving any ambiguity which stems from the Directive itself. Neither the courts of any other country whose trade marks laws are supposed to implement the Directive, or the European Court of Justice in interpreting it, would refer to what a British Minister said in Parliament in the course of implementation here. It would be irrelevant. What matters is the language of the Directive. That is why it is so important that those responsible for this kind of legislation make serious efforts to be clear. If they are not then the process of litigation imposed on industry will ensure an ultimate cost to the public of the Union.

Mr Young suggested that rather than look at what was said in Parliament I should look at the White Paper published before the Bill leading to the 1994 Act was introduced. But for exactly the same reasons as Hansard is irrelevant to construction of those parts of the Act implementing the Directive, so is the White Paper. All that it can relevantly say (and does say) is that the intention is to implement the Directive. Anything else said is merely opinion on the meaning of the Directive and not part of any travaux préparatoire.

Lord McCluskey also referred to the language of the Directive, from which he derived the central theme that a trade mark is intended to guarantee the origin of goods. This is indeed so, but it by no means follows that Article 5 (the basis of section 10) is so limited. The same result can be, and I think is, achieved, by section 11(2) to which I shall come.

From what I have said, there was an unnecessary concession by counsel for the defendant in *Wet Wet Wet*. It was conceded that:

"for there to be infringement the registered traded mark had to be used by the infringer 'in a trade mark sense' but that was exactly what the respondent was doing"

I do not see why the concession was made and it seems to have led to a muddle. One would have thought that *Wet Wet Wet* was used in the title simply to refer to the pop group. So it was not being used in relation to goods covered by the registration (section 10(1)) or to similar goods or services (section 10(2)). Whilst added matter or other surrounding circumstances is irrelevant to the question of confusion, it must be relevant to decide in relation to what goods or services the sign is being used.

In the result Lord McCluskey found for the defendants, basing himself on section 11(2). To this I shall return. However I have no doubt that the learned judge reached the right result. It would be fantastic if the new trade mark legislation had the effect of enabling a quasi-censorship of books about people or companies just because those people or companies had registered their names as trade marks for books.

(c) Infringement pursuant to section 10(1)?

On my finding about the specification of goods this question does not arise. I will, however, give my view briefly. A further point was argued which I must consider anyway because it also relates to section 10(2).

In *Origins Natural Resources Inc v Origin Clothing Ltd* case ([1995] FSR 280 at page 284) (which was under section 10(2) because the marks were slightly different) I said that section 10:

"requires the court to assume the mark of the plaintiff is used in a normal and fair manner in relation to goods for which it is registered and then to assess a likelihood of confusion in relation to the way the defendant uses its mark, discounting added matter or circumstances."

This is essentially the same rule as under the old law. Thus Sir Wilfred Greene MR in *Saville Perfumery Ltd v June Perfect Ltd and FW Woolworth Ltd* ((1941) 58 RPC 147 at page 161. The House of Lords agreed with this.) said:

"the statutory protection is absolute in the sense that once a mark is shown to offend, the user of it cannot escape by showing that by something outside the actual mark itself he has distinguished his goods from those of the registered proprietor."

I think the rule is the same under the 1994 Act because it follows from the language of section 10 which merely requires the court to look to see what sign the defendant is using and says nothing about anything else. Strictly in *Origins* I should have said under the 1994 Act that the comparison is "mark for sign" rather than "mark for mark" because section 10 uses sign for what the defendant is using. Assuming I was right (and the defendants reserve this point should the matter go on appeal) one still has to identify the defendant's sign for the purposes of the comparison. In most cases there can be no difficulty. It is either there or not. However it is possible for the sign to be hidden or swamped. No-one but a crossword fanatic, for instance, would say that "treat" is present in "theatre atmosphere". There is no question of this sort here, however. "Treat" is there on the Robertson products for all to see. Whether it is used as a trade mark is quite another matter. I think, if I am wrong on classification, that the use is within section 10(1).

(d) Infringement pursuant to section 10(2)?

Because "Treat" is the very mark registered and is clearly used by Robertson's I think the case falls to be considered under section 10(2)(a), the identical mark/similar goods provision. I do not think it falls within section 10(2)(b) because I reject the argument that the sign used is to be regarded as "Robertson's Toffee Treat". That is used too but the first two words are added matter and it does not matter in what capacity "Treat" is used.

The questions arising under section 10(2)(a) are:

- (1) Is the mark used in the course of trade?
- (2) Are the goods for which it is used similar to those covered by the registration?
- (3) Is there a likelihood of confusion because of that similarity?

The first of these questions causes no difficulty here. The problems arise under the second and third questions. British Sugar seek to elide the questions of confusion and similarity. Their skeleton argument contends that there is "use in relation to a product so similar to a dessert sauce that there exists a likelihood of confusion because the product may or will be used for identical purposes." I do not think it is legitimate to elide the question in this way. The sub-section does not merely ask "will there be confusion?": it asks "is there similarity of goods?", if so, "is there a likelihood of confusion?" The point is important. For if one elides the two questions then a "strong" mark would get protection for a greater range of goods than a "weak" mark. For instance "Kodak" for socks or bicycles might well cause confusion, yet these goods are plainly dissimilar from films or cameras. I think the question of similarity of goods is wholly independent of the particular mark the subject of registration or the defendant's sign.

I think there is confirmation for this view in a recital to the Directive. It says:

"Whereas the protection afforded by the registered trade mark, the function of which in particular is to guarantee the trade mark as an indication of origin, is absolute in the case of identity between the mark and the sign and goods and services;

(This is the precursor to Article 5(1)(a) -- the basis of section 10(1) of the 1994 Act)

whereas the protection applies also in case of similarity between the mark and the sign and the goods or services"

This recital relates to the protection to be given. It is the precursor to Article 5(1)(b) and thus is the basis of section 10(2). The question of similarity is separated in the recital from the question of confusion. The recital goes on to deal with confusion later and in particular notes that it may depend upon the degree of similarity. But at that point it is not dealing with the scope of protection. So I think the recital makes it clear that questions of similarity are independent of a particular likelihood of confusion.

It is true that the recital goes on to say:

"whereas it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion"

I do not think it is here saying more than in judging the question of similarity one should bear in mind the fact that the purpose to be considered is a trade mark purpose. It is not saying that goods are similar if there is confusion, no matter how dissimilar the goods may be. That is a matter for Article 5(2) (which is the basis of our section 10(3)). Then the trade mark owner must go on to show that: "the mark has a reputation in the United Kingdom and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the mark."

The construction of this phrase I leave for another day. I only note that it might cater for the case where the goods were vastly different but the marks the same or similar and the proprietor could show that the repute of his mark was likely to be affected. The sort of circumstances of the Dutch case of *Claeryn/Klarein* (Benelux Court of Justice 1.3 1975 NJ 1975, 472) (mark for gin infringed by identical sounding mark for

detergent, damage to the gin mark image), may fall within this kind of infringement, even though they do not fall within section 10(2) because there is no likelihood of confusion as to trade origin, see *Wagamama Ltd v City Centre Restaurants Plc* ([1995] FSR 713)

How then is the court to approach the question of similarity? Neither the Act nor Directive (save in the case of the latter for the somewhat cryptic recital I have quoted) provide assistance. Given that is so I think I must consider the matter as a matter of principle. First it should be noted that the wider the scope of the concept, the wider the absolute scope of protection of a mark may be. In effect a registration covers the goods of the specification plus similar goods. No one may use the registered mark or a similar mark for any of those goods unless he has some other defence. This suggests caution. Otherwise, however narrow a specification, the actual protection will be wide. In particular this would be so in the important sort of case where a mark owner only got registration on the basis of actual distinctiveness for a narrow class of goods. It would surely be wrong that he should then in practice get protection for a wide range of goods. If a man wants wide protection he can always ask for it and will get it only if his claim is justified. The old rule that you could not infringe if your goods were even just outside a specification was too rigid. It meant (to use a classic example of *Mr TA Blanco White QC*) that a registration of a mark for "3-holed razor blades imported from Venezuela" could not be infringed by use of the mark on a 2-holed razor blade so imported. But I do not think that the introduction of infringement for similar goods has vastly widened the scope of potential protection.

Under the old United Kingdom Act there was a conception going by the words goods of the same description as those of the registered mark. It was important when the registrar was considering whether there was a prior conflicting registration (1938 Act, section 12(1)), in considering whether a mark which had not been used might nonetheless stay on the register by reason of use for such goods (Section 26) and for several other purposes. The phrase depended on judicial gloss for its interpretation, and, as time went on, a body of examples on one side or the other built up by which people could go (See *DAIQUIRI RUM Trade Mark* [1969] RPC 600, HL approving lists of past decisions.) I believe that similar goods is the same sort of phrase. It not only appears in section 10(2) but is also an important matter for the registrar in considering registration. Section 5(2) forbids registration of a mark when there is an earlier identical or similar mark registered for similar goods. Actually the language of the section says "similar to those for which the earlier mark is protected". Whether that means the registrar should consider two lots of similarity (ie what goods are similar to those of the prior registration, because it protects use of the mark for such goods, and what goods are similar to the specification of the application) is also to be left for another day.

I think the sort of considerations the court must have in mind are similar to those arising under the old Act in relation to goods of the same description. I do not say this because I believe there is any intention to take over that conception directly. There plainly is not. But the purpose of the conception in the old Act was to prevent marks from conflicting not only for their respective actual goods but for a penumbra also. And the purpose of similar goods in the Directive and Act is to provide protection and separation for a similar sort of penumbra. Thus I think the following factors must be relevant in considering whether there is or is not similarity:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

This is either an elaboration on the old judicial test for goods of the same descriptions (See per Romer J in *Jellinek's Application* (1946) 63 RPC 59 at p 70, approved by the House of Lords in *DAIQUIRI RUM Trade Mark* [1969] RPC 600 at page 620). It seeks to take account of present day marketing methods. I do not see any reason in principle why, in some cases, goods should not be similar to services (a service of repair might well be similar to the goods repaired, for instance). I do not pretend that this list can provide other than general guidance. The fact is that the Directive and hence our Act have introduced an area of uncertainty into the scope of registration which in many cases can only be resolved by litigation.

Turning to the present case, the two products to some extent have the same use, but broadly in practice have different uses. They are hardly in direct competition and consumers will find them in different places in supermarkets. Their physical nature is somewhat different, the Robertson product being hardly pourable and really needing spooning out of the jar whereas the British Sugar product is meant to be poured out of the small hole in the plastic top. Moreover it seems that for the purposes of market research the two products are regarded as falling within different sectors. Taking all these things together, I think the spread is not to be regarded as similar to the dessert sauces and syrups of the registration. I therefore think there is no infringement.

It may be noted that if I am wrong in this view (and as to my views under section 11(2) and on validity) then this case will demonstrate that comparatively short use of a highly laudatory word will have given the trade mark proprietor a very wide monopoly. If spreads are similar goods then British Sugar have gained a monopoly of such a word in the £ 190m per annum sector of the market of which their product is not even a member in addition to the ice-cream topping sector. Moreover the monopoly would not stop there. Other goods would also probably be similar: desserts for instance. I cannot think that the Council and Commission intended such formidable monopolies to be created so readily when they made the Directive. It goes far beyond that which is needed to protect the word as a badge of trade origin for syrups and dessert sauces.

(e) A defence under section 11(2)?

Suppose I am wrong in my views thus far. Is there a defence under section 11(2)? This reads:

"A registered trade mark is not infringed by --

(a) the use by a person of his own name or address,

(b) the use of indications concerning the kind, quality, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services, or

(c) the use of the trade mark where it is necessary to indicate the intended purpose of a product or service (in particular, as accessories or spare parts)

provided the use is in accordance with honest practices in industrial or commercial matters."

The language is virtually the same as that of Article 6 of the Directive and must have the same meaning. There is no recital to the Directive which throws any direct light on the purpose of Article 6. But it is noteworthy that the Directive notes the function of a trade mark is:

"in particular to guarantee the trade mark as an indication of origin" No other purpose is mentioned. I think this sole purpose permeates the whole Directive and hence our 1994 Act. If there is doubt as to the meaning of any particular provision, regard should be had to this purpose. I propose so to do in construing section 11(2).

The parties began with a dispute of law. It was now Mr Young's turn to say that a gloss should be put upon the provision. He said it could not apply if the defendant was using the mark in a trade mark sense.

You have to have pure descriptive use, he said. He drew my attention to cases under the UK 1905 and 1938 Act, *De Cordova v Vick Chemical Co* ((1951) 68 RPC 103) and *Mars GB Ltd v Cadbury Ltd.* ([1978] RPC 387) I cannot think these can be of assistance in dealing with a provision whose provenance has nothing whatever to do with the earlier United Kingdom Acts. I propose to approach the problem from first principles.

First I think, unlike section 10, one must here look at the whole context of the use. You cannot tell whether the use is descriptive or not from the use of the sign alone. I think so much is implicitly conceded by *British Sugar* when they concede that their registration could not stop use of a phrase such as "An irresistible toffee spread for a treat on any occasion!"

Second I think one must distinguish between a use of the mark by way of an honest comparison and other uses. I see no reason why the provision does not permit a fair comparison between trade mark owner's goods and those of the defendant. The comparison would have to be honest, but provided it was and was part of a genuine indication of, for instance, quality or price, I think it would be within provision. Such honest comparative use might well upset the mark's proprietor (proprietors particularly do not like price comparisons, even if they are true) but would in no way affect his mark as an indication of trade origin. Indeed the defendant would be using the proprietor's mark precisely for its proper purpose, namely to refer to his goods. I can see nothing in the stated purpose of the Directive indicating that a trade mark monopoly should extend to the point of enabling a proprietor to suppress competition by use of his trade mark in this way.

In saying this, I am of course aware that the United Kingdom Act also has its own "home-grown (to use Laddie J's phrase in *Barclays Bank Plc v RBS Advanta* (26 January 1996. To be reported: [1996] RPC 307)) provision enabling comparative advertising, namely section 10(6). But it is manifest that one cannot use that provision to construe section 11(2) which comes from the Directive. If there is overlap between the two provisions there is, and no matter. Their origins are different and one should not be surprised by any overlap.

Thirdly there is the question of use of the sign for the defendant's goods. I considered the question of comparative advertising first to test the proposition that the sign can only be used as a "pure descriptor". I reject that because it can be used as part of a description when used for the plaintiff's goods. But use of the sign for the defendant's goods is something different. That seems to me to be inconsistent with the mark being used as a description or performing any of the other functions. If a mark is used as a trade mark for the defendant's goods, then it is not used as a description. This conclusion may have important implications where a semi-descriptive mark is validly registered. In particular if the defendant's mark is descriptive to some but has trade mark significance to others, he will not be within the section.

Before tuning to the facts here, I must return to *Wet Wet Wet*. Lord McCluskey held that section 11(2) provided a defence. This was because the use of the sign was a reference to the pop group and was an honest use. This is another example of a kind of trade mark use protected by the section, though the use was not by the defendant to denote the provenance of his goods.

I am, of course, concerned with the word "Treat" alone. I cannot see even a hint that anyone regarded this alone as a trade mark. Mr Young says no matter, once it is incorporated into a phrase which has trade mark significance, ie "Toffee Treat" that is enough. If I accept that the whole phrase is indeed a trade mark, I think Mr Young must be right. Section 11(2) does not cover the case where a word, outside the context of the use, is descriptive if, in context, it is part of trade mark use for the defendant's goods.

I turn to consider how the word "Treat" is used here I have no evidence from the public in relation to this question. I have some evidence of internal thinking at Robertson's but the most important thing of all must be my own impression from the label and all the surrounding circumstances. Looking at the label I think the average customer would not see "Treat" used as a trade mark. It is true that it is written as part of a phrase "Toffee Treat" but this is done in a context where the maker's name is plain. It is of course the case that you can have two trade marks used together ("*Ford Prefect*"), but whether the secondary word is used as a trade

mark is a question of fact. If it is a fancy word, then obviously it is a trade mark because it could not be taken as anything else. But where it is highly descriptive I see no reason why a member of the public should take the mark as a badge of origin. And that is particularly so where the product is a new sort of product, as here. The public are apt to take the name of a novel product as a description rather than a trade mark, particularly where the name is not fancy but is descriptive or laudatory. I do not think Robertson's use is as a trade mark.

I find confirmation for this view by considering what the average consumer, aware of the Robertson product, would think on seeing the name used for a rival product. Suppose for instance that Marks and Spencer produced a product labelled "St Michael Toffee Treat". I think the reaction would be "Oh I see M&S are doing a toffee treat too". And the reaction would be much the same even if no maker's name appeared on the jar: "Oh, someone other than Robertson has gone in for making a toffee treat".

I am, of course, aware that the words "Toffee Treat" are written in a fancy way. But then so are many other mere descriptors. One only has to look at how British Sugar write such words as "meringue mix" or "golden syrup" to see parallel sorts of use. I do not think this affects the matter one way or the other. Nor do I think it matters that Robertson's also use the description "toffee spread". A thing may have more than one description.

British Sugar say that people will inevitably not use the full expression "Robertson's Toffee Treat": they will just say "Toffee Treat". That is probably so, but whilst there is only one product like it such usage would far from necessarily indicate the product of one maker. Once there is more than one, things might be different, but it would then have to be shown that the phrase was being used to indicate one make rather than the other before trade mark significance could be attributed to the phrase.

British Sugar's best point is that at least some in Robertson's regarded "Toffee Treat" as a "brand", whatever that may mean. A number of discovery documents show this and Ms Taylor, Robertson's witness, fairly accepted that the design objective was:

"To establish 'Toffee Treat' as a prominent product/brand name in its own right"

and that was how Robertson's proceeded. The documents speak of an intention to create a "brand identity". And Ms Taylor accepted that the prominence of the words "Toffee Treat" on the label were "to promote the brand name".

I am not persuaded that any of this establishes that the phrase was ever thought to be a trade mark in its own right. Robertson's problem was that they were launching a new kind of product and one which was not a jam. They needed to use their name "Robertson's" for its "heritage" and they needed a name which told the public what the product was and attracted the public. There is nothing which shows that Robertson's regarded "Toffee Treat" as distinctive or likely to be truly distinctive on its own. And, even if that had been their intention (and I bear in mind that Robertson's are wealthy traders too) it by no means follows that their intention has succeeded.

(f) Validity

Section 47(1) of the Act provides:

"The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which had been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered."

Section 3(1) provides:

"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 a 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."

And section 1(1) provides:

"In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings."

Validity is attacked on the following grounds:

(1) That the mark is not a "trade mark" within the meaning of section 1(1), an attack said to be permitted by section 3(1)(a);

(2) That the mark is devoid of distinctive character (section 3(1)(b));

(3) That the mark consists exclusively of a sign or indication specified in section 3(1)(c);

(4) That the mark consists exclusively of a sign or indication specified in section 3(1)(d).

It is worth noting the effect on onus of the proviso to section 47(1). By section 72:

"In all legal proceedings relating to a registered trade mark (including proceedings for rectification of the register) the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration . . ."

This clearly casts the onus on he who wishes to attack the validity of the original registration. But once the attacker can show the registration was wrongly made (particularly for non-compliance with section 3(1)(b)-(d)) and the proprietor wishes to rely on the proviso to section 47(1) it is for the proprietor to show that his mark is distinctive. So one cannot simply look at the position at the time of the attack and say the onus lies on the attacker. Once the attacker is over the hurdle of showing the original registration was bad, the onus shifts to the proprietor if he wants to say, "never mind, I can show the mark is distinctive now."

With that in mind I must deal with the evidence -- for all depends upon the conclusions to be drawn from that. I begin with the original registration. As I have said I do not have to consider whether the mark was rightly registered under the 1938 Act. By virtue of section 105 of the 1994 Act and Schedule 3 paragraph 18(2) it is section 47 of the 1994 Act which sets out the grounds upon which a mark registered under the old Act can be attacked. I have already described the evidence used to support the original registration. It was really no more than evidence of use. Now it is all too easy to be beguiled by such evidence. There is an unspoken and illogical assumption that "use equals distinctiveness". The illogicality can be seen from an example: no matter how much use a manufacturer made of the word "Soap" as a purported trade mark for soap the word would not be distinctive of his goods. He could use fancy lettering as much as he liked, whatever he did would not turn the word into a trade mark. Again, a manufacturer may coin a new word for a new product and be able to show massive use by him and him alone of that word for the product. Nonetheless the word is apt to be the name of the product, not a trade mark. Examples from old well-known cases of this sort of thing abound. The Shredded Wheat saga is a good example: the Canadian case is The

Canadian Shredded Wheat Co Ltd v Kellogg Co of Canada Ltd ((1938) 55 RPC 125) in the Privy Council and the United Kingdom case The Shredded Wheat Co Ltd v Kellogg Co of Great Britain Ltd ((1940) 57 RPC 137) in the House of Lords. In the former case Lord Russell said (At page 145).

"A word or words to be really distinctive of a person's goods must generally speaking be incapable of application to the goods of anyone else."

It is precisely because a common laudatory word is naturally capable of application to the goods of any trader that one must be careful before concluding that merely its use, however substantial, has displaced its common meaning and has come to denote the mark of a particular trader. This is all the more so when the mark has been used in conjunction with what is obviously taken as a trade mark.

I do not consider that the evidence filed to support the registration was anywhere near enough to support the conclusion that when the mark was registered, it was distinctive. Yes it had been used for about 5 years in conjunction with Silver Spoon, but it was not proved that the public regarded it as a trade mark -- a reliable badge of trade origin -- on its own. Further the use was only for what was essentially an ice cream topping. It did not cover the full range of goods covered by the registration.

What then of the position now? British Sugar rely upon more extensive evidence. First there is a great deal more use of exactly the same type as went on before. Sales figures went on going up -- to nearly £ 3m pa. Since introduction in 1986 sales over the 10 year period total about £ 13m of which over half have taken place since registration in September 1992. The product has just over 50% of the ice cream topping market sector. Next British Sugar rely upon evidence from Mrs Nash MBE. She was in public relations at British Sugar. She took telephone inquiries and dealt with letters from the general public. People sometimes complained when a flavour disappeared (blackcurrant did) or wanted information on availability (for instance when the toffee flavour came out, magazines, mainly at British Sugar's instigation, published recipes for making banoffi pie, a dessert made from bananas, toffee and ice cream). She said that customers often referred simply to "your "Treat" range". But of course all the customers concerned, whether writing or telephoning, knew they were dealing with Silver Spoon the manufacturers. I do not think Mrs Nash's evidence establishes that the general public perceive the word "Treat" to be a badge of trade origin in itself. I think her evidence does show recognition of the word amongst British Sugar customers, but recognition does not necessarily mean recognition as a trade mark.

British Sugar also rely upon a market survey. It was conducted by National Opinion Polls ("NOP"). NOP conducted what they call an omnibus survey. Trained interviewers visited the homes of people selected essentially at random. I do not need to go into detail as to how the selection was made. The interviewers asked those of the persons selected who were willing to be interviewed a series of questions, each about a different topic. On this occasion the second topic was the "Treat" survey relied upon. The interviewer (who was equipped with a personal computer) asked the following questions:

1. Do you ever buy sweet-tasting sauces and toppings, for example sauces and syrups for use in or on desserts and ice cream?

If the interviewee said "no" the questioning proceeded to a different topic.

2. What brands of sweet-tasting sauces and toppings can you think of? Which others? Any others?

If the interviewee mentioned "Treat" then the interviewer was to proceed to Q4. Otherwise he/she showed the interviewee a card on which 5 different words appeared (Askeys, Ice Magic, Smuckers, Treat and Tops) asked:

3. Which of these other brands of sweet-tasting sauces and toppings have you heard of? Which others? Any others?

If "Treat" was mentioned at either Q2 or Q3 the subject was shown a photograph of the products and asked:

4. Is this the "Treat" product you were thinking of?

The NOP witness responsible for the survey, Mr Lees, drew the conclusion that of those who buy sweet tasting sauces and toppings 24% were aware of the product sold under the name "Treat" unprompted (Q2), and a further 40% of the total were aware of the product after prompting (Q3). This made 62-3% in all. There were a few individuals, however, who apparently were thinking of some product other than the British Sugar product, for they said "no" to Q4. The upshot of all this was said to be that 61% knew the British Sugar "Treat" product.

The procedure is open to some criticism. The first question, instead of simply covering the goods of the specification, is specifically directed at a sub-class within those goods, namely desserts and ice cream. The question as phrased in effect says "ice-cream toppings (hint hint)". I was not told who was responsible for the question, and Mr Lees did not know. There will be an obvious danger in extrapolating any conclusion to the full range of goods covered by the registration.

Next, I think there is a real problem in relation to the recording of the answers to Q2. The interviewers' computers provided them with options. If the interviewee said any of the five names I have mentioned, the interviewer was to press a number corresponding to the name. If the interviewee said anything else, the interviewer was to type in what was said. Now anyone who has had much to do with opinion polls knows there are great difficulties in recording exactly what an interviewee says, however much care is taken. So if the interviewee said "Oh there's Bird's Ice Magic and a "Silver Spoon Treat product" it is quite likely that all that would happen is that the Ice Magic and Treat numbers would have been pressed. Mr Lees acknowledged that it would have been much better, if one wanted to distinguish between those who said "Silver Spoon Treat" and simply "Treat" that the pre-coding should have included both as options.

Q3 I think is particularly valueless from the point of view of trying to decide whether the public perceive of "Treat" as a trade mark. It presupposes it is by including the word "brand" in the question. It could hardly lead more.

Overall there is this further point, namely that recognition is not the same thing as perception as a trade mark -- as not only recognising the word but as regarding it, in itself, as denoting the goods of one particular trader.

On the question of factual distinctiveness I must also have regard to how the mark is used -- how it appears on the label. I think it is fairly ambiguous. What the customer sees is "Silver Spoon Treat". The suggestion is that the syrup from "Silver Spoon" will be a "treat". Other customers may accept the word as having a trade mark meaning in context. I take the latter possibility into account in my conclusion.

Both sides invited me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word "Treat". I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see eg MADAME Trade Mark ([1996] RPC 541) and the same must be true under the 1994 Act. I disregard the state of the register evidence.

In the end I conclude, that whilst it is probably the case that a proportion of members of the relevant public regard the word alone as having some trade mark significance, one cannot say that most do. I think the suggested 60% figure is much too high. Overall the word has achieved some minor degree of distinctiveness in fact, but falls far short of universal or near universal acceptance as a trade mark for ice cream toppings.

How stands the law on these findings? I begin by considering the "not a trade mark" point. Section 1(1) has two parts, sign, and capable of distinguishing. Sign is not in issue: a word is plainly included within the meaning of sign as the remainder of section 1 indicates. But what about capable of distinguishing? Does this add any requirement beyond that found in section 3(1)? Section 3(1)(b) bars the registration of a mark which is devoid of distinctive character unless it has in fact acquired a distinctive character. I cannot see that the closing words of the first sentence of section 1(1) add anything to this. If a mark on its face is non-distinctive (and ordinary descriptive and laudatory words fall into this class) but is shown to have a distinctive character in fact then it must be capable of distinguishing. Under section 10 of the old Act, for a mark to be registrable in Part B, it also had to be capable of distinguishing. But the Pickwickian position was that some marks, even though 100% distinctive in fact, were not regarded as capable of distinguishing within the meaning of that provision. I do not think the Directive and the 1994 Act take this more limited meaning over.

Thus, capable of distinguishing means whether the mark can in fact do the job of distinguishing. So the phrase in section 1(1) adds nothing to section 3(1) at least in relation to any sign within section 3(1)(b)-(d). The scheme is that if a man tenders for registration a sign of this sort without any evidence of distinctiveness then he cannot have it registered unless he can prove it has a distinctive character. That is all. There is no pre-set bar saying no matter how well it is proved that a mark has become a trade mark, it cannot be registered. That is not to say that there are some signs which cannot in practice be unregistered. But the reason is simply that the applicant will be unable to prove the mark has become a trade mark in practice -- "Soap" for "soap" is an example. The bar (no pun intended) will be factual not legal.

Next, is "Treat" within section 3(1)(b)? What does devoid of any distinctive character mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark? A meaningless word or a word inappropriate for the goods concerned ("North Pole" for bananas) can clearly do. But a common laudatory word such as "Treat" is, absent use and recognition as a trade mark, in itself (I hesitate to borrow the word from the old Act but the idea is much the same) devoid of any distinctive inherently character. I also think "Treat" falls within section 3(1)(c) because it is a trade mark which consists exclusively of a sign or indication which may serve in trade to perform a number of the purposes there specified, particularly, to designate the kind, quality and intended purpose of the product. The word probably also falls within section 3(1)(d): it is a sign which has become customary in the current language. Lots of people use "Treat" in advertisements and on goods and I have some examples in evidence.

Thus, assuming I am right so far, the question is whether British Sugar have shown that the mark now has a distinctive character. Is my finding that to some but not most people "Treat" has some trade mark significance enough? This depends on what is meant by a distinctive character. Neither the Directive nor Act throw any light on this. So I have to use what I at least regard as my common sense. Take a very descriptive or laudatory word. Suppose the proprietor can educate 10% of the public into recognising the word as his trade mark. Can that really be enough to say it has a distinctive character and so enough to let the proprietor lay claim to the word as a trade mark altogether? The character at this stage is part distinctive but mainly not. I do not think it would be fair to regard the character of the word as distinctive in that state of affairs. But if the matter were the other way round, so that to 90% of people it was taken as a trade mark, then I think it would be fair so to regard it. This all suggests that the question of factual distinctive character is one of degree. The proviso really means "has the mark acquired a sufficiently distinctive character that the mark has really become a trade mark." In the case of common or apt descriptive or laudatory words compelling evidence is needed to establish this. And in particular mere evidence of extensive use is unlikely to be enough on its own. Of course the power of advertising may be able to turn almost anything (save a pure description) into a trade mark, but it must be shown in a case of this sort that the mark has really become accepted by a substantial majority of persons as a trade mark -- is or is almost a household word.

My findings on the facts here fall a long way short of this. Indeed even the suggested 60% figure put forward for British Sugar falls short. I do not think the mark has been shown to have a distinctive character and accordingly I propose to declare the registration invalid pursuant to the provisions of section 47(1). Apparently, and somewhat oddly, I do not revoke the registration (revocation is dealt with under section 46) but I should like to hear counsel on what I am to do. It seems very odd to leave the mark on the Register. This is a matter on which I may need the views of the Registrar.