Neutral Citation Number: [2025] EWHC 206 (Ch)

Case No: IL-2024-000025

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

Royal Courts of Justice, Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 07/02/2025

Before:-

MR JUSTICE RICHARD SMITH

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Between:-

ABBOTT DIABETES CARE INC.
(a corporation registered under the laws of the State of Delaware, United States)

Claimant

- and –

(1) SINOCARE INC
(a corporation registered under the laws of the People's Republic of China)

(2) SINOCARE MEDITECH INC
(a corporation registered under the laws of the State of Delaware, United States)

(3) SANNUO HEALTH MANAGEMENT CO LTD
(a corporation registered under the laws of the People's Republic of China)

Defendants

~~**(4) SUNGO CERTIFICATION COMPANY LTD**~~

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Daniel Alexander KC, **Ashton Chantrielle** and **Daniel Selmi** (instructed by **Taylor Wessing LLP**) for the **Claimant**

Benet Brandreth KC and **Theo Barclay** (instructed by **Bird & Bird LLP**) for the **Defendants**

Hearing dates: 23, 24, 25 and 30 October 2024

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Approved Judgment

This judgment was handed down remotely at 10.30 am on Friday 7 February 2025 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

MR JUSTICE RICHARD SMITH

Mr Justice Richard Smith:

Introduction

1. This judgment follows the trial of a trade mark dispute between the Claimant (**Abbott**) and the three remaining Defendants (together, **Sinocare**), the Claimant having shortly before trial discontinued its claim against the fourth. Abbott is a market leader in the development, manufacture and sale of continuous glucose monitoring (**CGM**) systems used by diabetes patients. Sinocare is part of a group of high-tech companies which manufacture and sell rapid diagnostic test products, including CGM systems, for chronic diseases.

2. The claim concerns Abbott's three-dimensional trade mark registered by the UK Intellectual Property Office (**UKIPO**) on 30 December 2022 under number 3779922 for "*Sensor-based glucose monitors; continuous glucose monitoring systems*" in class 10 (**Mark**). The Mark is shown below. It represents the "on-body unit" (**OBU**) which houses the sensor component and transmission electronics used in Abbott's CGM systems.

3. Abbott claims that Sinocare has designed its own CGM with the intention to flood the European health care market, choosing an OBU design not only very similar to the Mark but one much more similar than that of any other manufacturer and by recently introducing this to the UK market, Sinocare has infringed the Mark on two grounds under the Trade Marks Act 1994 (**TMA**), namely:-

   (a) TMA, s.10(2)(b) through Sinocare's use in the course of its trade of a sign where, because of its similarity to the Mark and its use in relation to goods which are similar or identical to those for which the Mark is registered, there exists a likelihood of confusion, including the likelihood of association; and

   (b) TMA, s.10(3) through Sinocare's use in the course of its trade of a sign similar to the Mark where the Mark had a reputation in the UK and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or repute of the Mark.

4. Abbott also says that the defence to these infringement claims under TMA, s.11(2)(b) concerning the use of non-distinctive signs in accordance with honest practices is not available to Sinocare in this case.

5. Abbott has also advanced a claim in passing off.

6. Sinocare, in turn, counterclaims against Abbott for a declaration as to the invalidity of the Mark under two grounds, namely:-

   (a) TMA, s.3(1)(b), the Mark being devoid of distinctive character; and

   (b) TMA, s.3(2)(b), the Mark consisting exclusively of the shape or another characteristic which is necessary to obtain a technical result.

7. Sinocare also pleaded an alternative case on invalidity under TMA, s.3(2)(c), but this was not pursued at trial.

8. Although the parties' cases began in opening at opposite ends, Abbott with infringement, Sinocare with validity, by closing submissions, both approached the validity question first. I agree that that was the most sensible starting point. In closing, the parties also helpfully provided a revised list of agreed issues, reflecting their refinement before and during trial.

9. The Claim Form was issued on 29 February 2024, with the matter first coming before the Court on 1 May 2024 upon the hearing of Abbott's application for interim injunctive relief. On the basis of Sinocare's undertakings that, pending trial, it would (i) not allow its CGM systems to be obtained through the NHS and (ii) make a record of every sale of its CGM systems on the 'cash pay' market, Zacaroli J (as he then was) declined more extensive injunctive relief ([2024] EWHC 1062 (Ch)).

10. I should also add at the outset that, in light of the commercially sensitive nature of some of the documents disclosed in these proceedings, certain orders were made before trial to preserve their confidentiality. During the trial, it was also necessary to sit in private for a short period during part of the evidence of two of the fact witnesses. Having regard to CPR, Part 39.2 and the overriding objective more generally, I was satisfied that this was a necessary and proportionate step, both to avoid damage to the confidentiality of the information concerned and, more generally, to secure the proper administration of justice.

11. Finally, the Court understands that Abbott has brought similar claims and related applications for interim injunctive relief in Belgium, Germany and Austria. Indeed, following trial, both parties sent through my clerk certain correspondence concerning a recent decision of the Austrian Supreme Court refusing Abbott certain interim relief on the basis that the distinctiveness of its OBU was doubtful, but a likelihood of confusion could be ruled out. Since the decision appeared to concern the refusal of interim relief based on different evidence than was before me, I did not consider that this assisted in my analysis.

The witnesses

12. I heard evidence from seven fact and three expert witnesses. On Abbott's side, Mr Neil Harris is Divisional V-P, West Europe, for Abbott's diabetes care business. He was a careful witness albeit, at times, surprisingly hesitant to answer directly straightforward questions.

13. Ms Ruchi Varshneya is Divisional V-P, Global Strategic Marketing for Abbott's diabetes care business. She was prone to long answers, many not answering the questions asked.

14. Ms Hanna Salminen is Marketing Director (UK and Ireland) for Abbott's diabetes care business. She was a straightforward witness who made appropriate concessions and whose elaboration was generally warranted for clarity.

15. Mr Justin Williams is Head of Product responsible for product management for the Abbott biowearables team. He was a similarly straightforward witness.

16. Mr Stewart Fox is a product development expert. He too was a straightforward witness.

17. On Sinocare's side, Mr Dennis Slomski is COO of Sinocare Meditech Inc. He was an impressive witness who gave authentic insights, particularly as to Sinocare's motives for placing its CGM systems onto the market.

18. Dr Jiangfeng Fei is CEO of Sinocare Meditech Inc. and Director of the Continuous Glucose Monitoring Department for Sinocare Inc. He was a direct, at times blunt, witness, albeit he made appropriate concessions. He too provided authentic insight into Sinocare's motives.

19. Mr Lee Taylor is MD and founding principal of Nosamplio Limited. He was a straightforward witness who made appropriate concessions and whose elaboration was generally warranted.

20. Mr Alastair Clarke is also a product development expert. He too was a straightforward witness.

21. Ms Jean Sutton is a market research expert. She was a direct witness whose answers were sometimes animated, becoming longer as her testimony went on. Despite this, I found her to be a careful, fair and straightforward witness who made appropriate concessions.

22. Abbott also tendered witness statements from Dr Marc Taub, Abbott's Divisional V-P (Technical Operations) at Abbott Diabetes Care Inc. Sinocare had objected to these as inadmissible expert evidence (not dissimilarly to Abbott's objections with respect to Mr Taylor's evidence). However, Sinocare did not cross-examine Dr Taub on the basis that Mr Fox, who was cross-examined, essentially agreed with Dr Taub's evidence, Sinocare saying that it was for the Court to decide what weight should be placed on the evidence to which objection had been taken.

23. More controversial was Abbott's reliance on the evidence of Mr Philip Malivoire, an independent market research consultant, who undertook two market research surveys in 2022 in relation to Abbott's FreeStyle Libre (**FSL**) sensor for the purpose of the application to the UKIPO for registration of the Mark. Abbott tendered three statements from him, one made for the UKIPO application itself, the other two made for these proceedings. Abbott tendered these under Civil Evidence Act notice, Mr Malivoire not attending trial on account of his age (64) and other personal reasons leading him to retire from work involving oral testimony in litigation. Given the suggested importance of those surveys to Abbott's claim, in particular as to the Mark's acquired distinctiveness for validity purposes, Sinocare was highly critical of his failure to testify.

24. Both sides more broadly sought to criticise aspects of the testimony of the other's witnesses who had testified at trial, albeit neither sought to impugn their honesty. I make clear that I too had no concerns about their honesty. I address, as appropriate, later in this judgment those criticisms that were made where they arise under the relevant issue.

CGM users

25. There are two major types of CGM user: first, the traditional diabetic patient market for which CGM systems were originally designed. Type 1 diabetes affects around 8% of the UK diabetes population, is generally treated with insulin and requires several injections each day or use of an insulin pump. Type 2 diabetes affects around 90% of the UK diabetes population which, depending on severity, can be managed through diet, exercise, weight loss and, for some, insulin.

26. Glucose levels can be monitored through pricking the finger to obtain a blood sample read by a blood glucose monitor (**BGM**) or with a CGM system which works by inserting a small electrochemical sensor under the skin to measure glucose levels in the interstitial fluid around the cells. The CGM OBU collects data and sends it to a hand-held reader or compatible smart device (eg. a smartphone). With the need to use them several times a day, BGMs can be painful and inconvenient. However, CGM systems afford continuous monitoring, enabling users more conveniently to change behaviours affecting their glucose levels.

27. The second major kind of CGM users are those who do not have diabetes but who wish, nevertheless, to monitor their glucose levels for health, wellness or fitness reasons. Although the diabetic market remains a large one, with particular potential for increased use of CGM systems among Type 2 diabetics, the growth potential for the wellness market is said to be potentially even larger.

28. Abbott also says that, historically, glucose testing was associated with stigma. However, more recently, there has been much more pride about testing, with diabetic users often shown, including on social media, wearing their OBU and, therefore, in the case of Abbott, the Mark. More generally for both types of users, Abbott says that there is a close and

physical relationship between a user and the OBU, making the Mark unusual and particularly valuable, being worn by users all the time, often visibly to others.

CGM system components

29. CGM systems are made up of different co-operating components, Abbott's first FSL CGM system, for example, comprising the following:-

    (a) a disposable OBU incorporating the subcutaneously implanted electrochemical glucose sensor and associated electronics;

    (b) a disposable sensor insertion device, comprising the sensor applicator and sensor pack, which the user engages together to assemble the OBU and apply it on the body;

    (c) the sterile sensor pack is pre-loaded with a 'plug assembly' and itself comprises four parts: (i) the introducer which penetrates the skin and carries the tip of the glucose sensor component into the interstitial fluid; (ii) the glucose sensor component that measures the glucose level in the interstitial fluid; (iii) the connector which provides conductive contacts between the glucose sensor component and the printed circuit board assembly; and (iv) the plug, which facilitates the transfer and engagement of the plug assembly to form the assembled OBU; and

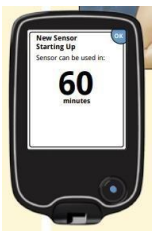
    (d) a handheld device (reader) which has a built-in strip port with BGM functionality. A compatible smartphone could be used instead.

30. The applicator, sensor pack, OBU and display device with proprietary software are illustrated below:-

Applicator

Sensor pack

Assembled OBU



Reader

31. Smartphone apps also allow users to receive data from their device directly on their smartphones which can be configured with reminders and alerts associated with their glucose levels to enable better diabetes management.

Abbott's CGM range

32. Although a relatively new technology, CGM systems already have an established following, with the pioneer and market leader, Abbott, having more than six million users

in 60 countries. Abbott's first system was the FreeStyle Navigator I in 2007, with a wear time of five days. In 2014, Abbott launched its first sensor-based glucose monitor in the UK in the form of Abbott's more advanced FreeStyle Libre CGM system (**FSL1**). The FreeStyle Libre 2 CGM system (**FSL2**) was approved in Europe in 2018 and the USA in 2020 and launched in the UK in November 2020. The FreeStyle Libre 3 CGM system (**FSL3**) was approved for the European market in 2020 and launched in the UK in 2022. The FreeStyle Libre 2 Plus CGM system (**FSL2 Plus**) entered the UK market in April 2024. Finally, the FreeStyle Libre Pro, launched in 2014, replaced by the FreeStyle Libre Pro IQ in 2020 or 2021, are intended for use under supervision of a healthcare professional (**HCP**). All these systems have a wear time of up to 14 days, except for the FSL2 Plus which has a 15 day sensor.

33. The Libre Sense system was launched in the UK in about November 2020, intended for use by those not necessarily suffering from diabetes but by athletes who wish to improve their sports performance and to understand its correlation with their glucose levels. The Lingo system, a consumer biowearable which helps users track their glucose levels for wellbeing purposes, was formally introduced to the UK market in January 2024. Abbott says that these markets too are potentially very large, one purpose of this action being to ensure that the brand value built up in the medical market is not diminished and can be used in these more nascent markets as well.

34. These systems are collectively referred to as the FSL Family CGM systems and have three types of mark used in relation to them. As with many kinds of consumer products, these different marks often appear alongside each other, for example on the same packaging, albeit Abbott says that the Mark is not always used with the other marks. These marks comprise:-

    (a) Abbott's manufacturer logo and word marks (an example indicated below);

    (b) a word mark for the product range such as FreeStyle Libre, also used with certain butterfly designs (an example indicated below), or Lingo; and

    (c) the Mark (indicated earlier).

35. Despite the slightly different images shown below, the FSL3 apart, Abbott's OBUs all look identical:-

 FSL1	 FSL2	 FSL3
 Libre Sense	 Lingo	 FSL2 Plus

Sinocare's iCan i3 CGM

36. In April 2023, Sinocare first introduced its own CGM system (including the disputed OBU) onto the Chinese market where Abbott also operates. Sinocare says that it has sold over 1 million products in China. According to Ms Varshneya, Abbott has 100,000 current users of the Libre Sense in China.

37. In January 2024, Sinocare began selling its CGM system in the UK through websites. Although Sinocare's UK sales are presently low, Abbott says that Sinocare is proposing to increase these significantly in Europe, including the UK, targeting both main market channels discussed below. To that end, Abbott says that Sinocare has adopted a very similar visual brand or 'face' for its CGM systems in the form of the OBU for the Sinocare iCan i3 CGM system (**iCan i3**), as shown below next to the Mark.

The Mark	**iCan i3 OBU**
	

38. The two-dimensional OBU image is also used extensively on Sinocare's packaging and promotional materials, as below.

Other CGM systems (and their OBUs) on the market

39. Abbott says that the similarity of the iCan i3 OBU is particularly marked when compared to the rest of the market. None of the OBUs of CGM systems sold by other manufacturers on the UK market is like the Mark or the iCan i3 OBU, having significantly different characteristics, as indicated below:-

Dexcom G6

Medtrum S6

Medtronic Guardian Connect

Medtronic iPro

Dexcom G7

Medtrum TouchCare Nano
(transmitter and sensor)

GlucoRX Aidex (sensor)

GlucoMen Day

Market channels

40. With most users presently likely to be diabetic users, the primary market channel for CGM systems in the UK is through the NHS, whether through the NHS Supply Chain or through their listing in what is known as the Drug Tariff and in the formulary of local Integrated Care Systems, as were helpfully described in Mr Harris' evidence.

41. The NHS market is significant, with 90% of Type 1 diabetics using a CGM system. The percentage is more difficult to assess for Type 2 diabetics given the greater complexity in assessing suitability of CGM systems for their needs. However, Abbott anticipates that this market too will grow due to the increased prevalence of this type of diabetes and the drive for the NHS to reduce the burden of unmanaged diabetes. Those diagnosed with diabetes may be eligible to obtain a device through NHS prescription for which the cost is reimbursed by the NHS, this channel being known as the 'reimbursement market', representing a large percentage of Abbott's UK sales, albeit one that Sinocare has not yet entered.

42. Regulatory approval having been obtained, CGM systems can also be sold direct to UK customers who fund the purchase themselves, the so-called 'cash pay' market. So, for example, the FSL2 Plus can be purchased directly from Abbott's website at

www.freestyle.abbott/uk-en/home.html. Sinocare's iCan i3 CGM is marketed and sold from https://en.sinocare.com/ and marketed from https://uk.icancgm.com/.

Lack of distinctive character - introduction

43. TMA, s.3(1)(b) provides that "trade marks which are devoid of any distinctive character" shall not be registered, albeit with the proviso that registration shall not be refused "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."

44. Although the UKIPO Hearing Officer determined otherwise in 2022, Abbott pleaded in the Reply and Defence to Counterclaim dated 16 April 2024 (at [13(a)]) that the Mark was *inherently* distinctive. It argued the same at the CMC before Rajah J on 21 June 2024. Abbott did not maintain that position at trial but did maintain (as indicated in the same pleading (at 13[c])) that the Mark had *acquired* distinctive character "at the filing date which distinctive character had only increased since then, because of the substantial and widely promoted use that had been made of the Trade Mark", such use said in the Amended Particulars of Claim (**PoC**) to comprise:-

(a) the launch and sale in the UK since 2014 of the different members of the FSL Family CGM systems (PoC at [8(b)-(f)]);

(b) the enormous success of those products, becoming the leading CGM system used worldwide, including sales in excess of 25 million units in the UK to the end of 2023 (PoC at [8(g)(i)]);

(c) the association of those products with the FreeStyle LibreLink app (which emphasises the Mark) (PoC at [8(g)(i)]);

(e) Abbott's UK marketing expenditure for these products in excess of US$50 million (PoC at [8(g)(ii)]); and

(f) Abbott's marketing and sale in the UK of CGM systems in the shape of the Mark under the brand names Libre Sense and Lingo for (non-diabetes) health and sports reasons (PoC at [8(h)]).

45. At trial, Abbott also posited a number of additional features of the use of the Mark in further support of its case, particularly as to acquired distinctiveness, including:-

(a) The OBU being Abbott's only mark worn on the body (and all the time), making it unusual and valuable in terms of the close physical relationship between a user and OBU, often being visible to others;

(b) A considerable volume of Abbott's advertising also featuring the Mark prominently on the body, representing an increasingly important method of promotion of products of this kind, with users being seen specifically to endorse Abbott's CGM systems and the Mark having a continuing life beyond purchase, of particular significance for the wellness market;

(c) The characteristics of the Mark not being dictated by the functional aspects of the CGM systems, the circular shape, in fact, representing a constraint on Abbott's manufacture and design processes and being more costly to produce;

(d) The Mark being for that part of Abbott's CGM systems housing the sensor component, in contrast to some cases in which manufacturers have tried to claim trade mark protection for a whole product design. Indeed, although the Mark shows only the OBU, it is used in relation to Abbott's whole system of which it has become the 'face', used over generations of products. To that extent, the Mark is separate from the goods in respect of which it is registered; and

(e) Relatedly, there are many ways in which a CGM manufacturer could design such a housing. Until Sinocare's recent actions, other CGM systems on the market have had very different appearances, meaning that the Mark has enjoyed unique use given the different identifying characteristics of other products of the same category.

46. Finally, Abbott relied upon the results of Mr Malivoire's survey undertaken in July 2022 as showing that such use had translated into widespread recognition of the OBU as denoting an Abbott CGM system, with a significant proportion of the relevant average consumers identifying the Mark with Abbott's Libre range of products.

Lack of distinctive character – legal principles

47. There was no significant difference between the parties as to the legal principles applicable to acquired distinctiveness, as have been helpfully summarised in a number of authorities, including by the Court of Appeal in *Société Des Produits Nestlé SA* v *Cadbury UK Ltd* [2017] EWCA Civ 358; [2017] F.S.R. 34 and by the High Court in *London Taxi Corp Ltd* v *Frazer-Nash Research Ltd* [2016] EWHC 52 (Ch); [2016] E.T.M.R 18.

48. In this case, the distinctive character of the Mark falls to be assessed as at the date of Sinocare's counterclaim (2 April 2024). Such assessment is by reference to (i) the goods in respect of which registration was applied for, in this case, "[s]*ensor-based glucose monitors; continuous glucose monitoring systems*" and (ii) the 'average consumer' of those goods or services. As to the latter, Arnold LJ set out the relevant principles in *Lidl Great Britain & Anor* v *Tesco Stores & Anor* [2024] FSR 17 (*Lidl CA*) (at [15]-[18]), summarising matters in the following terms:-

> " …. the average consumer is both a legal construct and a normative benchmark. They are a legal construct in that consumers who are ill-informed or careless and consumers

with specialised knowledge or who are excessively careful are excluded from consideration. They are a normative benchmark in that they provide a standard which enables the courts to strike a balance between the various competing interests involved, including the interests of trade mark owners, their competitors and consumers".

49. This concept is a way of representing a spectrum of the population and their attributes; it is not a statistical test nor the embodiment of a single hypothetical person. The average consumer's attention varies depending on the goods in question and the average consumer rarely has the opportunity to make direct comparisons between marks and must rely on an imperfect recollection of them.

50. In this case, there is no dispute that the average consumer comprises HCPs, diabetics (and their carers) and members of the public who monitor their glucose levels for health or fitness purposes, sometimes referred to below as wellness consumers. Since the perception of these categories of consumers pervades the analysis, both in terms of validity and infringement, it is appropriate to say something here about those different categories, as to which, I accept that:-

    (a) Prescribing HCPs will pay careful attention to the CGM system that they prescribe and they will be highly knowledgeable about the different CGM systems available to them for that purpose;

    (b) Diabetics rely on their CGM system to help them control a life-threatening condition. As such, they (and their carers) will be attentive to the origin of the device that they use and may have experience of using other CGM systems; and

    (c) Users of CGM systems for wellness reasons will also pay a heightened degree of care and attention to the origin of the device they select. Those users are already motivated to monitor their glucose levels for health or wellness reasons. Moreover, although available to them without prescription, CGM systems still involve the insertion of a needle through a device continuously attached to their bodies, which they will wish to ensure are reliable and do not cause harm. Their use also involves not insignificant ongoing financial commitment, with a new sensor required every fortnight.

51. For the purpose of acquired distinctiveness at least, Abbott's focus was more closely on the first two categories of consumer above. This was unsurprising given the survey evidence, involving HCP and Type 1 diabetic respondents, and the nascent state of the wellness market.

52. For the shape in question to have acquired distinctiveness, the Court must be able to conclude that a significant proportion of the relevant consumers, seeing it used in relation to the relevant goods, would perceive it as designating the goods of a particular

undertaking. That does not mean that the consumer must be able to identify the undertaking rather than conclude that the goods in question are those of one undertaking and no other.

53. The criteria for assessing the distinctive character of all kinds of marks are the same. However, the perception of the relevant public is not necessarily the same for a three-dimensional mark consisting of the shape of a product as for a word or figurative mark which is independent from the appearance of the product it denotes. Average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape in the absence of any graphic or word element. It may therefore prove more difficult to establish distinctiveness for a three-dimensional mark than for a word or figurative mark.

54. Although there must have been use of the relevant mark, there is no requirement that such use should be of the mark on its own; use may be in conjunction with other marks. Establishing the relevant perception in an individual case will depend on how the mark has been used. If there has been use of the mark on its own, it may be possible to show that the public have, in fact, come to perceive the goods as originating from a particular undertaking by reference to the consequences of that use. The task becomes more difficult and hypothetical when the mark has been used in combination with other marks because it is the perception of the mark applied for, not the other marks, that needs to be isolated and established. The perception of origin of the goods must be because of the sign in question.

55. In assessing whether a mark has acquired distinctive character through use, the Court must make an overall assessment having regard to all the relevant evidence and circumstances in which the relevant public may have seen the mark, including in advertising before a purchasing decision is made, on the product and associated materials at the point a purchasing decision is made and afterwards, when the product is consumed.

56. In addition to the nature of the Mark, matters relevant to that overall assessment may include the market share of the goods bearing the relevant mark, how intensive, geographically widespread and longstanding the use of the mark has been, the amount invested by the proprietor in promoting the mark, evidence from trade associations and survey evidence, with the key question being the proportion of the relevant class of persons who, because of the mark, perceive the goods as emanating from the proprietor.

57. The degree of knowledge and attention of the average consumer may vary from time to time. In some cases at least, it is when making a choice between different products in the category concerned that the average consumer pays the highest degree of attention.

58. Finally, for an inherently non-distinctive three-dimensional shape mark to acquire distinctive character, it is not sufficient to show that a significant proportion of the relevant class of persons recognises and associates the mark with the relevant goods. If products in that shape have been sold on a very large scale under a brand name which is inherently distinctive, the shape may have become very well-known. However, that does not necessarily mean that the public has come to perceive the shape as a badge of origin such

that they would rely on it alone to identify the product as coming from a particular source. They might simply regard the shape as characteristic of products of that kind or find it brings to mind the product or the brand name with which they are familiar. Such kinds of recognition and association do not amount to distinctiveness for trade mark purposes. As Jacob J (as he then was) explained in *Société des Produits Nestlé SA* v *Unilever Plc* [2002] EWHC 2709 (Ch), [2003] RPC 35 (at [32]-[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."

Lack of distinctive character – overview of parties' positions

59. The parties' positions on acquired distinctiveness, as summarised in their respective closing arguments, can be stated briefly. Sinocare argued that, with the particular considerations arising for this type of (shape) mark, it is not enough for Abbott to point to the number of product sales, the use of the Mark in combination with Abbott's other more traditional marks or its use to draw attention to the product's technical features. Given the inherently non-distinctive nature of the Mark, Abbott would need to, but cannot, point to the steps taken to educate the public that they should understand the Mark not merely as a product, but as having a secondary meaning as an indicator of origin. Abbott was in effect saying "never mind the quality" (of the use of the Mark), "feel the width", but this displays the same sleight of hand described by Jacob J above. The 2022 surveys were unable to make up for the lack of meaningful evidence of use since, their flaws apart, they could not show distinctiveness. The high point of Abbott's case is that the circular OBU is *recognised*, at least among HCPs and Type 1 diabetics, but that is insufficient, particularly where the majority of the features of the shape Abbott points to as being recognised are now acknowledged (for TMA, s.3(2)(b) purposes) as having a technical result.

60. Abbott acknowledged that it is harder for a mark in the nature of a shape mark to establish distinctive character, but not impossible. Although it might be said that, initially, Abbott

was presenting the shape of the OBU to sell its CGM systems as products, the Mark had gained brand significance as a result of its use over time. In this case, the evidence of use of the Mark, not least the extensive marketing materials showing the Mark featuring 'front and centre', and Mr Malivoire's 2022 surveys, taken together, form the tapestry establishing the Mark's acquired distinctiveness. The proper question was not whether Abbott had presented the Mark (i) to the public as a brand, albeit Abbott said that its marketing materials had increasingly done just that, or (ii) on its own, rather than alongside Abbott's other logo and word marks. Neither was necessary for a mark of any kind to acquire distinctive character. The proper questions, which Sinocare had failed to ask, were whether (i) there had been use of the Mark capable, in principle, of establishing it as a brand and (ii) such use had translated into a perception by a significant proportion of the relevant public that the Mark had origin denoting significance. Looking at the evidence as a whole, both questions should be answered in the affirmative.

Evidence of use

61. As to that evidence, Abbott submitted that the authorities indicate that, with non-traditional marks such as shapes which are likely to be used with word marks and logos, the Court should consider both evidence of how those signs are actually used, as well as properly conducted survey evidence, since either on its own is unlikely to suffice to show the distinctiveness of that non-traditional mark.

62. As to the evidence of use in the UK available to the Hearing Officer in 2022, she paid particular regard to (i) the substantial volume of units sold (4.8m) and turnover (US$214.85m) in 2021 and their significant increase from much smaller numbers at market entry (ii) to the same end, Abbott's internal market share assumptions, indicating a 48% share of the CGM market in 2021 (iii) relatedly, the increasing level of advertising and promotion spending from market entry to US$12.75m in 2021 and (iv) the exposure of the relevant consumer to the Mark through various advertising and marketing channels (social media, websites, newspapers and magazines). She also considered these matters in the context of the specialised nature of the CGM market and limited number of UK users.

63. Although, as Abbott had submitted, the survey results were insufficient in themselves to demonstrate that the Mark had acquired distinctiveness through use, the Hearing Officer agreed that much weight should be given to them when assessing the evidence as a whole, with a good proportion of the relevant consumers being familiar with the product and mentioning Abbott, FreeStyle or Libre as its origin. She concluded that, upon seeing the Mark when used in relation to CGM systems, the relevant consumer had come to recognise the shape and to take it as designating the goods as of a specific, single undertaking.

64. As to the evidence before me, there was no dispute that, since 2014, the FSL Family CGM systems has been sold throughout the UK, that substantial sales and turnover figures had been achieved, that Abbott enjoyed significant CGM market share, or that Abbott had invested significant marketing spend. I do not need to set out the related figures here, much of the data having been designated confidential and not, in any event, appearing to differ

materially from that presented to the Hearing Officer. Rather, the difference between the parties was, to use Abbott's words, whether the use of the Mark had been such as to educate relevant consumers that the circular shape of the OBU "means Abbott".

65. In this regard, Abbott relied on a significant body of evidence concerning its advertising and marketing activities for the FSL Family CGM systems, the majority of its related spend being directed to consumer marketing, including on television and social media, most of which was said to include images of the product and/ or the packaging, including the OBUs which feature prominently as the 'face' of the product in almost all Abbott's marketing and advertising. Abbott said that this includes examples of the Mark being used without any other mark (or at least featuring as prominently).

66. Extensive details of Abbott's key marketing were set out in the statements of Abbott's witnesses, particularly of Ms Salminen and Mr Williams, and the documents, as helpfully distilled in Abbott's Marketing Annex. Those activities comprised:-

    (a) **Television advertising** since 2016, including advertisements airing on tv, video-on-demand platforms, online and on YouTube, with the OBU always featured on the arm and next to a mobile with the app screen. Abbott's 2023 and 2024 tv campaigns, for example, were said to be particularly impactful in terms of number of 'adult impacts' and percentage of target audience reach;

    (b) **Print advertising** since 2014 in national UK newspapers, with the OBU almost always prominently featured in use and next to a mobile phone showcasing the app, including the 2021 Sunday Times campaign (six issues) featuring adverts of two male workers, one wearing the OBU on his arm, including an image of the OBU alongside the app, the Sunday Times having a readership of some 650,000 in 2020. Abbott regularly monitors its press articles and advertisements for consumer sentiment and provided examples where all the reactions were positive;

    (c) **Social media**, with Abbott's social media accounts said prominently to display the Mark, including posts of the Mark itself, with close-ups of the OBU worn on the arm or images of individuals wearing it, and monthly reach and impressions measured in the millions. Abbott's social media activity includes:-

        (i) two **Instagram** accounts, with followers measured in the hundreds of thousands and engagements, impressions and views in 2021 measured in the millions. Non-Abbott affiliated Instagram users also post about FSL from their own accounts and feature the Mark, including on their own bodies;

        (ii) a **Facebook** account with 1.2m followers as of August 2024, regularly posting about the FSL, typically featuring an image of the OBU;

(iii) a **LinkedIn** account with 4m followers as of August 2024, with regular posts about the FSL and 65% of diabetes-related content featuring images of the OBU, with engagement data from 2021 indicating engagements and views measured in the thousands and impressions in the millions;

(iv) two **X (formerly Twitter)** accounts, engagement data from 2021 showing views, followers and impressions measured in the millions and engagements in the thousands;

(v) an Abbott **YouTube** channel since 2014, with a diabetes playlist with numerous videos concerning FSL and a separate UK and Ireland channel since 2016 for community members to learn about diabetes, with 156 videos and views in the millions;

(vi) #showoffyoursensor, #circlesensor, #freestylelibresensor and #hellolingo **hashtags**, many posts showing images of the OBU and people wearing it;

(vii) **Advertising** on Facebook, Instagram and X, aimed at diabetics and their parents and caregivers, their reach measured in the millions and 'clicks' in the tens of thousands. All adverts show the FSL device; and

(viii) since 2014, promotional and educational **e-mails** (sent bi-monthly on average), including images of the OBU, with a subscriber database in the thousands.

(d) **Video advertising and promotion**, including promotional videos on Abbott's own website, external websites and YouTube, with its recent YouTube campaign receiving views and impressions measured in the millions;

(e) **Brand ambassadors**, Abbott working with bloggers and influencers since 2014, including since 2019, its brand ambassador programme, with influencers talking about their life with diabetes and FSL experience. The influencers have complete content freedom, often showing their OBU and daily interactions with the FSL;

(f) **Media coverage**, Abbott working with public relations agencies to convey its message about FSL in the media, including supporting diabetes and destigmatising those who suffer from it. One of its campaigns promoted equal access to CGM systems for Type 1 diabetics, gaining media coverage from the BBC, itself featuring an image of the former Prime Minister with her FSL OBU on her arm;

(g) **HCP activity**, including magazine print advertising, symposia and education events, HCP event sponsorship and work with Diabetes UK to organise conferences and events and the provision of support tools for better patient diabetes management, including tutorial videos and online resources. A team of sales

representatives also work in primary and secondary care educating HCPs about Abbott's products and trends in the diabetes field. Related material includes printed collateral and advertising of various kinds, on-line and digital advertising of various kinds, conferences and training sessions and other general interactions, these activities all including materials showing the FSL and/ or OBU;

(h) Specific **patient facing advertising**, including (i) print advertisements of various kinds at the Diabetes UK London Bridges Wellness Walk in September 2023, Abbott being a headline sponsor (ii) consumer-facing printed brochures, including the FSL 2 Quick Start Guide Exhibit, Ypsomed Exhibit and Novopen leave pieces and (iii) a starter clinic slide deck for FSL starter patients, featuring the OBU;

(i) Specifically for the **Libre Sense**, the CGM platform, Supersapiens, sponsored a number of sporting events, with athletes contracted to post content on their social media accounts about their use of the product which would require them to wear and showcase the OBU, including video footage of Eliud Kipchoge wearing, using and promoting the Libre Sense. In addition, Libre Sense was promoted through social media platforms such as Instagram, Facebook, X, TikTok and YouTube;

(j) **Lingo** too has a collection of brand ambassadors who act as influencers to promote the product, including HCPs, lifestyle promoters and athletes, relevant posts again showing users wearing their OBUs. Lingo has recently set up its own social media channels, including on Instagram, Facebook and TikTok, with posts also featuring the product being worn by users. Lingo has also appeared on the cover of Men's Health and Women's Health magazines with the cover models shown wearing OBUs; and

(k) Finally, reports obtained by **Cerberus IP**, as part of online brand monitoring exercises, indicate that the OBU has also featured in social media posts of independent third parties.

67. During the trial, I was shown a not insignificant number of the related marketing materials, as some were put to the witnesses and referred to in submission. Following trial, I have gone back and reviewed these materials closely, as well as many others referred to in the evidence and Abbott's Marketing Annex.

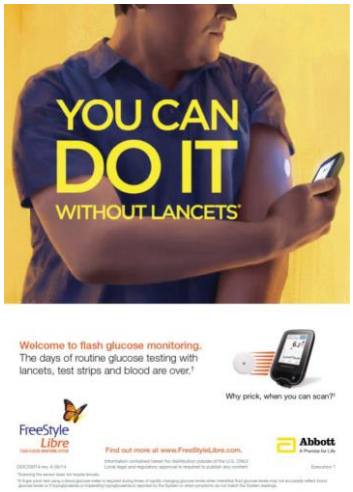
Abbott's campaign guidelines/ materials

68. One category of materials on which the parties placed reliance and which featured heavily at trial was Abbott's advertising campaign guidelines and related marketing materials for its FSL CGM systems, comprising consumer and HCP advertising across various media, including television, print and digital. In approaching the question of distinctiveness, it is, of course, the perception of the relevant consumer that counts, not Abbott's internal marketing strategy. However, Abbott directed that strategy and, as these materials show, it had a clear view of the public perception it was seeking to engender of the FSL Family of

CGM systems and how to go about it. Those materials span the period from product launch to present day. As such, they provide useful evidence for the Court's present task.

Abbott's first (launch) campaign (2014-2022)

69. Abbott's guidelines for the FSL launch strategy (including in the UK) identified the target audience as all people with diabetes who take insulin, particularly multiple daily injectors, and HCPs. Abbott's strategy was the birth of a new product category in the form of "flash glucose monitoring", using new sensor-based technology to capture and read glucose data in a more convenient, user friendly way than traditional BGM and other CGM systems on the market. The simple entry point message of "no more finger pricks" was considered to be the best way to grab the attention of diabetic users and HCPs, the latter also appreciating the benefits of a more comprehensive glycaemic picture through frequent 'hassle-free' testing. The most compelling execution of Abbott's core launch concept was considered to be the banner "YOU CAN DO IT WITHOUT LANCETS", the associated advertising showing a diabetic user with sensor on his arm and reader, a graphical representation of both working together and Abbott's traditional logos and word marks, as below.



70. User reaction to the FSL sensor was focused on it being small, discreet and easy to wear, with 93.4% of patients in the related Abbott study believing that nobody noticed they were wearing it.

71. In terms of the campaign elements, marketing teams and agencies were directed to "[a]lways use the "scan" icon when showing the reader and sensor", as above and below.

72. The FSL flash glucose monitoring system logo was a combination of the FreeStyle word mark and butterfly symbol, product name and product, as below.

73. The guidelines explained that:-

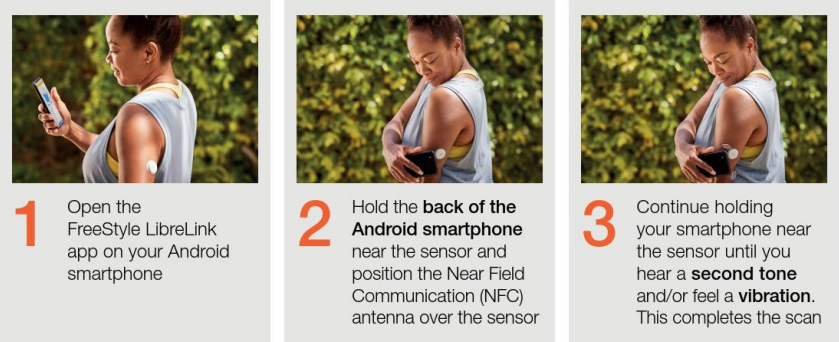
> "The unique customised butterfly logo identifies us to the world. It is based on the brand characteristics: dynamic, friendly and trusted adviser. It also embodies the idea of elevation and progress; ideals that have been identified as elemental to the brand essence.
>
> You will notice that the sub-brand "Libre" is larger in this logo when compared with other FreeStyle products. This has been done to further distinguish the introduction of a new category of glucose monitor.
>
> Shown is the vertical configuration with the product descriptor. This is the primary lock-up to be used in all applications …. where reproduction requirements are met. …
>
> These logo elements are always used in a fixed relationship and should not be altered."

74. The OBU (or its shape) did not form part of the FSL system logo components.

75. The packaging element of the campaign showed the packaging below, the box for the sensor showing the reader and vice versa, with the above logo elements also displayed, as below:-

76. The OBU featured extensively in these guidelines, often with the sensor reader, emphasising the functionality of this new way of "flash" monitoring. As for when the sensor was shown being worn, the guidelines explain that "[t]he arm with the sensor shows the product and elicits questions like "What is he doing? What is on his arm?"". Where the OBU was described, it was generally to emphasise its small size, ease of application and wear, water resistance and more advanced but less intrusive glucose reading technology.

77. Further material from 2021 explains the ability to scan the FSL2 sensor with an Android smartphone, with the sensor depicted visually in use, including being scanned, as below.

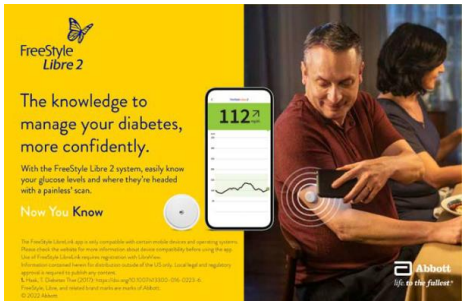


78. The material again contains the traditional FSL and Abbott logos and word marks in the footer of each page.

Abbott's second campaign (2022-2024)

79. By the time Abbott issued its April 2022 guidelines for execution of the "NOW YOU KNOW" campaign, the FSL had been on the UK market for approximately eight years, the main system now being the FSL2 with a different method of wireless communication. The guidelines described Abbott's ambition to "[m]ake FreeStyle a household name, the 'go-to' brand in diabetes management" and to "make the FreeStyle Libre system relevant to the masses of people with diabetes", with the product solution for diabetes described as the FSL removing the mystery of the condition, replacing it with knowledge of glucose levels and what impacts them. The target audience was Type 2 diabetics as well as specialist and generalist HCPs.

80. The campaign contained a number of images of the OBU, including as shown on the body, often being used with the reader or smartphone, as below. The sensor was also shown in the related graphics, mostly positioned adjacent to the reader, as also below:-



81. In terms of Abbott's traditional marks, the FSL logo and Abbott signature, as below, were required to be on the first and last pages of all marketing materials. Detailed guidelines were presented for their use and placement, explaining that these "should lead your communication" and "[g]uide the viewer through a set hierarchy of branding to ensure that they quickly register the FreeStyle brand, followed by the takeaway of Abbott".

82. In terms of colour, the guidelines stated "[r]einforce the sensor shape in animated and digital environments with a swipe of color that is end capped with a circular edge."

83. The guidelines also indicated key graphics as including the "trend arrow" with a circular shape, as below, said to "drive brand linkage and build equity in the sensor shape", the arrow being inspired by the app user interface, the circle by the sensor.

84. Concentric circles (reflecting the new communication technology) also featured as a key graphic to "highlight the sensor shape and to illustrate connectivity between the app and sensor and to add dynamism to messaging", as below:-

85. Finally, the 'product lockup' identified the FSL2 and FSL3 sensors as different in terms of design and size, the FSL3 being smaller and not having the central cog wheel.

86. Further marketing material from 2022 contains the traditional Abbott word marks and logos, images of the sensor being worn (a number in conjunction with the reader or smartphone) and numerous graphics of the sensor also working with the reader or smartphone. Where the sensor was described, this was by reference to its function, comfort, size and water resistance.

Abbott's third campaign (2024 -)

87. Abbott's latest campaign launched in September 2024 in Europe, albeit at the time of trial not yet in the UK. Given the confidential nature of the related guidelines, I merely note here that I did not discern any meaningful departure from the prior campaigns in terms of

the depiction of the OBU, including the focus on its functional elements, particularly its use with a reader or smartphone, and on its small size and ease of wear.

88. By this stage, of course, the Mark had been registered as a trade mark at the UKIPO for some time, Abbott's marketing materials now stating that the "sensor housing" is one of Abbott's marks, together with "FreeStyle, Libre and related brand marks". Despite this, the Mark itself does not feature alongside Abbott's traditional word marks and logos.

Paediatric campaign

89. Abbott also implemented the "FREE TO DREAM" campaign for paediatric patients, highlighting the ability of parents and children to manage diabetes better together, the related materials from 2016 explaining the easy, simple, convenient and discreet nature of the FSL system, the related imagery showing children wearing the OBU with a parent operating the reader, graphics of the sensor and reader together, the product packaging and the traditional Abbott logos and marks.

90. Other aspects of the use of the Mark relied on by Abbott were also explored in the evidence. I address some of these below.

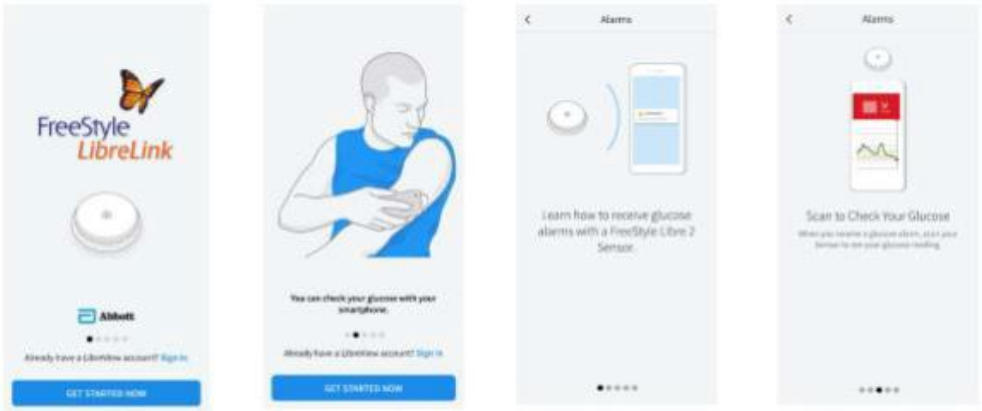
LibreLink app

91. Abbott's CGM systems are used in conjunction with five different apps. The LibreLink app icon, as below, is associated with the FSL2 and FSL2 Plus and is very similar to the FSL3 app. Abbott specifically pleaded the association of the FreeStyle LibreLink app (which emphasises the Mark) with its CGM systems to support the Mark's suggested acquired distinctiveness (PoC at [8(g)(i)]).

92. In his written evidence, Mr Harris said that the app icon clearly emphasises the Mark, referring to the circular stylised depiction of the sensor at the top of the icon. When questioned, he said he considered the consumer would recognise the circular shape of the sensor but he was not sure they would recognise the Abbott logo beneath. I found this evidence surprising given the emphasis on Abbott's traditional marks in the FSL marketing materials already described and Mr Harris' own role, including with respect to sales and marketing. Moreover, as Mr Harris acknowledged, an app user would likely have already purchased an FSL, with the Abbott logo and word mark shown on the packaging. The Abbott logo on the app icon was, self-evidently, emphasising product origin. Likewise, the Apple or Android app store from which the app is downloaded shows the app icon together with another traditional origin identifier in the form of the name FreeStyle LibreLink. It also refers to Abbott Labs. As for the stylised graphic above the Abbott logo, again, it did not seem to me obvious that this represented the sensor but, to the extent it was recognisable

as such, I consider that it was emphasising product functionality, the app on which it featured being the very means by which communication with the sensor was achieved.

93. This is also borne out by the LibreLink app screenshots, as below.



94. Mr Harris said that these screenshots too clearly emphasise the Mark and, in cross-examination, that "the source of the product will be indicated by all the factors on that page. They are all part of the one, part that brand." I did not share Mr Harris' view. In the first screenshot, Abbott's traditional marks are shown together with a representation of the OBU. The further screenshots then show how the sensor works with the app and phone. It seems to me that the emphasis on the sensor here is again on its functionality as a product through its connectivity with the app and phone, not as an indicator of product origin.

LibreLinkUp app

95. There was a not dissimilar discussion with Mr Harris about the LibreLinkUp app, used by caregivers to monitor sensor output, the app icon as below.

96. In his evidence, Mr Harris stated that the app icon "clearly emphasises a 2D representation of features of the Mark." Again, it did not seem obvious that the circle on the left with a dot represented the sensor. However, to the extent this was recognisable as such, I do agree with Mr Harris' oral evidence that the icon represented the sensor connectivity with the CGM user and caregiver, again reflecting product functionality. For this app icon too, the app store from which it is downloaded shows the app together with a traditional origin identifier in the form of the name LibreLinkUp.

Lingo app

97. The Lingo app icon and related screenshots are as below.

98. Abbott again emphasises the use of the OBU as an icon (including in the 'favicon' for the Lingo website), as above (far left). However, this seemed even less recognisable as a representation of the sensor than the other apps above. Abbott also emphasised that one of the screenshots shows the OBU on the user's body, as above (far right).

Supersapiens app

99. The Supersapiens app is used in conjunction with the Libre Sense. The app icon does not show a circular shape or purport to represent the OBU. The app screenshots are as below.

100. The first screenshot shows the sensor next to the smartphone, again emphasising its functionality, the second an athlete with the OBU on his arm.

Product packaging

101. The FSL1 sensor packaging is shown above.

102. The packaging for the FSL2 and FSL2 Plus is stylistically very similar. Again, it shows Abbott's traditional logos and word marks. However, the FSL2 Plus packaging not only shows the sensor reader, it also mentions the app and shows the app icon.

103. The packaging for the FSL3 is stylistically somewhat different. It shows Abbott's traditional logos and word marks. However, it does not show the reader but shows the app icon. It also shows an image of the OBU, together with what appears to be a wave or similar graphic, indicating sensor connectivity.

104. The Libre Sense packaging is stylistically different. It shows the traditional Abbott logo and Abbott and Libre Sense name mark. It also shows an image of the OBU with white dots forming circles around it, again indicating sensor connectivity.

105. Finally, the Lingo packaging is stylistically different again. The outer box shows the traditional Abbott logo and Abbott and Lingo name marks. The inner packaging containing the sensors shows the same, together with a stylised image of the sensor. In addition to highlighting the absence of any representation of the OBU on the outer packaging, Sinocare emphasised the same for the product leaflet inside and the Lingo welcome e-mails sent following purchase. Mr Williams explained that, the purchase having been made, Abbott was no longer in advertising mode but was in education mode. As Sinocare pointed out, Abbott was still using its other brands, namely Abbott and Lingo. Mr Williams' evidence was instructive as to what he appeared to consider the product's badge of origin:-

> "*A. That is so you know who it is coming from. It is Lingo.*"

Secondary marketing

106. Abbott also placed significant reliance on secondary marketing and the third party use of the OBU as shown on social media, including through hashtags and brand ambassadors, as well as in more mainstream media coverage.

107. There was some discussion in Ms Salminen's oral evidence about Abbott's brand ambassadors. Although not directed what to say about Abbott's products, Ms Salminen confirmed that they promote "the brand". In a story which appeared in the Irish News in June 2023 which Abbott had promoted for coverage, one of its brand ambassadors, Elise Quarrington (now Fowler), had placed a sticker with the words "press to turn on/ off" over her OBU. In another picture, she was shown with another sticker obscuring her OBU more completely although the shape could still be made out. Sinocare contended that, if the Abbott marketing team had been primed as to the significance of the OBU as an important trade mark, it is inconceivable that this story would have been approved.

108. In a not dissimilar vein, Sinocare also relied on Mr Williams' evidence to the effect that, when licensing Libre Sense to fitness brand, Supersapiens, Abbott required them to mention Abbott and Libre Sense in any Supersapiens promotional material but did not require OBU images to be included as well (although he said that they often were). Sinocare said that, if the sensor had been such a key brand identifier, Abbott would have insisted on this.

109. Sinocare also pointed to spontaneous responses to requests for feedback from brand ambassadors which include followers reporting "funny" interactions with the sensor, including people asking if it was a nicotine patch, an electronic tag, a portable wi-fi or an alarm, albeit with most "knowing it is something to do with diabetes."

110. Abbott, by contrast, pointed to a post on X, reporting that different CGM systems had been added by shape as medical wearables to The Sims 4 game, with the person posting explicitly differentiating between the shape of her own FSL and the differently shaped Dexcom device.

111. Although one can understand why Abbott and Sinocare pointed to these matters, I found them somewhat anecdotal. In my view, the larger picture revealed by looking at this secondary marketing as a whole was more instructive. Whether or not the relevant third parties who created the secondary content were formally associated with Abbott as brand ambassadors, much of the material sought to explain and depict visually how they lived their lives with their condition, including with the benefit of their CGM, often identified as an FSL. In many cases, the sensor was shown on the body, including being specifically pointed out by the wearer, or shown being changed. In others, they were shown going about their activities (with or without the sensor displayed). Indeed, in some images, the sensor is not shown at all. Others show them addressing other aspects of the management of their condition, for example taking their insulin. If there was a theme common to much of this material, it was that they could live with their condition with confidence or, as Sinocare put it, that they were unashamed to have diabetes.

112. Abbott also relied on the use of the FSL by public figures reported in more mainstream media. So, for example, in addition to being an Abbott brand ambassador, the famous runner, Eliud Kipchoge, is featured in a 2021 article in Runner's World entitled "Libre Sense: What is the biosensor used by Eliud Kipchoge?" showing him running with the sensor on his arm. However, as Sinocare point out, the premise of the article is that what appears on his arm is not yet known. As such, I agree that the article is about a product. The same is true of the BBC article from 2018 featuring the former Prime Minister, Theresa May, and in which she is shown wearing her FSL sensor. The article is entitled "Diabetes Glucose Monitors available to thousands more" and discusses what the FSL does and its forthcoming availability to Type 1 diabetics through the NHS. Again, the article explains and depicts a product.

113. Finally, Abbott relied on an advert in the Juvenile Diabetes Research Foundation Discovery Magazine showing a young adult holding her smartphone close to the (circular) OBU shown on her arm. In her witness statement, Ms Salminen said that "[t]he individual is wearing a FSL OBU, which is instantly recognisable even though there is no reference to FSL on the page." It was unclear on what basis this was said to be instantly recognisable or to whom. However, in oral evidence, she fairly accepted that this was not an advert about the FSL OBU rather than about the JDRF's support for Type 1 diabetics and that all anyone would understand from this picture was that the person shown had diabetes.

Marketing materials - discussion

114. It was quite clear from Abbott's own marketing materials that its early mission was to seek to establish its FSL CGM systems as a new product category, doing so by stressing the 'hassle-free' nature of the product and, of particular interest to HCPs, the more comprehensive information they provided. Abbott's traditional marks and logos were a constant feature of the FSL marketing materials, with the guidelines explaining the requirement for them to appear and providing guidance as to their placement. As Ms Varshneya confirmed in her oral evidence, it was Abbott's intention through the use of its traditional trade marks to indicate the origin of the product:-

"Q. I just want to take that in stages. We have just looked at some of your advertising. In every case we have seen, the words "Abbott", "FreeStyle Libre", the butterfly logo, the A in logo form appears. A consumer is going to be entirely clear as to who makes the sensor in that case, are they not?

A. When they are looking at our promotional material, it is our intent that they always know it is our promotional material, the name of the product is Libre and it is manufactured by Abbott. So in all of our promotional material you are correct, you always find those elements.

Q. It indicates who the product comes from if you have the name of the company making it and the name of product; yes?

A. That is correct. That is our intent."

115. In relation to the sensor, the visual focus of the materials was generally on the product, as worn on the arm and/ or how it worked. Indeed, Ms Varshneya and Ms Salminen both explained in their evidence that Abbott's traditional emphasis has been on functionality, accuracy and ease of use. Consistent with that, the accompanying narrative emphasised how small, discreet and comfortable the sensor was to wear, not its circular shape. Despite this, Ms Varshneya also testified that the appearance of the circular sensor in Abbott's marketing materials was a key element of the brand-building experience. The following exchange in relation to the 2021 materials described above is instructive:-

"Q. So I understand basically that as far as you are concerned, your evidence to the court is premised on the idea that any time one sees the OBU presented, such as in picture 1, the court is to understand that you consider that to be something that the consumer would understand indicated it was to be treated as a brand. Is that right?

A. It is an important part of our brand, yes. We always want to indicate the circular OBU as front and centre when we express and talk about our brand."

116. Mr Harris testified in not dissimilar terms in parts of his evidence. However, as the above question implied, the suggested brand significance of the sensor shape seemed to be based on little more than Abbott's intention for the OBU to feature prominently in the marketing materials despite this invariably being alongside the traditional Abbott and FSL marks and very often showing its functionality, particularly its communication with the reader.

117. Ms Varshneya also testified to her view that the OBU was in the process of becoming a brand in its own right by the time of the start of the 2022 campaign although she thought more explanation was required of what the product did, its benefits and Abbott's brand attributes. As already explained, there was some attention given to the sensor shape in the 2022 guidelines in terms of the recommended use of colour and graphics. However, even if these design techniques did create resonance of the sensor shape, they again tended to suggest functional elements.

118. Ms Varshneya also suggested in her evidence that the latest 2024 campaign had moved away from its primary emphasis on FSL's functional features, these aspects now being well-established, with emphasis now placed on "more emotional aspects", the OBU having "become a brand in its own right, associated with and reflecting our values". Although it is clear that Abbott's strategy developed over time as its CGM systems became established in the market and marketing became more sophisticated, save for necessary changes to reflect developments in the FSL product range, as noted, I was unable to discern from the materials any meaningful shift in terms of the presentation of the OBU. If anything, the evidence tended to show that its functionality remained 'front and centre'.

119. Ultimately, whatever the views of Abbott's employees about the brand status of the OBU or the strategy underlying the marketing campaigns from time to time, the materials speak for themselves. They show that Abbott is a sophisticated healthcare company, with a well-established range of traditional marks and logos and clear views as to how best to promote its products and brands. Having reviewed those materials closely, I was unable to discern that these indicated to any of the categories of average consumer implicated in this case that the shape of the OBU should be understood as having secondary meaning connoting origin. Rather, the focus on the sensor was (and remained) on the OBU as a product, particularly how it worked.

120. Abbott also placed reliance on marketing of a secondary nature, including through various social media platforms and the FSL-related content posted by third parties. Those third parties comprise a diverse group reflecting the different categories of average consumer, including HCPs and others who support diabetics to live with and manage their condition, diabetic patients themselves, those who use the FSL for their own health and wellness reasons, or those who post or report about such persons. Much of that material reflects what the parties described at trial as a more recent trend toward "relationship" or "affinity" advertising, perhaps most marked in this case by the personal stories and life experience of those individuals who suffer from diabetes and use FSL CGM systems to help them manage it.

121. Although not subject to the strictures of Abbott's brand guidelines and although the OBU did feature very often and prominently in much of the related content, including as shown on the body and without an accompanying smartphone, I was still unable to discern from the material that the circular sensor held meaning beyond being a product aimed at helping those seeking to manage diabetes for themselves or others, patients to live life more confidently with their condition and others to improve their health and wellness.

Abbott's 2022 surveys

122. As Abbott notes, it is important to look at the evidence as a whole, including the survey evidence which, it says, confirms that the extensive use of the Mark had caused it to become a badge of origin in its own right. The two 2022 surveys relied on by Abbott in these proceedings were performed by Dynata on the instruction of Mr Malivoire.

123. The first survey was referred to by Mr Malivoire (and at trial) as the "Traditional Survey". This was a question and answer survey with 258 analysed HCPs and 202 patients.

124. The second was referred to as the "Tachistoscope Survey", with 343 analysed HCPs and 206 patients. This used a modern version of the tachistoscope device to display an image of four different sensors, each for one second, the respondents having been tasked to see if the FreeStyle Libre was amongst them.

125. The respondents were different in each user group. Mr Malivoire explained in his witness statement that both surveys were conducted by sampling (i) HCPs who treat people with diabetes and (ii) those who have Type 1 diabetes. Type 2 diabetics and wellness users therefore did not participate.

126. Mr Malivoire explained the outcome of the two surveys in a report made to the UKIPO in July 2022 in support of the application for registration of the Mark. He stated in relation to the:-

    (a) **Traditional Survey** that 51% of all HCP respondents who had been shown the Mark mentioned Abbott or FreeStyle or Libre following the first two questions. The equivalent result for Type 1 diabetics was 43%; and

    (b) **Tachistoscope Survey** that 78% of HCP respondents said that they identified the FreeStyle Libre in the image of products they saw and, among those who identified it, 62% mentioned the round, circular or disc shape of the product as something they used to recognise it. The equivalent result for Type 1 diabetics was 86% and 38% respectively.

127. In addition to his statement to the UKIPO, Mr Malivoire submitted two witness statements in these proceedings, the first explaining the process undertaken by him in connection with the surveys, the second responding to certain factual matters raised in the first report of Sinocare's survey expert, Ms Sutton. As I have noted, having now retired at least from roles involving oral testimony, Mr Malivoire did not attend trial and did not testify. Ms Sutton provided two reports and was cross-examined about them at some length. Although it appears that Abbott may once have contemplated calling a survey expert, it did not do so.

Surveys – legal issues

128. Again, there did not appear to be a real difference between the parties as to the applicable legal principles concerning the use of surveys in a trade mark context, as to which, the following were indicated by the authorities cited to me:-

    (a) A survey as to confusion is unlikely to be of real value where the goods or services in question are ordinary consumer goods or services and the Court feels that there will be no real difficulty in determining the issue of confusion without one;

(b) A survey as to acquired distinctiveness may have more utility since the Court may feel that it is not able to determine such a dispute based on its own experience and/ or the Court may feel the need to guard against an idiosyncratic decision;

(c) Cases likely to be of real difficulty include those where the mark in question is not a traditional one or where a traditional mark has been used in conjunction with another trade mark and the survey is designed to assist with the question whether the former, by itself, has acquired distinctiveness;

(d) Reliance on evidence of use alone to show distinctiveness for a non-traditional mark without survey evidence is extremely difficult;

(e) Likewise, a survey alone may be insufficient to show acquired distinctiveness but it may provide valuable confirmatory support where the relevant mark has been used extensively;

(f) The Court will be circumspect when considering whether a survey is able to show distinctiveness of a trade mark as a badge of origin as opposed to its recognition and association with the products of the holder of the mark; and

(g) Likewise, the Court will be concerned to ensure that the survey tests whether the mark holder is indicated exclusively as opposed to merely the first one that comes to mind; it may find useful further information ruling out third party association.

129. Consistent with the circumspect approach of the Court to survey evidence, it has repeatedly endorsed the guidelines set out by Whitford J in *Imperial* v *Philip Morris* [1984] R.P.C. 293 (**Whitford Guidelines**), namely:-

(a) if a survey is to have any validity at all, the way in which the interviewees are selected must be established as being done by a method such that a relevant cross-section of the public is interviewed;

(b) any survey must be of a size which is sufficient to produce some relevant result viewed on a statistical basis;

(c) the party relying on the survey must give the fullest possible disclosure of exactly how many surveys they have carried out, exactly how those surveys were conducted and the totality of the number of persons involved, because otherwise it is impossible to draw any reliable inference from answers given by a few respondents;

(d) the questions asked must not be leading; and must not direct the person answering the question into a field of speculation upon which that person would never have embarked had the question not been put;

(e) exact answers and not some sort of abbreviation or digest of the exact answer must be recorded;

(f) the totality of all answers given to all surveys should be disclosed; and

(g) the instructions given to interviewers must also be disclosed.

130. Both parties accept that the Court has found survey(s) in different cases to be of varying utility, with each case turning on its own facts. However, in light of some of Sinocare's criticisms of the 2022 surveys, Abbott pointed to the Court having accepted evidence based on surveys in which (i) initial screening questions had been asked, including about the sector in question, to ensure that a right cross-section of the public takes part (ii) context for the survey had been provided to respondents (iii) control or benchmarking samples had not been used and (iv) an image of the relevant mark had been shown to respondents without the corresponding question(s) being considered to be leading.

Sinocare's criticisms of the surveys

131. As for the **Traditional Survey**, Sinocare says that the first question is leading such that the Traditional Survey did not comply with Whitford Guideline 4. Ms Sutton was also concerned that she did not know the full basis on which the respondent survey sample was produced, there being a suggested paucity of related information. As such, Sinocare says that there was non-compliance with Whitford Guideline 3 and, possibly, 1.

132. According to Sinocare, the **Tachistoscope Survey** was even less reliable. By asking respondents just before the start of the survey whether they had heard of "the FreeStyle Libre glucose monitoring system from Abbott", Abbott had immediately put the product and brand at the forefront of the respondents' minds. This was bound to create bias, compounded by the second question which set up the respondents' expectation of seeing an image of an FSL. Again, this represented non-compliance with Whitford Guideline 4. The same concern arose with respect to information about the survey sample (Guideline 3).

133. Finally, Ms Sutton concluded in relation to both surveys that neither was capable of testing the question of whether the shape of the FSL OBU identified its trade origin as Abbott's. This was because they provided no way of distinguishing those people who simply recognised the OBU as an Abbott product and those who not only recognised it as such but made the further leap that the shape was one that belonged exclusively to Abbott.

Abbott's criticisms of Ms Sutton's approach

134. Before considering Sinocare's criticisms, it is appropriate to address three overarching points raised by Abbott concerning Ms Sutton's approach. First, Abbott said that it was necessary to look at the data as a whole before drawing conclusions. With that in mind, it criticised Ms Sutton for her observations on Abbott's new "NOW YOU KNOW" marketing campaign in 2022 which, she says, must have created heightened awareness of the FSL

difficult to separate out from the general awareness of respondents to the surveys carried out at the same time.

135. Although I accept that the data as a whole needs to be looked at, I considered Abbott's related criticism of Ms Sutton to be misplaced. Ms Sutton quite properly pointed out the relevance of the state of the market at the time of the survey and that this could not be discerned from Mr Malivoire's statements. In my view, there was also force to her point that the launch of a new campaign (not least around the time of the FSL3 UK product launch) might well have had an impact on awareness. The fact that there had already been a concerted marketing campaign since UK launch in 2014 did not seem to me to diminish the point she was making (or to be inconsistent with what Arnold J (as he then was) found in *Enterprise Holdings, Inc* v *Europcar* [2015] EWHC 17; [2015] FSR 22 (at [192]) on the facts of that case).

136. Relatedly, Abbott also says that no population is homogenous, there is a range of answers, and knowing what is said by those who answer differently may also be informative. Specifically, the fact that no person answers the survey by reference to another brand is as significant as people answering by reference to the brand in question. Although I accept that what is not said in response to a survey may well be informative, I found no support in the evidence for Abbott's more ambitious proposition, as to which, Ms Sutton went no further than saying that the non-identification of other brands was "noticeable" not, as Abbott had put it to her, "significant".

137. Second, Abbott also says that Ms Sutton accepted in oral evidence that the objective of the Traditional Survey was to undertake a distinctiveness survey for the UKIPO. As I understood Ms Sutton's evidence as a whole, she was saying that the purpose of the surveys was discernible from the materials she had reviewed albeit, based on her experience, they were insufficiently specified which may have accounted for why, in her opinion, they did not achieve that purpose.

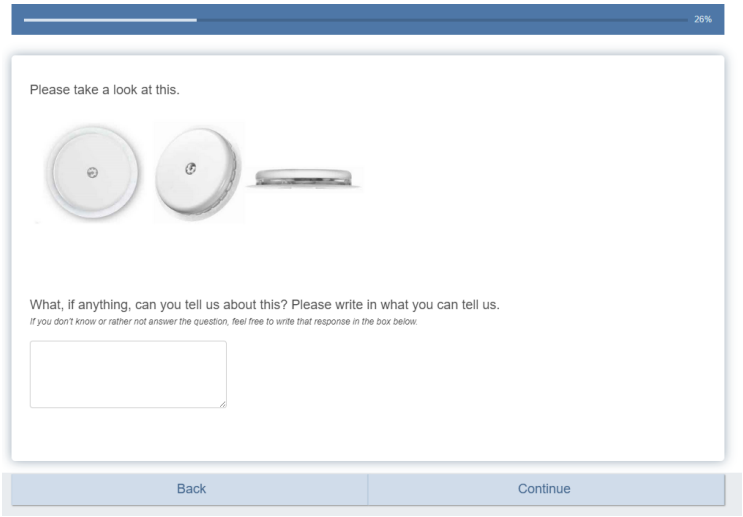
138. Third, Abbott says that Ms Sutton went beyond her role as expert by commenting on whether the surveys show acquired distinctiveness and the significance of the results. I found this observation unfair. As a survey expert, Mr Malivoire was tasked to design the surveys for the purpose of establishing whether the FSL OBU had acquired distinctiveness. As a survey expert, Ms Sutton provided her opinion on whether the surveys, as designed by Mr Malivoire, could achieve that objective, concluding that they could not. She also provided her opinion on whether there had been compliance with the Whitford Guidelines. Both matters fell within her expertise. I did not discern overreaching on her part.

139. Abbott also criticised Ms Sutton for making "severe allegations" against Mr Malivoire. Again, I consider this observation unfair. Ms Sutton disagreed that his survey methodology could achieve its suggested purpose. She did say that, if she were being critical, Mr Malivoire was "unreasonable" in putting forward the Traditional Survey. However, in the context of that particular exchange, it was not a "severe allegation" rather than the further

articulation, through the words of Abbott's related questions, of her opinion that the survey was not fit for purpose.

Evidence on the Traditional Survey

140. The initial questions for the Traditional Survey patient respondents were as follows:-



141. The survey then continued by asking:-

> "Q2. And what else, if anything, can you tell us about it? Please write in what you can tell us.
>
> Q3. In your answers so far, have you mentioned any company name(s) and/or product name(s)? Yes/No
>
> Q4. [IF NO] Do you think this comes from any particular company or companies, and/or is any particular product(s)? Yes/No
>
> Q5. [IF YES AT Q4] Can you name the company or companies, and/or the product(s)?"

142. The main questions were the same for the HCP respondents, albeit instead of being asked beforehand whether they were diabetic (and of what type), they were asked "[a]re you a healthcare professional who treats or care for diabetic patients and/ or who has prescribed, dispensed or recommended diabetic products to diabetics or their carers?".

143. Ms Sutton considered that the last questions shown (graphically) above were leading in that the respondents were shown an image of the FSL sensor (and only the FSL sensor) before being asked "[w]hat, if anything, can you tell us about this?". Her view was that this would prompt the respondent to treat the image as having special significance requiring an answer. That was said to be particularly problematical here because of the series of preliminary screening questions priming respondents to think in terms of diabetes.

144. In cross-examination, Ms Sutton's position in this case was contrasted with that taken by her as testifying expert in *Lidl* v *Tesco* [2023] EWHC 873 (Ch). In *Lidl*, the first question showed the wordless mark in issue and asked "[w]hat do you think the image is", with 73% of responses to this first question mentioning Lidl alone. Ms Sutton's view was that that question was not leading and did not tend to influence people towards a particular answer.

Abbott argued that there was no material difference between the 2022 survey and the *Lidl* survey. I did not find Abbott's argument persuasive.

145. First, the suggested leading nature of the question in this case was said to be more problematical on account of the screening questions focused on diabetes. It was put to Ms Sutton that, in *Lidl* too, the respondents had identified themselves as grocery shoppers but, as appears from the earlier strike-out judgment (*Lidl* v *Tesco* [2022] EWHC 1434 (Ch) at [119])), the related questions did not feature until the final page of the survey. I agree that the respondents in this case were not only primed from the outset to think of diabetes, they were also asked a less straightforward question about the accompanying FSL OBU image which could have implied some significance more likely to compel a response. By contrast, as explained at paragraph 203 of the *Lidl* judgment, " … the respondent to the survey has no idea where it is heading, and is starting with a blank slate".

146. In cross-examination, Ms Sutton emphatically and, in my view, convincingly, rejected the suggestion that there was no material difference between the Traditional Survey and the Lidl survey, not least her reference to the subject matter of the latter (being related to grocery shopping, potentially implicating thousands of products, not medical devices), its broader survey population and its larger sample size. As to the last point, Abbott emphasised in closing that Ms Sutton had accepted that the sample size was reasonable in this case. She did accept this but Ms Sutton's point was that size of the Lidl survey sample being greater, so too were the confidence levels in the survey results.

147. Importantly, the sign in *Lidl* was a traditional logo device, only ever used with the word 'Lidl' over it, the question being whether it had its own distinctiveness without that word. I agree that a comparison of the significance of a survey concerned with marks of that kind and a shape mark, the latter not being inherently distinctive, was not meaningful.

148. Abbott suggested in written closing submission that, based on certain assumptions, Ms Sutton accepted that "broadly speaking there is no material difference between the surveys here and the survey that she regarded as adequate in *Lidl v Tesco* to identify whether the relevant group identified a product by that stimulus as coming from a single manufacturer." However, that was an ambitious reading of the evidence, not only given the actual course of her testimony, but also her response to the questions that immediately followed in which again she emphatically rejected that very suggestion.

149. Ms Sutton also raised a concern which did not feature in *Lidl*, namely the importance of knowing the proportion of patient respondents currently using the FSL in case this influenced the survey results. Ms Sutton's concern not being one affecting HCP respondents, Abbott emphasised her testimony in relation to that group. However, the related points relied on did not seem particularly impactful and/ or they were based on a further ambitious reading of the evidence. For example, Ms Sutton did accept that HCPs recognised the Mark in the Traditional Survey as the FreeStyle Libre. However, as already noted, such recognition does not equate to distinctiveness for trade mark purposes. Abbott

was also incorrect to say in written closing submission that Ms Sutton accepted that such recognition by HCPs could act as a type of "control" for the patient group. In fact, Ms Sutton said it could not. That is not to say that a control group would not have been useful here. Her written evidence was that separate control groups could have been created within the patient respondent group representing those who did and did not use CGM systems, allowing the potential impact of such use on the survey responses to be considered. Although Abbott pointed out that the (third party) control group in *Enterprise* was considered to lack utility, that was again a different case.

150. It was also suggested that Ms Sutton "specifically accepted" that the Mark was "distinctive" for endocrinologists in respect of which she said the percentage was "huge". The percentage (80%) was huge but, as she also explained, in terms of statistical significance, there were only 20 endocrinologist respondents. Moreover, although Ms Sutton did respond in this context affirmatively to the "distinctive" language of Abbott's questions, it was clear from her own elaboration that she was talking there in terms of recognition. That is consistent with her testimony throughout that, in light of the limitations of the surveys she describes, she did not believe that the Traditional Survey was capable of teasing out the question of distinctiveness for any respondent group.

151. Abbott also sought to rely on the application of the Whitford Guidelines in other cases to suggest that Ms Sutton's approach was wrong as a matter of law. Again, I found this unpersuasive. So, for example, the Court in *Glaxo Wellcome UK Ltd* v *Sandoz* [2019] RPC 27 did not criticise the initial screening question of whether the respondent HCPs dispensed or prescribed inhalers. However, the Court did reject the survey questions as non-compliant with Whitford Guideline 4 as inviting speculation and being leading and misleading. Abbott's point therefore does not advance the analysis in this case.

152. In *Enterprise*, the Court considered the following question posed of respondents after being handed a card showing Enterprise's then current "e" logo: "[h]ave you ever seen this before in relation to vehicle rental services?". Although provision of this context increased the percentage of respondents mentioning Enterprise, the Court did not find it leading or inviting of speculation. That case, however, was concerned with a traditional logo mark already considered to have an inherently distinctive character. The context of this case is different, the very nature of the image shown being in issue, and the respondents directed to thinking of diabetes before seeing it. Given this different context, a meaningful comparison cannot be drawn, let alone Abbott's conclusion that it is "wrong as a matter of law" for Ms Sutton to say that respondents should not have been primed to have diabetes in mind. To the contrary, the Court in *Enterprise* was clearly alive to the risk of respondents being led into speculation but, having accepted Mr Malivoire's evidence in that case that only a minority might have approached the question as a quiz and guessed the right answer, it accepted the survey results as confirmatory of the other evidence in that case as to the enhanced distinctive character of the "e" logo. Again, this is a different case.

153. Finally, Abbott appeared to suggest that Ms Sutton's concern about the survey questions being leading and whether respondents were CGM users would devalue the survey if it did not focus on the goods in respect of which registration had been sought and on the perception of the average consumer (including respondent users or former users) of those goods. In my view, this seemed to miss the point of Ms Sutton's evidence. As Abbott acknowledged, Ms Sutton readily (not, as Abbott suggested unfairly, "ultimately") accepted that selecting a group of diabetics or HCPs was a reasonable - in fact, in her words, "undoubtedly necessary" - thing to do to elicit responses from that sub-part of the population and that such selection did not, in itself, introduce bias. She also fairly accepted that the HCP group reflected a reasonable spread of those professionals (comprising nurses, GPs, endocrinologists etc). Likewise, she fairly accepted the reasonableness of the sample sizes in this case. However, I did not understand her to be saying that there should not be focus on the relevant goods rather than that the survey questions should be properly "funnelled" and framed to avoid respondents being primed and led into speculation.

154. Beyond that, I also understood Ms Sutton's evidence to be that there should have been *more* focus in the survey on the elements of the goods, including shape, to enable distinctiveness properly to be explored. As she said, the question of whether the respondents believed the shape of the FSL OBU to belong exclusively to Abbott was never asked. Given the suggested purpose of the survey and the type of mark in issue here, I agree that further questions testing the nature of the association detected would have been appropriate. Nor, in referring to those respondents who presently or formerly used the FSL, did I understand Ms Sutton to be saying that there should not be a focus on the average consumer or that that concept did not encompass CGM users. Rather, I understood her to be saying that, based particularly on her experience of medical device surveys, she would wish to explore the impact of such use and whether the sample might not be representative on this account. I agree that this too would have been an appropriate enquiry.

The Traditional Survey results

155. Finally, I turn to the Traditional Survey results themselves, having been referred to these briefly by both parties during the course of the hearing and having studied them more closely since. As noted, 51% of the 258 analysed HCP respondents who had been shown the Mark mentioned Abbott or FreeStyle or Libre. The equivalent result for the 202 analysed Type 1 diabetic responses was 43%. By far the greater number of such mentions was to FreeStyle Libre or, simply, Libre. Those percentages increased to 64% and 58% respectively after the (prompted) Q5 had been asked.

156. In my view, a very notable aspect of both sets of responses is just how many references there are to the FreeStyle Libre as a product, including its functional aspects, particularly in terms of the image shown being a sensor to monitor and take readings of blood glucose or sugar levels, with many respondents also noting its use in conjunction with a smartphone and app, and a number of patient respondents saying, reflecting Ms Sutton's concern, that they were themselves users of the product. Indeed, looking at the survey detail, the focus

of the responses seemed very much on the product, what it did and how it worked, not inconsistent with how the FSL OBU featured in the marketing materials already considered.

Whitford Guideline 1

157. In relation to Whitford Guideline 1, Ms Sutton also canvassed in her report that the full basis on which the respondent sample was produced was unknown due to a lack of information as to sample source. In oral evidence, she clarified her concern as the source of the HCP samples, HCPs being a very specific population, Dynata not having disclosed the source of those survey participants but Ms Sutton wanting to know this to be confident that there was indeed a representative cross-section, with her strong preference for the respondent source being a medical database. Ms Sutton fairly accepted that, despite this lack of information, there may, in fact, have been no problem with the sample. She just did not know. Abbott suggested that Ms Sutton was being overly critical of the material she had reviewed. Sinocare argued that it was reasonable to require disclosure of the sample source, relying to that end on Arnold LJ's explanation in *Glaxo* (at [221]) that:-

> "Surveys are a form of experiment. In the field of patent litigation, the English courts require that experiments be repeated in the presence of the opposing party. …… The English courts do not require repetition in the case of surveys, but they do insist on the next best thing, which is that the survey be fully documented and the documentation fully disclosed. This is so as to enable the opposing party, and the court, properly to scrutinise the manner in which the survey has been carried out. If the survey is not fully documented and the documentation fully disclosed, it cannot be regarded as reliable evidence."

158. I accept that Ms Sutton's concern was a genuine one and not 'nit picking' as appeared to be suggested by Abbott. As such, I also accept that it was not possible to verify whether the HCP respondents were a representative cross-section. In the absence of this information as to the source of the HCP respondent samples, I agree that there has not been full disclosure and, therefore, compliance with Whitford Guideline 3 and, potentially, 1 as well.

Evidence on the Tachistoscope Survey

159. The **Tachistoscope Survey** was undertaken using an analysed sample of 343 HCPs and 206 patients. After asking similar screening questions to the Traditional Survey, the Tachistoscope Survey first asked whether the respondents had "heard of Freestyle Libre glucose monitoring system from Abbott?" (Q1) before then being told that they would be shown some glucose monitoring products used by people who had diabetes to see if the FSL was among them (Q2). Respondents were then shown the following images of four different sensors (or another version with the image order changed) for one second.

160. Respondents were then immediately asked if they could tell that the FSL was on the screen (Q3) and what they were looking for to help identify the FSL (Q4). Following review of the early responses, some additional questions were added. As noted, 78% of HCP respondents said that they identified the FreeStyle Libre in the image of products they saw and, among those who identified it, 62% mentioned the round, circular or disc shape of the product as something they used to recognise it. The equivalent result for Type 1 diabetics was 86% and 38% respectively.

161. Abbott did not rely on the Tachistoscope Survey as showing the acquired distinctiveness of the Mark rather than to help explain the basis for recognition of the Mark indicated by the Traditional Survey. Specifically, Abbott says that the Tachistoscope Survey sought to identify what elements of the Mark were most prominent and notable, identifying its key distinguishing characteristics to elicit why those people who identified as being familiar with the FSL did so. Ms Sutton accepted in her oral evidence that such surveys can, in principle, be useful for these purposes. However, as she also explained on more than one occasion, in my view convincingly, it was unremarkable here that so many responded by reference to the shape of the FSL OBU, that shape (and its white colour) being the only way to describe it.

162. The same issue identified by Ms Sutton concerning the source of the HCP sample also arose with respect to the Tachistoscope Survey. Again, I agree that there has not been full disclosure within Whitford Guideline 3.

Conclusion on acquired distinctiveness

163. In concluding, it is appropriate to note that, despite Sinocare placing squarely in issue the probative value of the surveys, Abbott led no positive evidence of its own beyond Mr Malivoire's evidence served under hearsay notice which did not, in any event, grapple with the principal concerns canvassed by Ms Sutton discussed above. In my view, Mr Malivoire's absence was never satisfactorily explained. Nor did Abbott instruct an alternative survey expert. Ms Sutton did provide two reports and she testified. I was satisfied that she understood her duties as an expert and I found her evidence compelling.

164. Having heard that evidence, I agree that the most that can be said about those many respondents to the Traditional Survey who mentioned FreeStyle, Libre or, to a lesser extent, Abbott, is that they recognised the Mark. Given the framing of the survey and the familiarity of Type 1 diabetics and those treating them with diabetic devices, it is unsurprising that many named the market leading product. However, that the survey

indicates their recognition of the FSL OBU, rather than that of another CGM system, does not mean that the respondents understood any white, circular OBU to come from a particular manufacturer. Likewise, it is also unremarkable that, having been shown images of four differently shaped CGM sensors, including the only circular OBU then on the market, a large percentage of respondents to the Tachistoscope Survey identified the FSL OBU and a smaller number its circular shape. At most, these results seem to represent further evidence of recognition.

165. Taking the evidence as a whole, including the surveys, period, geographical spread and intensity of use, Abbott's UK CGM market share and sales, the significant marketing and advertising spend and the marketing materials themselves and, considering the nature of the Mark, I was not persuaded that its use had been such as to educate any of the relevant categories of consumer that it had secondary meaning. Abbott's presentation of the Mark was as a product, the emphasis being on its functional aspects, with its traditional trade marks carrying the burden of badge of origin. Although Abbott's sales and marketing activity was extensive, there was not inconsiderable force in Sinocare's point that this merely amplified that dichotomy.

166. I come to that view notwithstanding the other features in this case relied on by Abbott such as the FSL OBU formerly being the only one on the market with a circular shape, the registration of the Mark in respect of the whole CGM system, not merely the OBU component, and the placement of the OBU on the body as featured widely in Abbott's own advertising and in secondary marketing materials, indicating the personal impact of the product beyond point of sale, as well as the matters relied on by the Hearing Officer for her view, including the small and specialised nature of the market for these products. Abbott suggested that, if the conclusion I have reached is correct, the Mark would be practicably unregistrable. I disagree. Although Abbott's marketing and advertising activities were extensive, when it came to educating consumers that the circular shape of the OBU "means Abbott", these fell well short. Indeed, although its witnesses suggested otherwise, I did not discern from Abbott's own carefully thought out marketing guidelines, campaigns, materials and messaging that such education was one of its objectives.

167. Finally, I make clear that I have concluded that the Mark did not have acquired distinctiveness to any of the categories of relevant consumers, whether HCPs, patients (and their carers) or users for health or wellness reasons. Presumably because there was no related survey evidence for the last category, Abbott's ultimate position at trial appeared to be that the Mark was distinctive to HCPs and (Type 1 at least) patients. However, at its highest, the evidence shows that these consumers recognised the Mark and associated it with FSL products. The evidence does not show that HCPs and patients regarded the shape alone as a badge of origin.

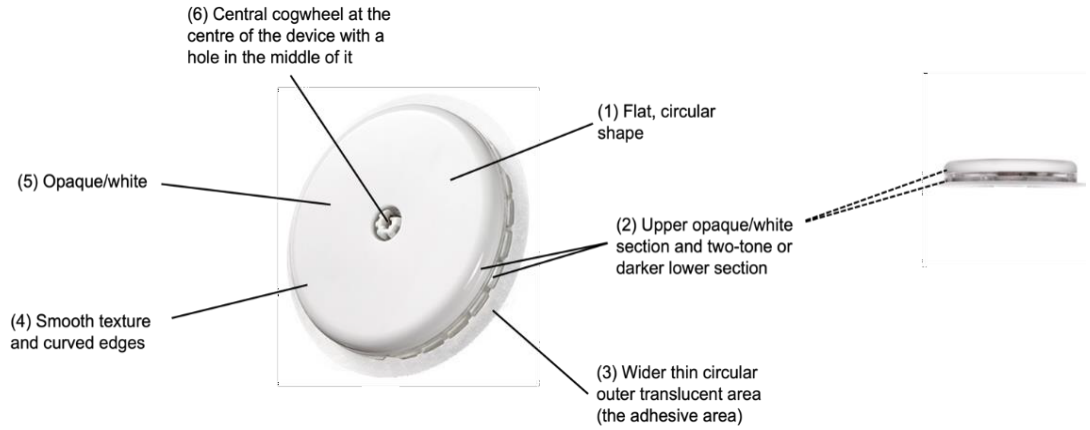
168. I therefore conclude that the Mark did not enjoy acquired distinctiveness at the relevant date.

Characteristics necessary to obtain a technical result (TMA, s.3(2)(b))

169. Although I have found that the Mark was invalid for lack of distinctiveness under TMA, s.3(1)(a), I nevertheless consider the further, independent ground of invalidity asserted by Sinocare under s.3(2)(b), the latter providing that:-

> "A sign shall not be registered as a trade mark if it consists exclusively of:-
>
> ……
>
> (b) the shape, or another characteristic, of goods which is necessary to obtain a technical result ……..

170. The relevant date for the purpose of s.3(2)(b) is the date of filing the application for registration of the Mark, in this case 21 April 2022. The first step in assessing whether it applies is the identification of the essential characteristics of the sign in issue. In this case, the rival candidates can be summarised diagrammatically as below, Abbott advocating for those numbered 1-5, Sinocare for 1, 3, 4, and 6.



171. Before the UKIPO, Abbott did not identify feature 5 above (opaque/ white) but it did identify as an additional essential characteristic the vents around the base of the product in the lower transparent part, accepting that these fulfilled a technical function. The UKIPO found that each of features 1-4 and 6 (and the vents in the base) were essential characteristics of the Mark and that, feature 2 apart, they all fulfilled a technical function.

172. As to the function of the features in issue for the purpose of the claim (1-6), Abbott's expert, Mr Fox, was of the opinion that:-

(a) The flat, circular shape has certain benefits for user comfort such as avoiding catching with the hand, but these can be achieved with different shapes (feature 1);

(b) White, opaque external surfaces are common on medical devices to give the appearance of cleanliness and association with medical products, but user perception is not a technical issue. The upper housing could be any colour. The lower transparent section is transparent to allow UV curing of the adhesive to secure

internal components during manufacture. When contrasted with the upper white section, the transparent section appears darker, but this is not needed to achieve a technical result (feature 2);

(c) An outer adhesive area which is wider, thin and circular was important to achieve a technical result, albeit its translucency was not (feature 3);

(d) The smooth texture and curved edges were necessary to achieve a technical result although this could be achieved by alternative means (feature 4);

(e) As noted (under feature 2), the opaque/ white colour of the OBU is not necessary to achieve a technical result (feature 5); and

(f) A central cogwheel allows the removal of the needle after OBU application, but it does not need to be in the centre of the device for this technical result to be achieved (feature 6).

Legal principles

173. Sinocare commended to me the summary of the caselaw on s.3(2)(b) in *Kerly*, Law of Trade Marks and Trade Names (at [10-184]) distilled from three decisions of the CJEU, namely *Lego Juris A/S* v *OHIM* (C-48/09) EU:C:2010:516; *Koninklijke Philips Electronics NV* v *Remington Consumer Products Ltd* (C-299/99) [2003] Ch. 159; and *Linde AG's Trade Mark Application* (Joined Cases C-53/01 to C-55/01) [2003] E.C.R. I-3161. I agree that this was helpful in summarising both the policy considerations and proper approach of the Court:-

"This provision was the subject of protracted examination in the Philips three-headed shaver litigation, and subsequently in the *Lego* case. A number of the difficulties encountered at various stages in *Philips* have now been resolved. The judgments of the CJEU establish the following propositions concerning the "technical result" objection:

"(1) The public interest underlying art.7(1)(e)(ii) is to prevent trade mark law granting an undertaking a monopoly on technical solutions or functional characteristics of a product: *Lego* at [43]; *Philips* at [78]; *Linde* at [72].

(2) The provision reflects the balancing of two competing interests:

(a) First, it ensures that undertakings may not use trade mark law to perpetuate, indefinitely, exclusive rights relating to technical solutions; technical solutions are capable of protection only for a limited period, so that subsequently they may be freely used by all economic operators: *Lego* at [44]–[46].

(b) Secondly, the Community legislative took into account that any shape of goods is, to a certain extent, functional. Yet, by the use of "exclusively" and "necessary", the provision ensures that solely shapes of goods which only

incorporate a technical solution, and whose registration as a trade mark would actually impede the use of that technical solution by other undertakings, are not to be registered: *Lego* at [48].

(3) A sign consists exclusively of the shape of goods which is necessary to obtain a technical result, even where it contains one or more minor arbitrary elements, if all of its essential characteristics are dictated by the technical solution to which that sign gives effect: *Lego* at [52].

(4) By contrast, if the shape of the goods at issue incorporates a major non-functional element, such as a decorative or imaginative element which plays an important role in the shape, then the sign is not caught. In that event, competitor undertakings easily have access to alternative shapes with equivalent functionality, so that there is no risk that the availability of the technical solution will be impaired: *Lego* at [52] and [72].

(5) "Necessary" does not mean that the shape at issue is the only one capable of obtaining that result: *Lego* at [53].

(6) The existence of other shapes which could achieve the same technical result does not exclude the ground of objection: *Lego* at [83]; *Philips* at [81] and [83].

(7) The relevant authority deciding the application for the trade mark must identify the essential characteristics of the three-dimensional sign at issue, on a case-by-case basis: *Lego* at [68]–[70].

(8) The 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: *Lego* at [70]–[71].

(9) The identification of the essential characteristics of the sign may be carried out by means of a simple visual analysis of the sign or be based on a detailed examination in which material relevant to the assessment is taken into account, such as surveys or expert opinions, or data relating to intellectual property rights conferred previously in respect of the goods concerned: *Lego* at [71].

(10) Once the essential characteristics of the sign have been identified, the authority must ascertain whether they all perform the technical function of the goods at issue: *Lego* at [72].

(11) There is no obligation on the authority, when identifying the essential characteristics of the sign, to employ the presumed perception of the sign by the average consumer, since that perception is not decisive: *Lego* at [75]–[77].

We add one further proposition, which is obviously implicit in the judgments of the CJEU, but is worth stating:

(12) The test is an objective one and does not depend upon subjective intentions of the designer of the shape: *Philips No.2* per Rimer J."

Upper opaque/ white section and two-tone or lower dark section

174. Mr Fox noted that the technical result of a number of the essential characteristics posited by the parties could be achieved by alternative means. It was possibly because of the points summarised at 5 and 6 above in this regard, and the fact that Abbott did not advance before the UKIPO feature 5 (opaque/ white) as an essential characteristic of the Mark that, by the conclusion of the trial, the 'live' issues under this ground had narrowed significantly to the question of whether feature 2 above was an essential characteristic. Sinocare contended that it was not but accepted for present purposes that, if the Court found otherwise, s.3(2)(b) was not engaged, there being no technical result in the product itself as opposed to its manufacture.

175. Before the UKIPO, the written evidence of Dr Taub in relation to feature 2 was as follows:-

> "The housing of the Applicant's glucose sensor consists of an upper portion which is opaque and a lower portion which is transparent. The lower portion is transparent to allow the Applicant to use ultraviolet light during the manufacturing process to cure or 'dry' the adhesive which is used to stick the internal components within the circular product housing to the layer which forms the bottom of the product. There is no other reason for the lower portion of the housing to be transparent, in particular, it does not offer any additional functionality to the user of the product."

176. As well as explaining that feature 2 served no technical function, Abbott submitted in writing to the UKIPO that:-

> "The two-tone colour combination of the opaque upper portion and the transparent lower portion of the product serves to emphasise the perfectly circular, small, flat shape of the product and the contrast between the opaque upper portion and the transparent lower portion makes the product appear to be thinner than it is. This contributes significantly to the aesthetically pleasing and eye-catching overall design. Indeed, the Applicant could have chosen to make the entire product transparent, or to make it beige or flesh coloured, if it had been intending the product to go unnoticed. Accordingly, the two-tone colour combination is not minor or arbitrary, it contributes to the overall aesthetically pleasing and eye-catching design of the product, and therefore constitutes an important essential characteristic of the Mark."

177. Abbott also submitted to the UKIPO in relation to feature 2 that "… there is no technical function in the transparent portion of the product and when in use it is visually striking" and overall that " …. the actual use of the mark must also be taken into account when determining the essential characteristics", as to which, " ….. it is clear that all of the

essential characteristics can be seen when in use, [sic] particular when on the arm the two tone feature is clearly visible."

178. Having considered the evidence and Abbott's submissions, the Hearing Officer concluded that:-

> "I would say that this transparent lower portion takes up around 50% of the product so I do not consider this to be a 'minor arbitrary element' (*Lego*) but it constitutes a significant and important element of its overall visual appearance. …..
>
> This feature is sufficient to conclude that the mark does not consist 'exclusively' of the shape, or other characteristic, of goods which is necessary to obtain a technical result."

179. Dr Taub's written evidence before me, supplementing that before the UKIPO, stated:-

> "I recall at the time that some members of the R&D team (including myself) would have liked the whole OBU to have been transparent. It would be possible to see all the electronics, which would have been nice to see as an engineer. However, that was not what the branding/ marketing team at Abbott wanted. The end design had an upper opaque/white section and a transparent lower section.
>
> The resulting appearance of the FSL1 OBU (and that of other FSL Family CGM Systems) has a two-toned profile, with the opaque/white upper section and the transparent lower section. That combination of the white/opaque shell and the transparent mount is not technical or functional. The combination or indeed the colouring/ transparency of the upper and lower sections of the OBU have no bearing on the operation or performance of the glucose sensor."

180. Sinocare's expert, Mr Clarke, identified in his report the thickness of the smooth white portion and of the translucent disc portion as essential characteristics of the FSL OBU but did not identify the two-tone feature as such, explaining in oral evidence why he was of that view. I found helpful in this regard his insights as an expert product designer.

Discussion on feature 2 as an essential characteristic

181. The expression 'essential characteristics' must be understood as referring to the most important elements of the sign (*Lego* at [69]). Abbott submitted in closing oral argument that the correct approach is to look at the Mark and to consider whether the relevant characteristics are sufficiently prominent to be justifiably regarded as essential. That was said to be consistent with the approach of the Hearing Officer who was correct to conclude that feature 2 constituted a significant and important element of the product's overall visual appearance and, therefore, an essential characteristic of the Mark.

182. In arguing otherwise, Sinocare highlighted the different way in which matters had been put by Abbott before the UKIPO, the focus there being on the *transparency* of the lower section

rather than on it being *two-tone or darker*. Although I accept that there was greater emphasis before the UKIPO on transparency, this seemed directed to the same end, namely the contrast or relative colour or tone of the two sections of the OBU and how that affected the visual appearance of the product overall. However, as HHJ Hacon (sitting as a Deputy High Court Judge) explained in *Fromagerie Bel SA v J Sainsbury PLC* [2019] EWHC 3454 (Ch); [2020] RPC 3 (at [51]) (*Babybel*) in relation to TMA, s.3(2)(b) by reference to *Lego*, that may well not be enough for such a feature to be an essential characteristic:-

> "51. But it is not quite that simple. There may be a feature of a sign which would plainly strike the eye of any observer but which does not qualify as an essential characteristic. In *Lego* the sign in respect of which registration was sought was a conspicuously red Lego brick. The Court of Justice ruled that the colour red was nonetheless not an essential characteristic of the sign."

183. Indeed, the Court in *Lego* considered the red colour of the brick to be a minor arbitrary element. Abbott pointed to the observations in *Babybel* concerning the possible circularity of the approach in *Lego*, with a functional shape not escaping the prohibition in s.3(2)(b) if it incorporated an arbitrary element considered to be 'minor' from a *functional* perspective. Abbott also noted that the essential characteristics of the sign in issue in *Babybel* were found to include the colour red. However, as the Court in *Babybel* observed (at [55]), it was concerned with a different section of the TMA; the approach in *Lego* could not be transferred exactly to all other contexts. *Lego* is, however, squarely on point here.

184. To that end, as Sinocare emphasised with particular reference to the opinion of the Advocate-General in *Lego* (at [AG65]-[AG66]), the essential characteristics of the Mark for the purposes of s.3(2)(b) are not those pertinent to the origin identifying perspective of the consumer rather than to its shape:-

> "AG65 It may be inferred from the wording of art.7(1)(e)(ii) that the essential characteristics of the shape must be ascertained and compared with the technical result in order to assess whether there is a necessary connection between those characteristics and that technical result. In that context, the purpose of ascertaining those essential characteristics is not to determine whether the sign can perform the essential function of a trade mark, that of guaranteeing the origin of the marked goods, but rather to determine its necessary character in relation to the technical result, the features of which must also be precisely defined.
>
> AG66 At this initial stage, the point of view of the consumer is therefore irrelevant, because, as Philips makes clear, only a preliminary requirement, applicable to signs consisting exclusively of the shape of a product, is being assessed, and those signs may be refused registration if that requirement is not fulfilled; whether the signs have distinctive character is not yet being assessed, and that is the stage at which the case law always regards the opinion of the consumer as being relevant."

185. Turning to this case, based on a simple visual analysis, I accept that features 1, 3 and 4 above are three important elements of the Mark and, therefore, essential characteristics for the purpose of s.3(2)(b). Although not pleaded by Abbott, I find the same for feature 6.

186. Although feature 5 was pleaded as an essential characteristic of the Mark, Abbott did not press this before me. However, just as the red colour of the brick was found to be a minor arbitrary element in *Lego*, I would have reached the same conclusion with respect to the opaque/ white colour of the upper section of the FSL OBU, as to which, I consider it notable that Abbott sought to register the Mark without any specification as to colour.

187. Feature 2 also includes, as its first element, the opaque/ white colour of the upper section of the FSL OBU, in itself a minor arbitrary element. However, the focus of feature 2 is not the colour itself but the suggested contrast in colour or tone with the lower section. Although Abbott says that this characteristic is sufficiently prominent to be considered essential, I found the Mark somewhat ambiguous in this regard. The lower section of the FSL OBU is only discernible in the angled and side profiles of the Mark. From the former, it was not apparent that there were two sections rather than a single white section, seemingly with a narrower grey or translucent band or edge at the bottom where it meets the wider adhesive area. From the latter, the two sections were discernible, albeit I found the colour, tone or shadowing of the lower section, and therefore, the contrast with the upper section, somewhat unclear.

188. Moreover, visual examination did not suggest that feature 2 can meaningfully be attributed to the shape of the Mark or the characteristics of the product as a physical object. The focus of the Hearing Officer appears to have been on the size of the lower transparent section which, in the context of the product as a whole, she considered to be an important element of its overall visual appearance. However, Mr Clarke's unchallenged evidence before me was that the thickness of both sections was itself an essential characteristic, the functions of which include housing the sensor components. Moreover, as was acknowledged before the UKIPO, the lower section has vents at the base to facilitate the egress of moisture during use. Those functional aspects were not in issue before me rather than the non-functional aspect of the contrast in colour and/ or tone of the lower and upper sections.

189. Although perception may be relevant in assessing whether a characteristic is an essential one, it is not decisive. In this case, being concerned with a visual difference or contrast, that perception is influenced by extraneous matters such as light, shadow, position of wear and line of sight, not least in a product emphasised by Abbott in its marketing and evidence as being small and discreet, the approximate size of a two pound coin. Indeed, the importance of perception here may account for the different focus before the UKIPO on this feature being aesthetically pleasing, eye-catching, distinctive or visually striking and before me on its suggested prominence, sufficient importance or clearly identifiable nature.

190. In submission, Abbott picked up on an exchange with Mr Clarke whose oral evidence was to the effect that the rounded top edge of the OBU (part of feature 4) was an essential

characteristic and that, were that feature removed, the OBU would have a different appearance. Abbott said that the same is true of feature 2 which was no less prominent. However, I found that this somewhat missed the point of Mr Clarke's evidence whose reference to 'appearance' in the context of feature 4 seemed from his testimony to be concerned with the shape of the product. That was far less obviously the case for feature 2, being a matter of contrast in colour or tone.

191. Accordingly, given the somewhat faint relationship of feature 2 with the shape of the Mark and the underlying physical product, and the more limited importance of consumer perception in the context of s.3(2)(b), itself subject in this case to the ambiguities and extraneous influences mentioned, I have come to the view that this is not an important element of the Mark, and therefore not an essential characteristic, rather than a minor arbitrary element.

192. For the reasons given by Mr Fox and Mr Clarke, I have also come to the view that the essential characteristics I have found (features 1, 3, 4 and 6) all performed a technical function. I do so notwithstanding Mr Fox's evidence that the relevant technical results of some of those features could be achieved by other means.

193. Since features 2 (and 5) are not essential characteristics, the Mark consists exclusively of the shape of goods which is necessary to obtain a technical result. Accordingly, s.3(2)(b) is also engaged in this case such that the Mark is invalid for that reason as well.

Trade mark infringement - introduction

194. Despite my findings that the Mark was invalid, I go on to consider Abbott's infringement case in case I am wrong about the Mark (i) not having acquired distinctiveness and/ or (ii) consisting exclusively of the shape of goods necessary to obtain a technical result.

195. The question of whether the use of a sign infringes a trade mark generally falls to be assessed at the date of commencement of the use of the allegedly infringing sign. In this case, the first use in the UK of the disputed iCan i3 OBU took place in September 2023 through Sinocare's website.

196. As to its infringement case generally, Abbott points to the significant similarity of the three-dimensional OBU and related two-dimensional images of the iCan i3 CGM with the Mark, Sinocare's signs appearing on its websites and social marketing channels and other websites (such as Amazon), as well as prominently on Sinocare's marketing materials and packaging as the primary visual point of reference to indicate what consumers are purchasing.

197. Abbott says that it is no answer to the infringement case to say that Sinocare and iCan i3 word marks appear on Sinocare's materials. Not only does the Mark enjoy exclusivity regardless of the use of these other marks, in this case, the average consumer is unlikely to know of those word marks, let alone whether there is a commercial relationship with Abbott. As such, the only point of reference with which the average consumer may be

familiar is the appearance of the OBU, Sinocare's materials doing insufficient work in distinguishing product origin, compounded by its limited marketing efforts to that end, aggressive pricing and discounting, and the fact that the iCan i3 OBU is advertised as being worn on the body. On this last point, there was some focus by Abbott on Sinocare's website which, at one point, showed the iCan i3 OBU worn on the arm even though indicated for the abdomen, as to which, I accept Dr Fei's evidence that this was a mistake and corrected after a short period.

198. Abbott's infringement case is pleaded on two independent, alternative grounds, namely TMA, ss.10(2)(b) and 10(3).

Infringement - TMA, s.10(2)(b)

199. TMA, s.10(2)(b) provides that:-

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

200. The core legal principles were common ground, as summarised by Arnold LJ in *Match Group LLC* v *Muzmatch* [2023] FSR 18:-

> "26. In order to establish infringement under Article 9(2)(b) of the EUTM Regulation, Article 10(2)(b) of Directive 2015/2436 and section 10(2) of the 1994 Act, six conditions must be satisfied by the proprietor of a registered trade mark: (i) there must be use of a sign by a third party within the relevant territory; (ii) the use must be in the course of trade; (iii) it must be without the consent of the proprietor of the trade mark; (iv) it must be of a sign which is at least similar to the trade mark; (v) it must be in relation to goods or services which are at least similar to those for which the trade mark is registered; and (vi) it must give rise to a likelihood of confusion on the part of the public.
>
> 27. The manner in which the requirement of a likelihood of confusion in Article 9(2)(b) of the EUTM Regulation and Article 10(2)(b) of Directive 2015/2436, and the corresponding provisions concerning relative grounds of objection to registration in the Directive and the Regulation, should be interpreted and applied has been considered by the Court of Justice of the European Union in a large number of decisions. In order to try to ensure consistency of decision making, a standard summary of the principles established by these authorities, expressed in terms referable to the registration context, has been adopted in this jurisdiction. The current

version of this summary (see e.g. *Sazerac Brands LLC v Liverpool Gin Distillery Ltd* [2021] EWCA Civ 1207, [2021] ETMR 5 at [8]) is as follows:-

"(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; and

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion."

28. The same principles are applicable when considering infringement, although it is necessary for this purpose to consider the actual use of the sign complained of in the context in which the sign has been used: see *Specsavers International Healthcare Ltd* v *Asda Stores Ltd* [2012] EWCA Civ 24, [2012] FSR 19 at [45], [87] (Kitchin LJ, as he then was).

29. It is well established that there are two main kinds of confusion which trade mark law aims to protect a trade mark proprietor against. The first, often described as "direct confusion", is where consumers mistake the sign complained of for the trade mark. The second, often described as "indirect confusion", is where the consumers do not mistake the sign for the trade mark, but believe that goods or services denoted by the sign come from the same undertaking as goods or services denoted by the trade mark or from an undertaking which is economically linked to the undertaking responsible for goods or services denoted by the trade mark. I discussed the distinction between the two in *Sazerac* v *Liverpool Gin* at [10]-[14]."

201. Abbott emphasised certain further points:-

(a) In addition to the traits already mentioned, the average consumer for the purposes of an infringement claim must be a consumer of the relevant goods and/ or services who is both familiar with the trade mark and exposed to, and likely to rely upon, the allegedly infringing sign (*Sky v Skykick* [2018] EWHC 155; [2018] R.P.C. 5 at [275]).

(b) As to the relevance of the context in which the allegedly infringing sign has been used, this should not be taken as an opportunity for a defendant to work into the assessment matters extraneous to the sign to claim that it distinguishes its goods from those of the registered proprietor. As Arnold J said in *Och-Ziff Management Europe Ltd* v *Och Capital LLP* [2010] EWHC 2599 (Ch); [2011] F.S.R. 11 (at [77]-[78]), "the context and circumstances are limited to the actual context and circumstances of the use of the sign itself".

(c) As observed in *Lifestyle Equities CV* v *Royal County of Berkshire Polo Club Ltd* [2024] EWCA Civ 814; [2024] E.C.C. 20 (at [54]), difficulties in this regard usually arise "… where the defendant relies upon context as negating a likelihood of confusion in a case where, absent whatever is relied upon as constituting the relevant context, the identity or similarity of the mark and the sign and the similarity or identity of the respective goods or services would give rise to a likelihood of confusion."

(d) The relevant context may change depending on the manner of use of the allegedly infringing sign. In this case, for example, when the iCan i3 appears on the body, it does so as a standalone sign. However, when the sign appears together with other marks, the latter should not be taken into account when considering if there is anything about the context which dispels the likelihood of confusion. Trade mark infringement is not avoided by putting an additional mark on a product. To the contrary, co-branding when using a rival's mark can operate as a subtle way of appropriating the goodwill attaching to that rival, making it appear that the defendant might have been the source of the rival's products.

(e) The perception of the average consumer of the proprietor's (or infringer's) mark in use after the point of sale may also be relevant (*Montres Breguet SA v Samsung Electronics Co Ltd* [2023] EWCA Civ 1478; [2024] F.S.R. 13 at [85]). In an appropriate case, post-sale confusion may arise even if there is no likelihood of confusion at the point of sale (*Iconix Luxembourg Holdings Sarl* v *Dream Pairs Europe Inc, Top Glory Trading Group Inc* [2024] EWCA Civ 29; [2024] E.C.C. 7 at [12]). This is particularly relevant in this case where the public is only likely to identify the CGM system in use (ie: on the body) as an Abbott one by reference to the Mark. Another source of confusion would be people (wrongly) thinking that the Sinocare iCan i3 worn by a particular person was an Abbott one.

(f) Abbott also emphasised that the defendant's subjective intention to exploit the reputation and goodwill of the Mark can be of "real assistance" in a s.10(2) context. As Kitchen LJ said in *Specsavers* (at [115]) "[i]t has long been established that if it is shown that a defendant has deliberately sought to take the benefit of a claimant's goodwill for himself the court will not "be astute to say that he cannot succeed in doing that which he is straining every nerve to do"" (see too *Lidl* (at [24])).

202. Sinocare also emphasised certain further points:-

(a) The relevant point of assessment of likelihood of confusion is conventionally the point of purchase or selection of the goods in question, described by the CJEU in Case 361/04 *Picasso* [2006] ETMR 29 (at [40]) as "the crucial moment when the choice between those goods and marks is made".

(b) In appropriate cases, the Court may consider if there is a likelihood of confusion outside the traditional context of the point of purchase. However, there are limits: for example, claimants cannot argue that the degree of attention paid by consumers is lower in the post-sale context, the assessment being focused on the point of purchase (*Picasso* at [40]-[47]; *Datacard* v *Eagle Technologies* [2011] RPC 17 at [283]-[285]).

(c) Moreover, confusion leading to a decision to purchase but dispelled by the point of sale, known as 'initial interest confusion', is not relevant confusion for these

purposes. As Kitchin LJ observed in *Interflora* v *Marks & Spencer* [2015] FSR 10 (at [158]) " … the doctrine of initial interest confusion is therefore an unnecessary and potentially misleading gloss on the tests the Court has articulated and we think it should perform no part in the analysis of our national courts in claims of the kind before us".

(d) The ultimate question is whether "a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court" (*Comic Enterprises v Twentieth Century Fox* [2016] FSR 30 (at [34 (v)]). As to when a likelihood of confusion will be sufficient for that purpose, Sinocare relied on the observations of Mr Daniel Alexander KC, sitting as Appointed Person (Trade Marks) in *Christie's Trade Mark Application* (No 3268877) [2020] RPC 8 (at [24]-[27] and [53]), including his conclusion that the approach indicated in *Comic Enterprises* "does not contemplate an evaluation which is so risk averse that the tribunal must treat the test as satisfied by speculative risks in the absence of solid evidence that they are likely."

(e) Finally, examples of actual confusion in the marketplace are often relied on to show the likelihood of confusion. Conversely, the defendant may also be able to rely on the absence of evidence of actual confusion. As Arnold LJ noted in *Muzmatch* (at [39]), absence of evidence of actual confusion is not necessarily fatal, but it becomes more significant the longer the use complained of has gone on in parallel with use of the trade mark without such evidence emerging. In considering the weight to be attached to the absence of such evidence, it is relevant to consider what chance there has been for confusion to occur and to be detected.

Likelihood of confusion - parties' positions

203. Sinocare accepts that the goods in issue (CGM systems) are identical and that, seen from a distance at least, there is some degree of visual similarity between the iCan i3 OBU and the Mark, although there are also marked differences. However, Sinocare does not accept that the use of its OBU is use of a 'sign', it having neither inherent nor acquired distinctiveness. More generally, Sinocare denies the likelihood of confusion, saying that the circumstances in which Abbott contemplates that such confusion will arise are not 'real world' examples.

204. In the PoC, Abbott identified (at [12(e)]) the following general scenario in which the likelihood of confusion might arise:-

> "It is also well-established that it can be relevant to take the post-sale context into account when considering trade mark issues. The average consumer may see the 3D Sign after the iCan i3 CGM has been sold and applied to a consumer's skin. In this post-sale context, the said consumer would be likely to be observing the Trade Mark and the 3D Sign from a distance such that the features of the 3D Sign which are reasonably observed are an opaque/ white disc applied to the skin for blood glucose or diabetes monitoring."

205. Zacaroli J summarised this aspect of Abbott's infringement case as was canvassed before him on the interim injunction application in the following terms (at [17]-[18]):-

> "…. The claimant says there is a likelihood of direct or indirect confusion as a result of the fact the i3 is highly similar to the Mark and is being used by the defendants in relation to identical goods for which the Mark is registered. In addition, it is said use of 2D images of the i3 is liable to deceive members of the public into believing the i3 is an Abbott CGM or it is authorised, licensed or approved by Abbott.
>
> The claimant posits the possibility of a purchaser encountering Abbott's OBU, for example in advertising materials on the arm of a celebrity or other influencer, which simply show it as a small white disc without any reference to Abbott or Abbott's brand. That person, not realising that it was an [sic] Abott product, might then go and purchase an i3. The claimant says that the whole point of the registered trade mark is that it provides exclusivity, and that if purchasers buy the defendants' products in this way it will inevitably damage the claimant's exclusivity."

206. In his first statement in support of the interim injunction application, Mr Harris articulated matters in the following terms (at [10.8]):-

> "As a result of confusing the iCan i3 CGM as being an Abbott product, or a product from a company endorsed by Abbott, customers may well buy and/ or ask their doctors for the iCan i3 CGM, either by name or simply by asking for a "white circular diabetes sensor". Similarly, healthcare professionals (especially GPs who do not routinely prescribe CGM systems and may not be familiar with them) may mistakenly prescribe the iCan i3 CGM believing it to be an Abbott product."

207. Mr Harris expressed matters similarly in his written evidence for trial, albeit he did not repeat there the suggestion that HCPs might be mistaken. In her witness statement, Ms Varshneya posited her concern about the likelihood of confusion in the following terms:-

> "My concern would be that someone who saw a white circular sensor in our advertising, in social media posts, used by a friend, or being worn in the street, would no longer be clear as to the brand of that sensor. This is particularly an issue in the health market where brand names are often not well known. In the reimbursement market, they could ask their doctor or pharmacist for a sensor by describing it. Or they might Google a description (such as 'white circular sensor' or 'white circular monitor') to try and find out who made it and what to ask for or where to buy it online. In either case, this could lead to them getting the Sinocare device rather than ours, without them even knowing what had happened."

208. In its skeleton argument for trial, Abbott gave the example of consumers who become familiar with Abbott's CGM system after seeing in real life, on tv, in a magazine or social

media a sportsperson or other personality, such as the former Prime Minister, wearing and prominently displaying the FSL OBU. They might well search the internet for what they had seen, end up on the Sinocare website and buy the iCan i3, thinking from their imperfect recollection that it was the one they had seen or was in some way commercially connected with it. The other marks on Sinocare's website and on the iCan i3 product packaging may not have any significance for them so as to dispel the confusion. There may also be confusion as to trade connection, those consumers believing that Abbott had engaged in some arrangement to enable Sinocare to provide under its own brand Abbott's CGM systems. According to Abbott, although it is not necessary for the Court to embark on a detailed analysis of the ways in which confusion could occur, given the similarities between the Mark and Sinocare's iCan i3 OBU, there is a range of plausible scenarios, with confusion only having to arise in one for infringement to occur.

209. In oral opening submission, Abbott gave a similar example of a consumer who may have seen the Mark worn by the former Prime Minister or a favourite influencer, the confusion then said to arise when it came to the relevant consumer going into a shop, seeing Sinocare product packaging with the allegedly infringing sign displayed on it and thinking that it was the one they had just seen. Abbott put a similar scenario to Mr Taylor in cross-examination (discussed below).

210. At trial, Abbott acknowledged that more sophisticated consumers, such as endocrinologists, may know the panoply of CGM systems on the market and that, when prescribing these products, HCPs will do so by brand. However, Abbott also noted that wellness consumers on the cash pay market do not share the same insights such that they are more susceptible to confusion, not dispelled by an unknown iCan i3 word mark on the same packaging as the infringing sign which those consumers believe they have just seen elsewhere.

211. Sinocare had anticipated that Abbott might focus more closely on such (wellness) consumers in this context because of the lower level of attention they might be said to pay. However, Sinocare went on to submit that Abbott's focus on HCPs and (Type 1 at least) diabetics for acquired distinctiveness purposes and wellness consumers for infringement purposes merely highlighted the weakness of Abbott's position on both. This dichotomy presented itself because Abbott had to defend its survey evidence for the former issue while navigating the difficulty on the latter that both parties had covered their products with traditional trade marks.

212. Finally, there was some criticism of Sinocare for not having suggested to Mr Harris that he was wrong in his articulation of the suggested 'route to confusion'. I considered this criticism to be unwarranted. Quite sensibly, neither party cross-examined on the same point with multiple witnesses. However, I am satisfied that the necessary points were appropriately covered as between Abbott's different witnesses.

Likelihood of confusion - discussion

213. As to the likelihood of confusion, I address the reimbursement market first. As Mr Harris explained, the process for acceptance of a product onto the Drug Tariff in England is an elaborate one, including a submission showing product safety and quality, appropriateness for a medical practitioner and cost-effectiveness, with a further process thereafter for acceptance onto the formularies for the different NHS Integrated Care Boards. As he also confirmed, those processes involve experienced professionals selecting and approving particular products for inclusion. Accordingly, if ever the iCan i3 is accepted onto the Drug Tariff, it will not be on the basis of a similarity in sensor shape with the FSL. Nor would there be scope for confusion as to origin in any event.

214. As noted, Mr Harris suggested in his written evidence for the interim injunction that customers may confuse the iCan i3 as an Abbott product, resulting in them asking for an iCan i3 or a white circular disk. He also suggested that HCPs might mistakenly prescribe an iCan i3 product believing it to be an Abbott one. However, as he also testified, GPs prescribe CGM systems by brand name consistent with what is shown by the Drug Tariff, sometimes on the recommendation of a specialist physician to whom the patient may have been referred. In this regard, the FSL is listed as the preferred choice in the majority of Integrated Care System formularies where a preference is indicated for CGM systems.

215. To the same end, Ms Varshneya also posited in her evidence a scenario in which consumers could ask their doctor or pharmacist for a sensor by describing it. However, as she too recognised, doctors prescribe these products by brand name. Pharmacists do not prescribe these products at all. Accordingly, I accept Sinocare's submission that, whether at the stage of consideration for inclusion of a product, or at the point of prescription to the end user, those involved in the reimbursement market would be clear as to the origin of the product they were buying, prescribing or using. Indeed, Abbott did not press in closing oral argument the suggestion of the likelihood of confusion arising in the more sophisticated group of HCP consumers, noting that their job is to prescribe and to appreciate these distinctions between different products.

216. Rather, Abbott emphasised in oral closing submission that, even if the Mark had only acquired distinctiveness for some categories of consumer, for example, HCPs and their patients, it was validly registered and, as such, open to Abbott to rely on the Mark to prevent confusion among any part of the consumer spectrum, for example, wellness users. On the assumption that (contrary to my actual findings) the Mark did enjoy acquired distinctiveness, albeit for HCPs and patients only, as appeared to be Abbott's ultimate position at trial, I agree that it would, in principle, be open to Abbott to invoke TMA, s.10(2)(b) even if the relevant category of consumer for that purpose is different to that for s.3(1)(b). However, Abbott could not rely on acquired distinctiveness among HCPs and patients to say that confusion on the part of wellness users is more likely.

217. Looking more closely at the suggested potential for confusion in this case, I agree that there is, however, a related question as to how and why wellness consumers would, as Abbott's argument assumes, understand the OBU not just as a product, but as an indicator of trade

origin such as to give rise to the risk of confusion. That also contrasts with the further assumption that those consumers will be unaware of other more traditional marks used in conjunction with the product. In the absence of the Mark's acquired distinctiveness among wellness consumers, it might be thought that they would be more alert to traditional badges of origin. These assumptions were not meaningfully addressed in the evidence and it did strike me that there may be an imbalance here.

218. In any event, as to the scenarios themselves, the iCan i3 is recommended for wear on the abdomen, in the case of the FSL, on the arm. In both cases, the OBU is likely to be covered by clothing when worn in public. The evidence from Abbott's own 2017 survey showed that 93.4% of patients believed that no-one saw their OBU. Moreover, the evidence of use of the Mark shows Abbott's emphasis on it being small and discreet. Even if an OBU could be seen on the body, that sighting may well be brief and/ or the onlooker may not recognise what it is they are seeing. As such, I consider the chance of a relevant consumer seeing an OBU on another person's body in public, let alone as a possible route for confusion, to be a remote one.

219. In my view, it is much more likely that a relevant consumer might see a two-dimensional image of an OBU in print or online form. However, in the case of both parties' marketing and advertising materials, there could be no confusion about product origin, the evidence showing that those images are almost invariably accompanied by traditional marks. Likewise, even in the case of secondary marketing materials, the relevant article or post often contained a product name or description or some identifier or tag which would allow the reader to identify its origin. In this regard, Mr Taylor was questioned about an Instagram post with a photo of Eliud Kipchoge wearing an FSL OBU, with various follower posts in the side bar. I set out the relevant exchange fully since, in my view, it shows that the assumptions underlying Abbott's scenarios are not realistic:-

"Q. What I am postulating is someone who sees this OBU, is influenced by the fact that it is [sic] warn by one of the most famous people in the world, and wants to go and find the one that they saw, in a shop. They go into a shop, either online or physical, they see the iCan OBU, which would look very similar to them. The brand mark iCan means nothing to them. There is a reasonable prospect that such a person or a proportion of them, would [sic] by the iCan thinking that is the one they had seen?

A. I think it would be very difficult to go into either a physical shop or an online shop and buy a white circle.

Q. If you were looking for an iCan product, if you are looking for a glucose monitor, that is what you would be looking for, is it not?

A. If you go into a physical shop and ask for a glucose monitor, today you would probably be given a BGM because CGM systems typically are not in shops. An online shop: you would not just see a white circle. You would see branding and packaging.

Q. Yes, but let us assume that the branding and packaging did not mean anything to you because it was a new brand in the United Kingdom market. You were not familiar with iCan as a brand. You are not familiar with the red packaging. In those circumstances, what I want to suggest to you is it is entirely realistic that a customer, or at least a proportion of people would say, "I am buying the iCan. I am buying this CGM and I think that is the one I have seen being worn by this person who I respect"?

A. I guess this runner that you have asked me to look at, as well as the runner and the device on his arm, is the word Abbott and Abbott Global. I guess I would go there.

Q. You would go to Abbott Global, even though that is much less prominent in this visual representation?

A. If I do not know where to go, I guess I would search for Abbott Global and look for a CGM from Abbott Global, because that is on the post; right?

Q. What I want to put to you is that not everyone is going to remember the particular word mark. What is striking about this product is that it has an OBU of this kind which is very clearly identifying a product and where, if you see that again, you will go and get that product and there is nothing sufficient in the iCan brand to diminish that sense. I am right, am I not, that at least a proportion of the public is likely to think that?

A. Sorry, think what?

Q. To act in that way and think that they have the product that they saw?

A. It is difficult for me to represent the average person, but if I saw this image and I wanted to buy that white device on the runner's arm, I would probably look to see a link and the only company I can see there says "Abbott", so I would go there.

Q. I understand that is what you would do. You are one of the most sophisticated people involved in marketing of CGM products in the United Kingdom. But I am assuming a member of the general public who sees this kind of product, that kind of person would be very likely to purchase an iCan CGM by reference to this mark?

A. That is a leap that I cannot confirm. I do not see how seeing this runner with that device, with the words on the post, would mean that I would go and buy iCan."

220. Not only was Mr Taylor's evidence fair, it reflected common sense. It seems highly unlikely that a consumer potentially interested in buying a CGM for wellness reasons, seeing an article or a post with an OBU image, would then visit a retail shop on spec to buy a CGM with the circular OBU they thought they had seen or, without prior knowledge of the name, end up on the iCan i3 website without exposure *en route* to a range of CGM

products on the market and their different manufacturers. Rather, given the motivations and attributes of these consumers and the nature, features and cost of the product, it is much more likely that they would do their homework first. In the case of the particular Instagram post, I agree that they would look into the Abbott or Abbott Global hashtags associated with it. More generally, they would likely research what CGM products were available on the market and their important features, including communication functionality, data features, available applications, pricing, wear period and, given the interaction of those products with the body, the maker. As Ms Varshneya said about the scenario of a consumer seeing someone in the street wearing a circular OBU:-

"Q. They are going to do some other research, are they not, before they purchase a device that they stick in their arm and use to get medical information; correct?

A. I would think they would do some research, yes. They would try to do something online and find out, something more about it, before they make a purchase; yes.

Q. They know enough to recognise it is an OBU already, do they not, in the premise of what you are postulating?

A. Yes, they would notice something, it is on the body and they try to do some research, yes.

Q. At that point they are going to come across some of the materials that you have talked about in the advertising and social media that make is very clear from the use of traditional marks and logos who is responsible for the product that they are interested in sticking in their arm to get medical information, are they not?

A. Probably, yes. If they go and do that research and there is only Libre available in the market, that will probably show up and they will see there is Libre made by Abbott and they will go and ask for the product, if Libre is the only one that shows up in their research; yes."

221. Ms Varshneya also acknowledged that, in undertaking such research, consumers paying attention to the results will see those other traditional marks. In this regard, I have already noted that the level of attention of those consumers will be higher. As Mr Williams confirmed in his evidence, consumers, particularly in the health and wellness market, with no underlying health condition, need to be convinced to put an OBU on their arm with the sensor component inserting a needle under the skin. They would therefore look to be assured that this type of product will not do them any harm and that it is reliable. An important source of assurance will be the source of the product itself.

222. I also accept that the lack of evidence at trial of actual confusion is not without significance. At the end of February 2024, Mr Harris gave evidence on the interim injunction application that Abbott had not yet located evidence of actual confusion but that they would expect this to happen soon. The iCan i3 has been on the UK cash pay market since January 2024, albeit with relatively modest sales. It has also been on sale in China alongside Abbott's products since May 2023, with Abbott itself said by Ms Varshneya currently to enjoy some

100,000 active customers in that market. If there had been confusion of the Mark with the iCan i3 OBU, I am satisfied that some meaningful evidence to that end would likely have emerged by the time of trial (October 2024) in both markets, not least given the online channels through which both products are sold and Abbott's extensive social media presence already described. None was produced.

223. Finally, although limited, the real world evidence that has been produced, comprising online reviews of the iCan i3, indicates that a number of consumers do appear to appreciate the different origins and characteristics of CGM systems on the market. None of those reviews appears to indicate confusion. A number of them explicitly compare the iCan i3 to other brands. For example:-

> "All in all its an average price… and comparable in price to the libre 2… However, you do get 15 days wear time, rather than dexcoms 10 days or libres 14 days."
>
> "Putting it on is pretty easy, you don't have the problem of applying enough force like the libre else its painful".
>
> "A single use system similar to the more common Libra system but this system relies only on a smart phone app rather than in the Libra system a smart phone app and or a portable sensor".

224. Although not likely to be representative of the spectrum of the average consumer, in my view, such reviews do more accurately reflect their real world attributes, concerns and behaviours than the rather convoluted and implausible scenarios posited by Abbott. Accordingly, assuming (contrary to my actual findings) that the Mark was valid and had acquired distinctiveness to the extent of HCPs and patients, I would have found that Abbott had failed to make out its case on the likelihood of confusion such that its claim for infringement under TMA, s.10(2)(b) would also have failed.

Infringement - TMA, s.10(3)

225. Abbott's infringement claim under s.10(3) would have arisen in this case if I had found the Mark to be valid but that there was no likelihood of confusion under s.10(2)(b). Although I have found the Mark to be invalid, I nevertheless consider this ground of alleged infringement as well.

226. TMA, s.10(3) provides that:-

> "A person infringes a registered trade mark if he uses in the course of trade in relation to goods or services, a sign which:-
>
> (a) is identical with or similar to the trade mark,
>
> (b) ……

where the trade 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 trade mark."

227. Again, there was no dispute as to the core legal principles. In this regard, shortly before completion of this judgment, Abbott brought to my attention the Court of Appeal decision in *Thatchers Cider Company Limited* v *Aldi Stores Limited* [2025] EWCA Civ 5 as the most recent statement of the requirements for liability under TMA, s.10(3), albeit neither party asked to make related submissions. I have considered this helpful authority although I too did not consider it necessary to receive submissions from the parties about it.

228. The requirements for liability under TMA, s.10(3) were summarised by Arnold LJ in *Muzmatch* at [55]:-

> "55. A proprietor of a registered trade mark alleging infringement under Article 9(2)(c) of the EUTM Regulation, Article 10(2)(c) of Directive 2015/2436 and section 10(3) of the 1994 Act must show that the following requirements are satisfied: (i) the registered trade mark must have a reputation in the relevant territory; (ii) there must be use of a sign by a third party in the relevant territory; (iii) the use must be in the course of trade; (iv) it must be without the consent of the proprietor; (v) it must be of a sign which is identical with or similar to the trade mark; (vi) it must be in relation to goods or services; (vii) it must give rise to a link between the sign and the trade mark in the mind of the average consumer; (viii) it must give rise to one of three types of injury, that is to say, (a) detriment to the distinctive character of the trade mark, (b) detriment to the repute of the trade mark, or (c) unfair advantage being taken of the distinctive character or repute of the trade mark; and (ix) it must be without due cause."

229. Abbott says that point (i) above, the requirement that the Mark has a reputation in the UK, is not particularly onerous and depends on the same factors that show that a mark has an enhanced distinctive character, namely the market share held by the mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it. The degree of knowledge required will vary from case to case, but it must be sufficient that a significant proportion of the relevant public know the mark in relation to the goods or services for which it is registered (*Skykick* at [307]).

230. Point (vii) above - link - was explained in *Lidl CA* at [21] in the following terms:-

> "*Link*. Infringement under section 10(3) involves types of injury which are "the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them": see *Intel v CPM* at [30]. The existence of such a link "must be assessed globally, taking into account all factors relevant to the circumstances of the case": see *Intel v CPM* at [41]. The fact that, for the average consumer, a later trade mark (or sign)

"calls [an] earlier trade mark with a reputation to mind is tantamount to the existence of such a link": see *Intel v CPM* at [63]."

231. Relevant factors include the degree of similarity between the marks, the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, the nature of the relevant section of the public, the strength of the mark's reputation, the degree of the mark's distinctive character, whether inherent or acquired through use and the existence of the likelihood of confusion on the part of the public.

232. As pointed out in *Thatchers* (at [39]) by reference to Case C-252/07 *Intel Corporation* v *CPM United Kingdom* [2008] ECR I-8823 (at [31]-[32]), the existence of such a link in the mind of the public is necessary, but not sufficient, to establish the particular harm. The condition amounts to a requirement for causation between the use of the sign and that harm. In this regard, Sinocare emphasised that the elements of this infringement claim must be connected in the sense that the link between the earlier and later mark in the mind of the average consumer must lead to the alleged harm and the alleged harm must itself be connected to the reputation of the relevant mark.

233. Looking more closely at the nature of the harms alleged in this case, damage to the distinctive character of the mark (often referred to as dilution, whittling away or blurring) occurs when detriment is caused when that mark's ability to identify the goods or services for which it is registered is weakened through use of an identical or similar sign by a third party leading to dispersion of the identity and hold upon the public mind of the earlier mark, particularly when the mark, once arousing immediate association with the goods or services for which it is registered, is no longer able to do so (see *Intel* at [29]), the Court in *Intel* holding in relation to this type of harm that:-

(a) the more immediately and strongly the trade mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is detrimental to the distinctive character of the mark (*Intel* at [67]);

(b) the stronger the earlier mark's distinctive character and reputation, the easier it will be to accept that detriment has been caused by it (*Intel* at [69]);

(c) the existence of a link between the sign and the mark does not dispense with the requirement for the trade mark proprietor to prove actual and present injury to its mark or a serious likelihood that such an injury will occur in the future (*Intel* at [71]);

(d) the more 'unique' the trade mark, the greater the likelihood that use of a later identical or similar mark will be detrimental to its distinctive character (*Intel* at [74]);

(e) detriment to the distinctive character of the trade mark is caused when the mark's ability to identify the goods or services for which it is registered and used as coming from the proprietor is weakened. It follows that proof that the use of the sign is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the mark is registered consequent on the use of the sign, or a serious likelihood that such a change will occur in the future (*Intel* at [77]).

234. Arnold LJ elaborated on this last point in *Lidl CA* (at [23]-[24]):-

> "23. With respect to the requirement identified in *Intel* v *CPM* at [77], the Court of Justice added in Case C-383/12 *Environmental Manufacturing LLP* v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2013:741]:-
>
> > "42. Admittedly, Regulation No 207/2009 and the Court's case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.
> >
> > 43. None the less, such deductions must not be the result of mere suppositions but … must be founded on 'an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case'."
>
> 24. It is not in dispute that the approach articulated in [43] is also applicable to the question of whether there has already been a change to the economic behaviour of the average consumer."

235. Relatedly, Sinocare says that it is insufficient simply to point to the presence of a similar mark on the market as conclusive of detriment, referring to that end to Birss LJ's observations in *Lidl CA* concerning 'pure dilution' (at [198]) and the following evidential requirement identified in Case C-383/12P *Environmental Manufacturing LLP* v *OHIM* (at [36]-[37]):-

> "36. The wording of the above case-law is explicit. It follows that, without adducing evidence that that condition is met, the detriment or the risk of detriment to the distinctive character of the earlier mark provided for in Article 8(5) of Regulation No 207/2009 cannot be established.
>
> 37. The concept of 'change in the economic behaviour of the average consumer' lays down an objective condition. That change cannot be deduced solely from subjective elements such as consumers' perceptions. The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds."

236. *Kerly* draws these points together (at [16-122]):-

> "It is often argued that the mere presence of a similar sign on the market is detrimental to the uniqueness and so the distinctive character of a mark. If generally accepted this would effectively remove the requirement to show detriment to distinctive character once a link had been established. This is contrary to the requirement to prove likelihood of change of economic behaviour on the part of the claimant's customers imposed by *Intel*."

237. Although Abbott accepted that the authorities indicate scepticism of 'pure dilution', it said it was unclear how far that went given that (i) the requirement for steps to be taken by the trade mark proprietor to restore the distinctiveness of a brand may itself be actionable (*Lidl* at [165])) (ii) the global assessment undertaken for unfair advantage purposes may take into account, where necessary, the likelihood of dilution (Case C-487/07 *L'Oréal SA* v *Bellure NV* [2009] ECR I-5185 at [45]) (iii) in an appropriate case, where the objective effect of the use of a sign is to enable the defendant to benefit from the reputation and goodwill of the mark (likely involving an element of dilution of the distinctive character of the mark), this may amount to unfair advantage even if the defendant did not have a subjective intention to exploit that goodwill (*Skykick* at [315]) and (iv) Jacob J also found in *Skykick* (at [319]) that use of a formative mark in relation to the same goods or services as those for which the trade mark was registered would likely dilute the distinctive character of the latter, albeit the use in that case was not for the same goods and services.

238. As for unfair advantage, this was explained in *L'Oréal* (at [41] and [50]) in the following terms:-

> "41. As regards the concept of 'taking unfair advantage of the distinctive character or the repute of the trade mark', also referred to as 'parasitism' or 'free-riding', that concept relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation."
>
> ……..
>
> "50. … The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an advantage taken where that party seeks by that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit it, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image."

239. The requirement for evidence of an effect on the economic behaviour of the average consumer is also a part of the allegation of unfair advantage (see *Lidl* at [73(25)]). There was some difference between the parties as to the question of with whom it has to be shown that there has been a change of economic behaviour, whether the proprietor's customers or the infringing defendant's. Abbott cited *Jack Wills Ltd v House of Fraser (Stores) Ltd* [2014] EWHC 110 (Ch); [2014] FSR 39 (at [81]-[83]) for the proposition that there was no requirement for evidence of a change in the economic behaviour of consumers of the *trade mark proprietor's* goods or services, but there would still need to be some change in economic behaviour (or a serious likelihood of it), in that case a change in behaviour of the *defendant's* consumers. Sinocare say that the citation in *Jack Wills* is in the context of unfair advantage, not detriment to the distinctive character of the trade mark, such that it was unsurprising that the Court looked to the defendant's consumers to see if that advantage had been obtained. In the context of detriment to distinctive character, Sinocare says that it is the change in behaviour of the proprietor's consumers which is relevant. In light of the exposition of principle in *Lidl* (at [73(16)] and 73[(25)]), I accept Sinocare's submission.

240. As for the meaning of 'without due cause', the law was summarised by Arnold LJ in *Lidl CA* at [26], in which he quoted the CJEU in Case C-65/12 *Leidseplein Beheer BV* v *Red Bull GmbH and Red Bull Nederland BV* [EU:C:2014:49], [2014] ETMR 24 (at [45]-[46]):-

> "45. It follows that the concept of 'due cause' may not only include objectively overriding reasons but may also relate to the subjective interests of a third party using a sign which is identical or similar to the mark with a reputation.
>
> 46. Thus, the concept of 'due cause' is intended, not to resolve a conflict between a mark with a reputation and a similar sign which was being used before that trade mark was filed or to restrict the rights which the proprietor of that mark is recognised as having, but to strike a balance between the interests in question by taking account, in the specific context of Article 5(2) of Directive 89/104 and in the light of the enhanced protection enjoyed by that mark, of the interests of the third party using that sign…."

TMA, s.10(3) – Abbott's claims

241. Abbott's position is that Sinocare's use of its allegedly infringing sign is likely to be impactful, particularly if large scale. First, it says that such use will likely destroy or severely damage the ability of the Mark to denote the CGM systems of Abbott and Abbott alone. Having spent millions of dollars over 10 years in marketing to try and guarantee the association of the appearance of the FSL OBU with Abbott and Abbott's reputation as a quality, trusted supplier of CGM systems, if sales of the iCan i3 CGM take off in the UK, there would for the first time be two white circular OBUs being widely advertised and used. That would remove the Mark's ability to differentiate and communicate to the public that the system is an Abbott system. The result of this is that Abbott's market share, revenue and profits may decrease due to the change in the economic behaviour of the consumer. This is not 'pure dilution' but represents a real reduction in the ability of the Mark to denote

Abbott's products uniquely. The Mark's distinctiveness is reduced amongst those to whom it has a reputation, whether HCPs or patients. It does not matter whether the Mark also has reputation amongst the general public. The widespread use of the iCan i3 CGM would inevitably cause the Mark to lose its ability to identify Abbott alone, a classic case of dilution or blurring. In addition, Abbott would lose control over the reputation of its CGM systems by Sinocare using a very similar mark for identical goods.

242. Second, Abbott says that Sinocare will 'piggy-back' on Abbott's reputation in the Mark, so reducing costs which Sinocare would otherwise have to incur in building up an independent reputation in its products. Advertising undertaken for the Mark and paid for by Abbott will indirectly benefit Sinocare without Sinocare having to pay for that. Sinocare has every intention to 'free ride' on the marketing investment that Abbott put into CGM systems of this kind. Although Abbott could not ordinarily complain about that, Sinocare has gone a step further in adopting the OBU design it has and identifying it as its product by use of the Mark. In this way, Sinocare will be able to benefit from Abbott's specific marketing investment by reference to the Mark, enabling it to accelerate its entry into the market much more quickly and effectively than if it had an OBU of different appearance. The benefit to Sinocare would be great even if it took a small percentage of Abbott's market share as a result of any association. By making the product easier to sell and be accepted in the UK market, there would be a clear impact on economic behaviour of consumers.

243. Finally, although pleaded, Abbott did not seek to advance its case as to detriment to the repute of the Mark through 'tarnishment'.

Sinocare's position overall

244. Again, Sinocare denies that the iCan i3 OBU is a 'sign' at all (implicating points (ii) and (v) of Arnold LJ's summary in *Muzmatch*). On the assumption that the Mark is valid but there is no likelihood of confusion, Sinocare accepts that such a link might arise (point (vii)), at least with specialist users such as HCPs who have an opportunity to view the products carefully and closely. However, Sinocare denies any harm resulting from the link (point (viii)) or that the use of the sign was without due cause (point (ix)).

Evidence of alleged harms

245. Much of the argument under TMA, s.10(3) was focused on the harm or injury alleged by Abbott and the associated requirement for evidence of a change in the relevant consumer's economic behaviour consequent on the use of the sign, or serious likelihood that such a change will occur in the future. As to this, the Abbott witnesses each described in their statements the suggested impact on Abbott and benefit to Sinocare if the latter increased its sales with reference to the white, circular shaped OBU similar to that represented by the Mark.

246. So, for example, Ms Salminen explained in her written evidence how Abbott has marketed the FSL system to ensure that those who see the shape of the FSL OBU understand that it was from, or connected with, Abbott. Abbott's concern is, therefore, that the public who

see the iCan i3 CGM in use would likely assume that the person wearing it was using an FSL system or, when seen in an advert or social media post, associate the iCan i3 CGM with Abbott. Sinocare says that there is no evidence that the public would be confused at seeing a Sinocare OBU and assume it was an Abbott product and that her claims as to the consequences of confusion are mere speculation. Nor does she explain why the consumer would be likely to make an association with Abbott by reason of an advert or post showing the iCan i3 OBU. Apart from the OBU shape not being an indicator of origin, other indicators would, in fact, be present in the advert or post in the form of the name of the product and the company making it. Even if an association did arise, there being no risk of confusion, the consumer would be aware that she is looking at a Sinocare product, not an Abbott one, such that no damage would ensue.

247. Ms Salminen also described how she says Sinocare would obtain an advantage. A competitor coming to market with an OBU of the same appearance would immediately benefit from Abbott's education of its consumers that its CGM systems are a high quality, trusted product and remove the unique brand differentiation built. Abbott's advertising would end up indirectly promoting Sinocare's OBU, thereby accelerating its UK market entry, presenting Abbott with a very difficult strategic marketing challenge as to how to continue to differentiate its product from Sinocare's. Sinocare says that this is pure assertion and implausible. The consumer knows that the product is not an Abbott one despite any similarities perceived such that Abbott's reputation would not attach to Sinocare's different product. Ms Salminen's concern appears to be one of lawful competition. Moreover, the concern as to the suggested removal of Abbott's 'unique brand differentiation' is not only misplaced given the Mark's lack of distinctiveness, the mere presence of a similar sign on the market is not actionable absent likelihood of confusion or evidence of change in economic behaviour.

248. In his written evidence, Mr Harris expressed the same concerns as Ms Salminen and how the benefit to Sinocare of Abbott promoting its products by reference to the shape of the OBU means that Abbott cannot market its way out of the problem and how it might, therefore, need to change its advertising. In addressing unfair advantage, Mr Harris' concerns appeared to be based on confusion in consumers seeing the iCan 3 OBU or asking for the 'white circular one' believing it to be the same Abbott OBU they had already seen such that they end up buying an iCan i3 under false pretences. Sinocare says that this prospect is fanciful for the reasons noted under TMA, s.10(2)(b).

249. Mr Harris then identified ways in which Sinocare might obtain market share, for example by offering its product at a lower price. As to that, there was some debate at trial as to whether Sinocare's pricing was lower than Abbott's although, ultimately, the evidence appeared to be inconclusive, with various factors influencing price such as direct or indirect supply, promotions and quantity purchased. In any event, Sinocare says that this concern too appears to be about legitimate competition.

250. Sinocare also points to Mr Harris' evidence to the effect that, knowing the different products approved for the reimbursement market and their manufacturers, NHS clinicians would prescribe their preferred choice of CGM system, with price differential likely to be the main consideration for new patients "if there were no difference in performance, indication or appearance". Sinocare explored with Mr Harris in oral evidence why the FSL would not be distinguished by, for example, the training support provided for GPs by Abbott and/ or the relative functionality, accuracy or ease of use of Abbott's products. Sinocare says that Mr Harris' answers were evasive and speculative, concluding that this claim is a transparent attempt to maintain market share and deny the NHS and patients access to an at least equivalent product at lower price. Sinocare also criticised as speculative Mr Harris' evidence that the iCan i3 OBU having the same shape as that of the FSL would likely make it easier to switch patients from the latter to the former. Finally, Mr Harris sought to explain in oral evidence why HCPs might prescribe based on OBU appearance, suggesting that Sinocare's sales representatives might visit them and talk about similarities between the products, thereby influencing their prescribing decisions.

251. Mr Harris also explained that, given these matters, Abbott would need to ramp up its efforts to educate decision-makers within commissioning bodies, purchasers and HCPs in pointing out the differences between the FSL and the iCan i3 CGM. The interactions between Abbott's sales representatives and HCPs and formulary decision-makers would also have to change because the shape would no longer differentiate the FSL from other CGM systems on the UK market, with the focus now having to be on the other features. This would need to include further explanation why FSL2 Plus should be preferred over the iCan i3 and why the potential extra spend was justified despite both devices having the same shape and colour.

252. Ms Varshneya's written evidence was not dissimilar to Ms Salminen's, with Sinocare again complaining of pure assertion. Ms Varshneya said, additionally, that if Sinocare were permitted to enter the UK market with the circular OBU of the iCan i3, it could change its products by adding 'Abbott' or 'FreeStyle Libre' onto the product as a word or logo. Abbott was reluctant to go this route given the not inconsiderable financial and branding cost. In oral evidence, Ms Varshneya also explained that any changes to Abbott's products could only be made on a global basis and, therefore, not easily. That was the case even though Abbott had already lost market share in China to other manufacturers, including Sinocare. Alternatively, Abbott could attempt to recreate distinctiveness in FSL products through advertising, although it was not clear that this could be achieved. Sinocare says that neither of the suggested steps has in fact been taken. Sinocare also submitted that Abbott's suggested reluctance to apply words to the FSL OBU was not consistent with Abbott's application in May 2021 for an EU trade mark for the OBU with 'Freestyle Libre' written on it. Based on Ms Varshneya's evidence, Sinocare surmise that the EU mark was applied for despite there being no intention to use it.

253. Mr Williams gave written evidence as to Abbott's concern that the appearance of the iCan i3 OBU means that consumers would think it was connected to Abbott and Abbott's

products and technology and that Sinocare would be able to leverage off the valuable FSL brand, including Abbott's marketing and advertising, a particular concern in the health and wellness market given its nascent state. General consumers new to the CGM category of products may find the iCan i3 through online searches and visual advertising and, with its equivalent shape and colour for the OBU, associate it with Abbott and Lingo and buy that instead, presumably under the wrong impression that it was the same. Sinocare says that his evidence reflects unsubstantiated concern and assumption of confusion on his part, contradicted by his own oral evidence to the effect that the prominent connection of the Lingo product to Abbott in its advertising and social media means that health and wellness consumers would, in fact, know this product by the Abbott and Lingo names.

254. There was again some criticism by Abbott that Sinocare had failed to challenge the evidence of Ms Salminen and Mr Williams as to potential harm. However, I was again satisfied that the necessary points had been covered appropriately as between the different Abbott witnesses and that unnecessary repetition had been avoided.

255. Mr Taylor testified (for Sinocare) that Sinocare's entry into the UK market would not cause a change in consumers' economic behaviour. Abbott says that his essential reasoning is that Abbott is a large company and could sustain any economic damage, rather making Abbott's point for it. Moreover, Mr Taylor had the wrong legal test in mind when referring to a *significant* economic change. He also gave evidence as to Dexcom's inability to make a significant dent in the reimbursement market. Abbott says that this was not relevant and cannot help Sinocare, its explicit aim being to do better than Abbott in the reimbursement market.

Whether any advantage was *unfair*

256. If the Court were to conclude that Sinocare has obtained an advantage through a link with the Mark, absent confusion, Abbott would also need to demonstrate that the advantage was obtained unfairly. In its Reply (at [7]), Abbott invited the Court to infer that Sinocare had copied the design of Abbott's CGM OBUs to benefit from the Mark's reputation. The argument was advanced in less ambitious terms at trial, the focus being on Sinocare's intention to take advantage of the reputation of the Mark by coming onto the UK market with an OBU of the same appearance as Abbott's FSL.

257. Sinocare says that the principal problem with this argument is that, as explained in detail in the evidence of Mr Slomski and Dr Fei, the shape of Sinocare's OBU was settled upon in 2019, three years before Abbott sought Mark registration. That evidence also explains Sinocare's rationale for the choice of circular shape, reflecting functional and user considerations. That factual evidence is supported by the expert evidence as to the technical reasons underlying the adoption of a circular shape. As to colour, any dispute as to technical function aside, Abbott's expert, Mr Fox, explains that white, opaque surfaces are common on medical devices for the perception of cleanliness and association with medical products. Sinocare also says that Dr Taub's observation as to the increased manufacturing costs associated with a circular design (confirmed by Mr Fox in his oral evidence) was easily

met by Mr Slomski's unchallenged evidence that such costs were not a problem for Sinocare and Mr Fox's evidence that different manufacturers in different contexts will have different design priorities and constraints. As such, Sinocare says there is no basis for the suggestion that the iCan i3 OBU sought in its design to trade off the Mark or any reputation attaching to the shape of the FSL OBU.

258. Sinocare notes that what Abbott put in cross examination was a significantly different proposition, namely that the former had been *reckless* in coming onto the UK market without having checked the state of the trade mark register. However, a failure to search the register is only significant if there was a reasonable expectation that one would need to do so (*Walton International Ltd* v *Verweij Fashion BV* [2018] EWHC 1608 (Ch) at [213]-[214]). Although *Walton* concerned honest concurrent use, the same point applies in this context too. Here, the Mark is acknowledged to be inherently non-distinctive, it is not said that acquired distinctiveness had been achieved until long after the iCan i3 was designed and Abbott's advertising had not changed over time. As such, Sinocare says that there was no reason to think that a non-distinctive shape had become distinctive. Nor, whether in China (where Abbott has a trade mark), or when Sinocare's plans for UK and European launch were foreshadowed publicly at a conference in October 2023, did Abbott notify Sinocare of its registration or suggest any conflict. Accordingly, as well as Abbott having no case on advantage in the absence of confusion, Sinocare says that there is no material from which to infer deliberate copying of the shape of Abbott's OBU or recklessness.

259. It was perhaps in the context of unfair advantage that the question of Sinocare's commercial motives were subjected to the closest scrutiny. Abbott relies, for example, on Sinocare's internal documents, including those indicating Sinocare's (i) awareness that Abbott's position in the market came from its clinical market, product promotion and academic promotion efforts (ii) strategy to be a 'fast follower', allowing Abbott to spend "big marketing dollars to familiarize the glucose-testing diabetes population with the CGM concept right in time for Sinocare Meditech's market entry" (accepted by Mr Slomski to be a plausible statement) (iii) intention to take advantage of Abbott's cultivation of global users and seize the market in a rapid way (iv) awareness that it would be gaining most patients from Abbott (v) awareness that the FSL OBU shared the same round shape as the iCan i3 OBU and (vi) concern that the addition of a code image to the iCan i3 OBU might be differentiating in a negative manner to the FSL OBU.

260. Likewise, Abbott relies on Sinocare's related testimony, including from (i) Mr Slomksi to the effect that, in Sinocare's competitive surveillance, Dexcom and, more so, Abbott were viewed as the baseline for comparison (ii) Mr Slomski that Sinocare's aim was to have manufacturing capacity to serve very large patient demand (iii) Dr Fei as to Sinocare's aim to take significant market share, albeit with a small marketing budget and (iv) Mr Taylor that Sinocare achieving sales in the order of tens of million would not reflect significant behavioural change by consumers.

261. In this context, Mr Slomski testified that:-

(a) He did not foresee taking advantage of Abbott's marketing "in order to jump in on their coat-tails";

(b) Sinocare's primary motivation and mission was to serve patient need at an attractive price point that expands the number of patients that can actually afford the device for the benefit of the population;

(c) The prospect of competing with Abbott on price or other features was a secondary consideration;

(d) The actual impact of a very similar mark in the diabetic or wellness market was never a consideration for him;

(e) His focus was on picking the design of product that was not limited by 'Freedom to operate' (**FTO**) and that was most likely to clearly meet patient demand;

(f) As for Sinocare's FTO exercise, he spent the majority of 2019 focusing on patents and patent applications of other CGM manufacturers and being diligent to help focus the Sinocare team to mitigate infringement risk;

(g) The FTO started in the USA and went into the EU and China. It was a major legal effort, costing hundreds of thousands of dollars;

(h) Mr Slomski ensured that Sinocare searched for patents applicable to the major manufacturers and specifically the CGM;

(i) Although it would already have been within the scope of the FTO, Dr Fei's query as to whether the OBU's circular shape would present an issue led to Sinocare double-checking for specific design patents to ensure it had not inadvertently missed anything;

(j) Respecting the rights of other manufacturers had been instilled as part of his indoctrination at a prior healthcare company as a core value in the product development teams;

(k) From his perception, Abbott had taken steps through the Libre or Abbott word marks or butterfly logo to obtain trade mark protection;

(l) That there could be a 2 or 3 dimensional trade mark on the shape of the OBU was never something that crossed his mind, being beyond his experience;

(m) If he had been aware of the registration of the Mark, he would not have advised his team to continue the design in the way Sinocare did. Potential infringement risk would have been avoided;

(n) Although possible to design the OBU differently, it would not have been optimal given the challenges of providing a patient with a reliable device that stays adhered to the skin;

(o) It was the mitigation of the risk of dislodging or catching the OBU that led Sinocare to the design it adopted;

(p) Sinocare's initial prototype design was in ovular form at a time when the indicated wear could have been the abdomen or the arm;

(q) This gave rise to orientation issues and insertion difficulties for paediatric patients or those with low body mass index such that the circular design was preferred to achieve the technical result of ease of use;

(r) The colour white was chosen because it was a medical device (not a toy) and was discreet and non-conspicuous, better serving patient preference;

(s) Although some patients had expressed a preference for the housings to be clear, this would have been less discreet because of the colour of the internal components such that Sinocare did not go in that direction;

(t) He was not aware of the 3 dimensional trade mark applications made by Trividia (a Sinocare affiliate) in respect of heart-shaped and octagonal OBUs. Given the potential for snagging and premature de-adherence, the wear period could be compromised if OBUs of that shape were used. Quantifying that potential would require a survey; and

(u) There was an internal urgency to introduce the iCan i3 as soon as possible because of the appreciation that the longer competitive manufacturers are in the market, the more likely they are to capture and retain market.

262. Dr Fei testified in this context that:-

(a) The FTO analysis was not done specifically for Europe. Manufacturers normally file their US patent first. Sinocare's focus is therefore on the US patent family;

(b) Sinocare did not do a European trade mark search because it did not know to do so. Had Sinocare known, it would have avoided the circular OBU shape;

(c) Sinocare's advantage is the technology and performance of its product. As he emphasises at every presentation at major conferences, that technology is different from Dexcom's and Abbott's and a benefit to the patient;

(d) Price is not really an advantage for Sinocare and is never the point he tries to get across to the audience;

(e) It was not Sinocare's aim to obtain significant UK market share. There were 5 or 6 other manufacturers listed by the NHS on the reimbursement market. He would, however, be happy for Sinocare to do so, patient benefit being its 'entire mission';

(f) Sinocare's UK marketing budget is small, with no sales team in the UK;

(g) Sinocare's iCan word mark was very little known in the UK, albeit he disagreed that iCan did not mean anything in the general population;

(h) Sinocare would not seek to "ride on Abbott's coat-tails" and "take advantage of Abbott's marketing spend". Sinocare has more advanced technology which it would claim rather than attempting to be a "follower"; and

(i) The new Trividia trade mark applications were a protection measure to avoid the situation in which Sinocare developed those shapes, Abbott registered those marks and Sinocare found itself in the same position as with the circular shape.

Without due cause

263. In relation to the allegations of detriment to distinctive character, Sinocare says that, if the Court concludes that this type of harm occurred, that is because Sinocare sought to achieve the technical benefits of adopting a circular shape for an OBU and a discreet and standard opaque colour. The Court should not constrain patients or HCPs from prescribing a medical device on that basis.

264. Sinocare points to the judgments of Lewison and Birss LJJ in *Lidl CA* to say that the issue of whether Sinocare had acted with due cause in obtaining an unfair advantage is tied up with the question of whether they acted unfairly.

TMA, s.10(3) – discussion

265. For both types of harm alleged by Abbott, in the absence of the risk of confusion, evidence is required of a change in the average consumer's economic behaviour consequent on the use of the sign or of a serious likelihood that such a change will occur in the future. As noted in *Environmental Manufacturing*, although 'logical deduction' is permitted, it must be founded on an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case.

266. The first type of harm alleged is detriment to the suggested distinctive character of the Mark. Abbott now accepts that the Mark is not inherently distinctive. In reaching this point in my judgment, I have done so again on the basis (contrary to my actual findings) that the Mark has acquired distinctiveness to HCPs and patients, as that also appeared to be Abbott's ultimate position at trial, and (consistent with my actual findings) that there is no risk of confusion. As Sinocare accepted for those purposes, a significant proportion of those consumers will have made a link or connection in their minds between the Mark and the iCan i3 OBU.

267. I address the reimbursement market first, in relation to which, Mr Harris was Abbott's principal factual witness. I found many related aspects of his evidence to be unsatisfactory. As already noted, I considered his (and Ms Varshneya's) evidence as to the use of the Mark and, in this context, the suggested importance of the shape of the FSL OBU, to be overstated, both resorting to the suggestion that this featured 'front and centre' in Abbott's marketing when, in fact, any emphasis was on the functionality and small size of the OBU, not its circular shape. Moreover, I have also already found unpersuasive certain aspects of their evidence as to the likely behaviours of HCPs in a confusion context. Given how the reimbursement market operates, this was implausible and, rightly in my view, confusion in that market was not pressed at trial.

268. Aspects of the evidence in the context of s.10(3) were also implausible. As noted, in exploring whether, at any stage of the prescription process, CGM systems were prescribed on the basis of the shape of the OBU, Mr Harris suggested, for example, that HCPs might be influenced in their prescribing decisions by Sinocare representatives emphasising to them their product is very similar to Abbott's. This suggestion was entirely speculative. I also agree that Mr Harris did not properly engage with the important question of whether Abbott would distinguish its products in the reimbursement market by reference to their functionality, accuracy and ease of use, as Ms Varshneya and Ms Salminen testified had been the focus of Abbott's marketing. Again, Mr Harris resorted to the 'front and centre' rubric with respect to the circular shape of the OBU. Although Abbott did not ultimately press at trial the likelihood of the economic behaviour of these participants in the reimbursement market changing as a result of Sinocare's allegedly infringing sign, Abbott's related speculation nevertheless came unstuck again.

269. As for the wellness market, Abbott recognised that, being nascent, the distinctive character of the Mark had yet to be built for the relevant average consumer. Nevertheless, it argued that distinctiveness or, perhaps more accurately, the ability to build up distinctiveness in a new market which it was reasonably expected the proprietor would enter, should enjoy the protection of s.10(3) as well. As Sinocare pointed out, the difficulty with this submission was again that the relevant consumers for the purpose of this infringement claim do not know the Mark. They would, therefore, not make any connection in their minds with the allegedly infringing sign, nor change their economic behaviours in consequence of its use. I agree that this presents a threshold difficulty for Abbott.

270. The problem goes further. *Intel* is clear that evidence is required of such change in economic behaviours or its serious likelihood. In my view, however, Abbott's evidence did not seek properly to explain how and why Sinocare's use of a white, circular OBU would have that effect as opposed to asserting that outcome and expressing Abbott's related concerns. This was particularly marked when considered in the context of the nature of the product (a medical device), the many features of CGM systems of importance to consumers, the differences between the Abbott and Sinocare products (as some were explained by Mr Taylor), Abbott's track record, reputation and market leading role in the UK CGM market and its significant marketing and advertising under the Abbott and FSL brands. In my view, Abbott's evidence reflected little more than a general concern about Sinocare's market entry. This harm was not made out.

271. Abbott's position with respect to unfair advantage was similarly problematical. Even assuming again a connection in their minds between the Mark and Sinocare's similar OBU, it was unclear from the evidence how and why the economic behaviours of the relevant consumers might change. Although Abbott's witnesses suggest that Sinocare would benefit from its marketing investment, it might be said that Sinocare's reliance on that investment would have the opposite effect, with Abbott continuing to tell its compelling story to the market about its FSL CGM systems and their different features unrelated to OBU shape. Abbott's evidence again comprised little more than assertion of advantage without meaningful analysis of how Sinocare's use of its similar OBU might bring this about. This harm too was not made out.

272. Finally, I should also mention that Abbott did not seek to argue that it had pursued steps with a view to countering the harms asserted. Ms Varshneya's evidence was that these had been considered but not taken.

273. Accordingly, assuming (contrary to my earlier findings) that the Mark was valid and had acquired distinctiveness to the extent of HCPs and patients, I would nevertheless have found that Abbott had not made out its claim for infringement under TMA, s.10(3) such that this too would have failed. In reaching that conclusion, it has not been necessary for me to consider the question of due cause or the unfairness element of unfair advantage. However, I do so more conveniently under the not unrelated defence to infringement afforded by TMA, s11(2)(b).

TMA, s.11(2)(b) - defence to trade mark infringement

274. TMA, s.11(2) provides relevantly that:-

> "(2) A registered trade mark is not infringed by:-
>
> ……..
>
> (b) the use of signs or indications which are not distinctive or which concern 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…
>
> ……..
>
> provided the use is in accordance with honest practices in industrial or commercial matters."

275. Accordingly, if the allegedly infringing sign does not itself indicate origin and has been used in accordance with honest practices in industrial or commercial matters, the user has a defence to alleged infringement under both ss.10(2)(b) and 10(3).

276. In *Samuel Smith Old Brewery (Tadcaster)* v *Lee (t/a Compton Brewery)* [2012] FSR 7, the Court provided (at [118]) a non-exhaustive list of factors relevant to the issue of whether use was in accordance with honest practices in industrial or commercial matters, namely:-

(a) whether the defendant knew of the existence of the trade mark, and if not whether it would have been reasonable for it to conduct a search;

(b) whether the defendant used the sign complained of in reliance on competent legal advice based on proper instructions;

(c) the nature of the use complained of, and in particular the extent to which it is used as a trade mark for the defendant's goods or services;

(d) whether the defendant knew that the trade mark owner objected to the use of the sign complained of, or at least should have appreciated that there was a likelihood that the owner would object;

(e) whether the defendant knew, or should have appreciated, that there was a likelihood of confusion;

(f) whether there has been actual confusion, and if so whether the defendant knew this;

(g) whether the trade mark has a reputation and, if so, whether the defendant knew this and whether the defendant knew, or at least should have appreciated, that the reputation of the trade mark would be adversely affected;

(h) whether the defendant's use of the sign complained of interferes with the owner's ability to exploit the trade mark;

(i) whether the defendant has a sufficient justification for using the sign complained of; and

(j) the timing of the complaint from the trade mark owner.

TMA, s.11(2)(b) - discussion

277. As a preliminary matter, I accept that the iCan i3 OBU, like the Mark, is inherently non-distinctive, being one component of Sinocare's CGM system, and not used as a trade mark to indicate the origin of that system. As such, the first element of this defence is satisfied.

278. As to whether Sinocare's use of its sign has been in accordance with honest practices in industrial and commercial matters, considering the various factors set out in *Samuel Smith*, and having regard to the evidence, particularly that of Mr Slomski and Dr Fei, which I considered compelling, I find that:-

(a) Sinocare did not know of the existence of the Mark when it designed the iCan i3 OBU in 2019, several years before the Mark's filing date;

(b) In Autumn 2019, Sinocare undertook in conjunction with its lawyers the FTO exercise which specifically checked whether there were any design or utility patents restricting the circular OBU design from an infringement perspective;

(c) In taking these steps, Sinocare's own internal documents show that it was conscious of the need to act responsibly as a 'corporate citizen'. Based on Dr Fei's evidence, Abbott says that the FTO was not undertaken in the EU. However, Mr Slomski, oversaw the FTO process and confirmed that it was. I accept his evidence;

(d) Sinocare first introduced its OBU to the Chinese market in April 2023 where Abbott also operates;

(e) Abbott did not complain to Sinocare about its OBU prior to its introduction onto the European or UK market in January 2024;

(f) No evidence of actual confusion has emerged, whether in China or the UK. As noted, if there had been such confusion, I would have expected some meaningful evidence to have emerged by the time of trial (October 2024);

(g) I have rejected Abbott's infringement claim based on the likelihood of confusion under TMA, s.10(2)(b);

(h) Even assuming for these present purposes that, contrary to my actual findings, Abbott had been able to establish acquired distinctiveness to HCPs and patients, I accept that there would still be no reason for Sinocare to have known this or to have appreciated that the Mark's reputation would be affected by its own trading, not least given (a) the Mark's inherently non-distinctive character (b) that even on the assumption that it had acquired distinctiveness amongst HCPs and patients, it could not have done so until long after its market entry and (c) the nature of Abbott's

advertising does not appear to have materially changed over time, Ms Varshneya herself acknowledging that Abbott's emphasis until the third advertising campaign had been on the functional features or benefits of the product;

(i) As such, I also accept that it was not reasonable for Sinocare to have conducted a search for the Mark upon UK market entry in 2024 (or to have renewed its earlier FTO). In this regard, Abbott's reliance on *SkyKick* to contend that a search should have been undertaken did not advance matters, the facts of that case being markedly different;

(j) By 2 October 2023, Abbott knew that the iCan i3 CGM would be launched on the UK market when Sinocare, including Dr Fei, presented about this at the European Association for the Study of Diabetes conference in Hamburg, with 13 Abbott employees attending Sinocare's presentation of the iCan i3 CGM;

(k) Abbott did not commence these proceedings until nearly five months later on 29 February 2024;

(l) Abbott says that Sinocare's evidence to the effect that it would have used a different design had it known about the Mark means that it did not use the allegedly infringing sign in Europe in reliance on legal advice. I did not understand why this followed but the important point, in my view, is that Sinocare reasonably did not appreciate then that there was an issue. When it did, it took steps to defend its position, as it was entitled to do;

(m) Mr Slomski and Dr Fei denied Abbott's allegation of 'free riding', their evidence explaining how Sinocare introduced the iCan i3 to serve patient need at an attractive price point and in the belief that Sinocare's technology was more advanced. Their exposition was compelling;

(n) I did not find impactful Abbott's reliance on certain parts of the documentation and other evidence to support its arguments on Sinocare's commercial motivation. That evidence appeared to show little more than Sinocare's belief that Abbott's groundwork in developing the CGM market had made it easier for Sinocare to enter that market itself and to build potentially significant sales and market share. These unremarkable propositions reflect legitimate competition. These aspects of the evidence did not show that Sinocare's decision to bring its product to market in the form it did was influenced by Abbott's use of the circular shaped OBU in its own FSL product, let alone that Sinocare intended to leverage off Abbott's marketing because of the appearance of the OBU featuring in that marketing. Sinocare's witnesses rejected these suggestions. I accept their evidence;

(o) Although Sinocare could have used a different shape, other manufacturers did that and Sinocare did initially consider an ovular form, as Mr Slomski explained, again

convincingly, the circular shape of Sinocare OBU was chosen as optimal for reducing snagging, catching and OBU detachment. The ovular shape also reduced adherence in certain orientations. No orientation issues arose with a circular OBU, making it easier to apply to the body. I accept his evidence. It is also consistent with the expert evidence; and

(p) Nor was I persuaded by Abbott's argument that the circular shape lent itself to wasted material and higher costs. Although Mr Fox agreed that this design would lead to higher costs, he (and Mr Clarke) also explained how there were trade-offs for every design. In my view, the point was put to rest by Mr Slomski's evidence that the manufacturing considerations canvassed by Abbott were not an issue for Sinocare.

279. Having considered all the relevant circumstances, I accept that Sinocare acted fairly in relation to Abbott's legitimate interests as proprietor of the Mark. Sinocare cannot be considered as unfairly competing with Abbott. As such, had it been necessary to decide the availability of the honest dealing defence under TMA, s.11(2)(b), I would also have found that this was available to Sinocare in respect of both infringement claims.

280. For many of the above reasons, and striking the appropriate balance between the parties' interests in the circumstances of this particular case, I would also have accepted for s.10(3) purposes that Sinocare's use of its circular OBU was not without due cause but that it should be regarded as fair competition and not prevented.

281. For the above reasons too, even if Abbott had made out on the evidence that Sinocare had obtained an advantage (which it has not), and even though unfairness does not require subjective intent to exploit goodwill in the Mark, I would also have found that such advantage was not unfair.

Passing off

282. I now consider Abbott's claim in passing off, briefly given the considerable overlap with the arguments in relation to infringement under TMA, s.10(2)(b) and the parties' agreement that this further claim added little unless invalidity was found under TMA, s.3(2)(b) only.

283. The different elements of the tort were helpfully summarised in *Lidl CA* (at [27]-[35]). For present purposes, I note the traditional requirements for (a) goodwill in the UK in the form of customers for the goods or services, associated with some indicia of trade (b) a misrepresentation by the defendant that its business or goods are associated with that of the owner of the goodwill and (c) damage as a result of that misrepresentation. It is a question of fact whether each element is made out.

284. There is no dispute that Abbott has goodwill in the UK. The question that arises is whether consumers identify that goodwill with the shape of the FSL OBU. For the reasons given

above under the analysis of the validity of the Mark, particularly its lack of inherent and acquired distinctiveness, I find that they do not.

285. As to the requirement for misrepresentation, Abbott alleges that Sinocare has, by the design of its iCan i3 OBU, represented that it is connected in business with Abbott. That requires consumers to treat Sinocare's OBU design as indicative of trade origin. As Arnold LJ explained in *Glaxo Wellcome* (at [170]), including by reference to *Unilever Plc's Trade Mark Applications* [2003] EWHC 2709 (Ch), [2003] R.P.C. 35 at [46] (a trade mark case), it is not enough for the claimant to prove that the public recognise the shape and/ or colour of the claimant's product and associate it with that product.

286. For the reasons also already given, I accept that consumers do not regard Sinocare's OBU as origin identifying but that they look for that purpose to traditional identifiers such as word marks and logos, both of which feature prominently at point of sale of Sinocare's products. Moreover, even on the basis of what appeared to be Abbott's position at trial that the shape of the OBU indicates goodwill for HCPs and patients, they were not deceived by Sinocare's use of that shape. On either basis, there was no relevant misrepresentation.

287. Nor for the reasons already indicated would Abbott suffer any damage.

288. Abbott's claim in passing off therefore fails as well.

Conclusion/ disposal

289. For all these reasons, I therefore:-

(a) dismiss Abbott's claim;

(b) give judgment on Sinocare's counterclaim; and

(c) declare that the Mark was at all material times invalid and has not been infringed.

290. The parties are requested to provide a draft minute of order reflecting this disposal and any consequential matters arising. If such matters cannot be agreed, arrangements can be made for a hearing to address them.