

**O/296/20**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF THE APPLICATION FOR TRADE MARK NO. 3262973  
IN THE NAME OF SOHO FLORDIS UK LIMITED FOR THE TRADE MARK**

**EST. 1812**  
**Potter's**  
**— H E R B A L S —**

**IN CLASSES 3, 5, 29, 30 AND 32**

**AND**

**THE OPPOSITION THERETO UNDER NUMBER 412928**

**BY**

**ERNEST JACKSON & CO. LIMITED**

## Background

1. On 12 October 2017, Soho Flordis UK Limited (“the applicant”) applied for the trade mark shown on the cover page of this decision, number 3262973, for goods and services in classes 3, 5, 29, 30 and 32. The application was published for opposition purposes in the *Trade Marks Journal*, on 30 March 2018.

2. Ernest Jackson & Co. Limited (“the opponent”) partially opposes the application in classes 5, 30 and 32 under sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).<sup>1</sup> For its section 5(2)(b) ground, the opponent relies on three earlier registrations, all in class 5:

(i) 532822

POTTER’S

*Medicated preparations in the form of pastilles all for human use in the treatment of catarrh.*

Filing date: 22 June 1932; date registration procedure completed: 9 February 1933.

(ii) 645168

POTTER’S.

*Pharmaceutical preparations and substances, medicated and tonic foods for infants and invalids, antiseptics.*

Filing date: 22 February 1946; date registration procedure completed: 30 April 1947.

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<sup>1</sup> The section 5(3) ground was withdrawn at a case management conference held on 12 September 2019.

(iii) 3017684



*Medicated confectionery, preparations and substance for medical or therapeutic use, pastilles, lozenges.*

Filing date: 10 August 2013; date registration procedure completed: 15 November 2013.

3. The opponent made a statement of use in respect of all three earlier marks. However, only 532822 and 645168 had been registered for five years or more on the date on which the contested application was published. 3017684 is not subject to proof of use under Section 6A of the Act. Therefore, despite the applicant requesting proof of use in relation to all three marks, proof of use is only applicable to 532822 and 645168. This was accepted at a case management conference (“CMC”) held on 12 September 2019, and again at the hearing of the substantive grounds.

4. The opponent relies upon its use of the sign POTTER’S under section 5(4)(a), since at least 1932, in relation to ‘medicated confectionery; pastilles and lozenges; cough pastilles’. It claims its goodwill entitles it to prevent the use of the applicant’s mark under the law of passing off.

5. The applicant filed a notice of defence and counterstatement, denying the grounds. In its counterstatement, the applicant states:

“19. The Applicant denies that its Mark is confusingly similar to the Opponent’s Marks. The Applicant [sic] has failed to put forward any instances of confusion. Furthermore, the parties and their marks have co-existed in the market place for different goods over the past several decades without any confusion, and in fact with full knowledge and agreement between the parties....

26. The Applicant denies any confusion, as alleged or at all, and by virtue of coexistence agreements between the parties' predecessors regarding demarcation of areas of use in respect of their respective brands and relating to their specific uses. Whilst the Applicant does not admit the Opponent's use or reputation or goodwill, evidence regarding the history and agreements between the parties' predecessors in title will be submitted at the appropriate time. The Applicant will show that the Opponent is bound by such agreements."

6. Both sides filed evidence. The opposition came to be heard by video conference on 30 January 2020. Ms Charlotte Blythe, of Counsel, instructed by Wilson Gunn, represented the opponent. Mr Adrian de Fremont, of Counsel, instructed by Joshi Worldwide IP Limited LLP, represented the applicant.

### **Preliminary points**

7. Following the filing of the opponent's evidence, the applicant requested an extension of time of at least two months to complete its own evidence. The applicant explained in its extension request that it required the opponent to disclose a document, and that it could not complete its own evidence without the document, as follows:

The Applicant's position is that the Opponent is the owner of the POTTERS mark "only in respect of pastilles" in class 5, which were acquired through a partial assignment of the POTTERS mark, and that the remaining goods in class 5 were maintained by the original Assignor. By subsequent acquisitions of businesses the original Assignor's rights, title, assets and interests in the POTTERS mark were transferred to the Applicant. The Applicant can show a clear chain of transfer of title to its ownership.

The reasons for the request are:

- The Applicant submits that the document requested for disclosure confirms the Applicant's position in this matter.
- The document was executed by the Opponent and 'Potter & Clarke Limited' in 1991, and relates to the partial assignment of the POTTER mark in the UK. We understand that the document is dated 19 November 1991.
- We consider that the Opponent will have a copy of this document in its possession because it was a direct signatory to and signed the document.
- The Applicant has via its representatives requested the 1991 assignment document from the Opponent, but despite reminders over many months has not received any response to this request.
- The Applicant understands that the UK IPO has a copy of the Assignment document in its archives. On 30 August 2018 (copy FS2 sheet attached dated 30/8/18), the Applicant requested this document from UK IPO. The UK IPO could not comply with this request since the Applicant is not party to the agreement, nor is the Applicant's attorney the representative for the Opponent, and as such we are informed that this document cannot be disclosed by the Office without the consent of the Opponent. As such a request for disclosure was made directly to the Opponent's representative.
- The Opponent has simply not responded to requests for this document to be disclosed.

We consider that disclosure of this assignment document is relevant, probative and in the possession of the Opponent and that disclosure in full would clarify the position.

We ask that the Office formally requests the disclosure of this document from the Opponent and in the absence of such disclosure that it be ordered that the Opponent disclose this document and/or that such document is disclosed from the archives of the Office. We request that the Office makes such order and/or sets a CMC on the matter.

8. I held a case management conference ("CMC") on 12 September 2019, by telephone conference. Mr Terry Rundle, of Wilson Gunn, represented the opponent. Mr de Froment represented the applicant. The operative part of the letter which I sent to the parties on 16 September 2019 is as follows:

"At the conclusion of the CMC, I said that I would call for a group of files from the IPO archives to see if a particular assignment document, for which the applicant seeks disclosure, is held by the IPO. Mr Rundle said that the opponent did not have a copy of the document; if it had, it would have been content to send a copy to the applicant. He said the IPO had told him that the papers had been destroyed. Mr de Froment submitted that this was the first time the opponent had told the applicant this, and that the proper course of

action was to order disclosure, at which point the opponent should provide a witness statement giving reasons as to why it was unable to comply with the order.

In the event, I have decided not to order disclosure as part of these opposition proceedings. Whether or not the applicant considers that the IPO made a mistake in recording the 1991 assignment, and that the assignment should have been partial and not total, I must take the register as I find it. The Registrar does not have the power to remedy such an error unless it be as the result of a successful application for rectification.

The applicant has filed its evidence. The additional evidence which it sought to file was related to the assignment document, assuming it would be disclosed. As the opponent does not possess it and I have not ordered disclosure, there is no reason to allow the applicant further time to file such evidence. The next stage is for the opponent to indicate whether it wishes to file evidence in reply. The opponent has until 16 October 2019 to inform the IPO and the applicant whether or not it wishes to file evidence in reply; if it does, such evidence must be filed on or before 16 November 2019.

Mr Rundle indicated that the opponent withdrew its section 5(3) ground and that he would take instructions as to whether it would also withdraw the section 5(4)(a) ground. I pointed out that earlier right 3017684 was not subject to proof of use, despite the opponnt having made a statement of use and the applicant having requested proof of use. Both parties accepted that. I also asked the parties if they had explored mediation since the history of the parties' business relationship suggested to me that this would be appropriate and desirable. The applicant's attorney, Mr Joshi, informed me that the parties were speaking and that he was hopeful of a settlement. I am happy to suspend the proceedings if time is needed for negotiations and/or mediation. In the meantime, the dates are running for the opponent's evidence in reply.

For the record, I have called for all the paper files in the group which were subject to the 1991 assignment (as identified in the applicant's evidence, exhibit

SAH19). The lead file in the group, number 53626, has been destroyed since it expired in November 2008. This is the file upon which the assignment document would have been placed, in all probability. The archive service has provided me with the files which it has been able to locate. On file 671365, there is a copy of an assignment agreement dated 31 December 1991 and the accompanying form TM16 between Roberts Laboratories Limited and Ernest Jackson & Company Limited, but neither document lists any of the earlier marks relied upon in these proceedings. There are no other assignment documents dating from 1991 on the files provided.”

9. The archive service continued to search for the assignment documents and, a few days later, located papers which were assumed to have been attached to file number 53626 prior to the papers for that trade mark registration having been destroyed. The papers included a form TM16 received on 16 December 1991 which listed, amongst other trade marks, two of the earlier rights relied upon in these proceedings (532822 and 645168). There was also an assignment document dated 19 November 1991 between Potter & Clarke and Ernest Jackson & Company Limited. This assignment document also listed the two oldest marks in these proceedings, in the schedule of marks which were assigned.

10. By way of a letter dated 19 September 2019, the IPO informed the parties of these developments, prompting a letter from the applicant requesting me to order disclosure now that the assignment document had been located. The IPO replied, on 7 October 2019:

“The Hearing Officer has advised that the discovery by the IPO’s archive service does not alter her decision, which was made on the basis that the assignment document has no bearing upon the opposition proceedings, for the reasons given in her letter dated 16 September 2019. The decision was not made on the basis of there being apparently no documents to disclose. Furthermore, since this is the case, the Hearing Officer does not have the power to alter her own decision: see the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in TWG Tea Company Pte v Mariage Frères SA, BL

O/396/15. This does not prevent the applicant from requesting a copy of the document directly from the opponent, now it has come to light.”

## Evidence

11. The opponent’s evidence comes from David Walter, who has been the opponent’s managing director since 2007. Mr Walter’s witness statement is dated 25 June 2019.

12. Mr Walter states that POTTER’S has been used as a trade mark since the early 19<sup>th</sup> century for, *inter alia*, catarrh pastilles. The remainder of Mr Walter’s statement concerns the use of POTTERS in relation to pastilles for the treatment of catarrh, coughs and colds. There is no evidence in relation to any other goods.

13. Retail sales value figures have been redacted, but Mr Walter gives figures for the units sold and for advertising expenditure:

<b>Year</b>	<b>Units</b>	<b>Advertising (£)</b>
2013	1,109,796	11,303
2014	875,118	14,333
2015	904,464	48,809
2016	1,288,422	13,228
2017	1,124,244	14,895
2018	1,243,902	Not given

14. Mr Walter provides examples of invoices for each of the years from 2013 to 2018 in Exhibit DMW-02. There were regular sales to UK customers (such as Boots, Savers and Poundland) of items listed as, for example, POTTER’S catarrh pastilles, decongestant pastilles, and cough pastilles.

15. Exhibit DMW-01 comprises examples of packaging, whilst Exhibit DMW-03 comprises copies of flyers, advertisements and an advertorial, dating from 2013, 2015 and 2016. The content of these two exhibits includes use of the mark in its composite form, as per registered mark 3017684, in 2015 and 2016.



## **Proof of use**

16. As the two oldest earlier marks had been registered for more than five years on the date on which the contested application was published, Section 6A of the Act applies, which states:

“6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

17. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) (28 June 2018), Arnold J. (as he then was) summarised the case law on genuine use of trade marks, referring to judgments from the Court of Justice of the European Union (“CJEU”):

“114. The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 *P Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)*

[EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an

outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

18. The onus is on the opponent, as the proprietor of the earlier marks, to show use because Section 100 of the Act states:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

19. It does not appear to be in dispute that the opponent has sold catarrh, cough and cold pastilles. The opponent has not shown in its evidence that it has sold any other goods. It is clear from the evidence that the opponent has made continuous use of POTTER'S in relation to catarrh, cough and cold pastilles and has sold a substantial amount of units. Although the use appears, during the relevant period (31 March 2015 to 30 March 2018), to have been in relation to the composite form of its mark (as represented by the third of its earlier marks, not subject to proof of use), this is use of POTTER'S: see *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, CJEU.

20. The opponent may rely upon *Medicated preparations in the form of pastilles for human use in the treatment of catarrh, coughs and colds*, in respect of earlier marks 532822 and 645168.

### **Section 5(2)(b) of the Act**

21. Section 5(2)(b) of the Act states:

“(2) A trade mark shall not be registered if because –

(a) ...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

22. The following principles are gleaned from the decisions of the CJEU in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia*

*Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

### **The principles**

(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 be dominated by one or more of its components;

(f) however, it is also 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 great 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;

(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.

#### Comparison of goods

23. Earlier mark 3017684, which is not subject to proof of use, has the widest specification of the three earlier marks. I will begin my assessment in relation to this earlier mark.

24. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

25. In *Kurt Hesse v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case C-50/15 P, the CJEU stated that complementarity is capable

of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (“GC”) stated that “complementary” means:

“82 ... there is a close connection between [the goods], in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking...”.

26. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited* (“*Treat*”) [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

27. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12] Floyd J said:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

28. The law requires that goods/services be considered identical where one party’s description of its goods/services encompasses the specific goods/services covered by the other party’s description (and vice versa): see *Gérard Meric v OHIM*, Case T-33/05, General Court (“GC”). The parties’ respective goods are:



<b>Earlier mark</b>	<b>Application</b>
<p><i>Class 5: Medicated confectionery, preparations and substance for medical or therapeutic use, pastilles, lozenges.</i></p>	<p><i>Class 5: Beverages adapted for medical purposes; biological preparations for medical purposes; capsules of herbs for medical use; dermatological preparations (medicated); dietary supplements; dietary fibre; dietetic substances adapted for medical use; energy drinks (dietary supplements); enzymes contained in pharmaceuticals and nutritional supplements; fish oil for medical purposes; food for babies; herbal infusions and herbal remedies for medicinal purposes; malt extracts for medical and pharmaceutical use; meal replacement preparations in this class, including but not limited to beverages and bars; medicinal herbs extracts, dietetic food and substances adapted for medical use; mineral additives, mineral food supplements, preparations of minerals; nutritional preparations for medical use; nutritional supplements; pharmaceutical preparations; plant extracts (dietary supplements); protein dietary supplements; pharmaceutical tonic preparations; plant extracts for medical and pharmaceutical use; tonics (medicinal) based on plant extracts; stimulants made of vitamins; stimulants made of minerals; vitamins, vitamin supplements and vitamin preparations.</i></p>

	<p>Class 30: <i>Confectionery.</i></p> <p>Class 32: <i>Beverages containing multivitamins and minerals.</i></p>
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29. The opponent's specification includes *preparations and substance* [sic] *for medical or therapeutic use*, which is a broad term. It covers all the applicant's class 5 goods, with the possible exception of *food for babies*. Apart from *food for babies*, all of the applicant's class 5 goods are identical to the opponent's goods.

30. The nature of food for babies is that it is typically a purée or a slightly lumpy purée. This may also be the case for dietetic food which would fall within the opponent's broad term. The purpose of food for babies is to feed them with food with which their developing digestive systems can cope. This may be similar to the purpose of some dietetic food for those with a compromised digestion. Food for babies is usually sold alongside other goods specifically meant for babies, such as preparations to treat colic and nappy rash. These goods would be covered by the opponent's broad term. However, food for babies would not be substitutable for any other goods in class 5, so there is no competition. There is no complementarity. I find that there is a medium level of similarity between the applicant's *food for babies* and the opponent's goods.

31. The earlier mark covers medicated confectionery. The opposed goods in class 30 are also confectionery. These are highly similar in terms of nature, method of use and channels of trade. As to purpose, medicated confectionery will be purchased primarily in order to soothe (for example) a sore throat, a cough or catarrh; however, it is meant to be enjoyable to use, typically with a sweet flavour, rather than purely medicinal. There is no complementarity, but there could be competition; for instance, a boiled sweet or pastille could be dissolved in the mouth for relief of a sore throat in preference to medicated confectionery. The goods are highly similar.

32. The opposed goods in Class 30 are *beverages containing multivitamins and minerals*. The opponent's goods cover those which are or contain multivitamins and

minerals. Although the nature may differ and the method of use, the purpose is highly similar. A beverage containing multivitamins and minerals is consumed not just to quench thirst but also to ingest the multivitamins and minerals, for the health benefits they may bring. The opponent's goods containing vitamins and minerals would also be consumed (perhaps in tablet or liquid form) for the health benefits which they may bring. The parties' goods may be in competition for the same result by a different means. There is a medium to high degree of similarity between the goods.

### The average consumer and the purchasing process

33. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

34. In *Mundipharma AG v OHIM*, Case T-256/04, the GC accepted that there were two groups of relevant consumers for a pharmaceutical product: professional users and the general public. The court stated:

“44 Second, it has not been disputed in the present case that the relevant public for the goods covered by the mark applied for, namely therapeutic preparations for respiratory illnesses, is made up of patients in their capacity as end consumers, on the one hand, and health care professionals, on the other.

45 As to the goods for which the earlier mark is deemed to have been registered, it is apparent from the parties' written submissions and from their answers to the questions put at the hearing that some therapeutic preparations for respiratory illnesses are available only on prescription whilst others are available over the counter. Since some of those goods may be purchased by patients without a medical prescription, the Court finds that the relevant public for those goods includes, in addition to health care professionals, the end consumers.”

35. The parties' goods cover those which must be prescribed, and those which could be purchased over-the-counter or via self-selection from a supermarket shelf. The average consumer for over-the-counter or self-selected goods is the general public; for prescription-only goods it is both the prescriber and the patient (and in the case of goods administered in hospital, it is the physician and the hospital pharmacist).

36. In *Bayer AG v EUIPO*, Case T-261/17, the GC held that the average consumer pays a heightened level of attention when selecting pharmaceutical products, including such products available without a prescription (see paragraph 33 of the judgment). In *Armour Pharmaceutical Co v OHIM*, Case T-483/04, the Court of First Instance ("CFI"), now the GC, stated:

"79 The Court finds that the level of attention of the average consumer of pharmaceutical preparations must be determined on a case-by-case basis, according to the facts in the case-file, especially the therapeutic indications of the goods in question. Likewise, the Court finds that, in the case of medicinal products subject to medical prescription such as those being considered in the present case, that level of attention will generally be higher, given that they are prescribed by a physician and subsequently checked by a pharmacist who delivers them to the consumers."

37. Further in *Aventis Pharma SA v OHIM*, Case T-95/07, the CFI stated:

"29 First, as noted in the case-law, medical professionals display a high degree of attention when prescribing medicinal products. Second, with regard to end-consumers, it can be assumed, where pharmaceutical products are sold without prescription, that the consumers interested in those products are reasonably well informed, observant and circumspect, since those products affect their state of health, and that they are less likely to confuse different versions of such products (see, to that effect, Case T-202/04 *Madaus v OHIM – Optima Healthcare (ECHINAID)* [2006] ECR II-1115, paragraph 33). Furthermore, even supposing a medical prescription to be mandatory, consumers are likely to display a high degree of attention when the products in question are prescribed,

having regard to the fact that they are pharmaceutical products (ATURION, paragraph 27).”

38. The medical professional displays a high degree of attention in relation to prescribing pharmaceutical and medical goods. For products sold without prescription, even those of low cost, the general public will be reasonably well informed, observant and circumspect and will pay a reasonable level of attention to the selection of a product, without the benefit of a prescription. The purchasing process for these goods would be a combination of visual and aural; some consumers may browse the shelves at a health store, supermarket or website to select the goods, while others may receive word of mouth recommendations or have consultations with healthcare professionals.

39. In relation to the class 30 confectionery, the opposite may be said in respect of the level of attention: this is, literally, the proverbial ‘bag of sweets’. Such goods will be overwhelmingly a visual purchase and will be largely casual. The level of attention of the average consumer, who is a member of the general public, including children, will be low to average.

40. In relation to the beverages containing multivitamins and minerals in class 32, there would be purchased primarily visually, after inspection on shelves or via a website (although aural recommendation is not discounted). The average consumer will be a member of the public, looking to quench their thirst or enjoy a drink for the flavour but also with the perceived added benefit of the multivitamins and minerals. The level of attention paid to the selection and purchase will be no more than average.

#### Comparison of marks

41. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

42. It is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

43. The marks to be compared are:

Opponent's mark	Applicant's mark
	

44. The opponent's marks consist of a red banner which carries the word POTTER'S and a smaller device which appears to be a winged lion motif. The applicant's mark comprises the word POTTER'S, together with the smaller word HERBALS and EST.1812. The latter will be understood as the date on which the business behind the mark was established.

45. It is the word POTTER'S which carries the greatest weight in the overall impression of both parties' marks owing to its size and positioning in both marks. Whilst none of the other elements will be disregarded, POTTER'S is the distinctive and dominant component. In the applicant's mark, the word HERBALS will be seen as descriptive or highly allusive of the content of the goods, and its weight is diminished for this reason, as well as the prominence of POTTER'S.

46. The only similar element visually between the marks is POTTER'S. This is also the largest element in the marks. The other elements are smaller and the positioning of POTTER'S in both marks is central, naturally drawing the eye to it. The marks are visually similar to a medium to high degree.

47. I doubt that EST. 1812 will be articulated, although HERBALS may be spoken in aural reference to the applicant's mark. The only element of the earlier mark which will be articulated is POTTER'S. If HERBALS is not spoken, the marks are aurally identical. If HERBALS is spoken, they are similar to a medium degree.

48. POTTER'S is likely to be perceived as a surname. The other elements in the applicant's mark have their own meanings: HERBAL meaning derived from herbs, and EST. 1812, meaning established in 1812. The device in the earlier mark will be viewed as a mythological beast: a winged lion. There is no evidence that this device has any particular meaning.

49. Returning to POTTER'S, I have said above that it is likely to be perceived as a surname. There is no 'concept' arising from the use of a surname, even the same surname: see the GC's judgment in *Luciano Sandrone v OHIM*, Case T-268/18:

"81. In paragraphs 52 and 53 of the contested decision, the Board of Appeal states that the relevant public will associate the sign in respect of which registration is sought with a first name and a surname, that is to say, with a specific person (imaginary or real) who has the first name Luciano and is a member of the Sandrone family, and it will also consider the earlier mark as referring to a person with the first name Luciano. The Board of Appeal therefore concluded 'thus consumers in particular in Germany and Finland might interpret the marks at issue as referring to the same person (whether virtual or real) characterised by the rare name "Luciano"'. According to the Board of Appeal, the signs at issue are therefore conceptually similar to an average degree (paragraph 53 of the contested decision).

82. Both the applicant and EUIPO harbour doubts in that regard. The applicant submits that the signs at issue are conceptually different, while EUIPO contends

that the comparison between them is neutral in that respect. Furthermore, according to EUIPO, the case-law is unsettled on this point since, in certain judgments, the EU Courts have held that it was possible to make a conceptual comparison between signs containing a surname or first name, while in other judgments it was held that a conceptual comparison of that type of sign was not possible.

83. The Court considers it therefore necessary to clarify the case-law on this point. In that regard, it must be borne in mind that the purpose of the conceptual comparison is to compare the ‘concepts’ that the signs at issue convey. The term ‘concept’ means, according to the definition given, for example, by the *Larousse* dictionary, a ‘general and abstract idea used to denote a specific or abstract thought which enables a person to associate with that thought the various perceptions which that person has of it and to organise knowledge about it’.

84. Similarly, according to the case-law, conceptual similarity means that the signs at issue convey analogous semantic content (judgment of 11 November 1997, *SABEL*, C-251/95, EU:C:1997:528, paragraph 24).

85. Therefore, a first name or a surname which does not convey a ‘general and abstract idea’ and which is devoid of semantic content, is lacking any ‘concept’, so that a conceptual comparison between two signs consisting solely of such first names or surnames is not possible.

86. Conversely, a conceptual comparison remains possible where the first name or surname in question has become the symbol of a concept, due, for example, to the celebrity of the person carrying that first name or surname, or where that first name or that surname has a clear and immediately recognisable semantic content.

87. The Court has thus previously held that the relevant public would perceive marks containing surnames or first names of persons as having no specific conceptual meaning, unless the first name or surname is particularly well known as the name of a famous person (see, to that effect, judgments of 18 May 2011, *IIC v OHIM — McKenzie (McKENZIE)*, T-502/07, not published, EU:T:2011:223,



paragraph 40; of 8 May 2014, *Pedro Group v OHIM — Cortefiel (PEDRO)*, T-38/13, not published, EU:T:2014:241, paragraphs 71 to 73; and of 11 July 2018, *ANTONIO RUBINI*, T-707/16, not published, EU:T:2018:424, paragraph 65).

88. In the present case, the Board of Appeal did not identify any concept with which the first name and surname in question could be associated. Nor have the parties put forward any such arguments.

89. Therefore, the mere fact that the relevant public will associate the sign the registration of which is sought with a first name and a surname and thus with a specific, imaginary or real person, and that the earlier mark will be perceived as designating a person called Luciano is irrelevant for the purposes of a conceptual comparison of the signs at issue.”

50. The GC held that a conceptual comparison is possible where the surname has a “clear and immediately recognisable semantic content” (paragraph 86). The meaning of POTTER’S is the possessive form of potter. A potter is an artisan who makes ceramicware, or pottery. Therefore, taking this into account, if such a meaning is conveyed by the marks, they are conceptually similar to a medium degree, weighed against the other, dissimilar, components. Conversely, if perceived purely as a surname, the marks are conceptually neutral.

#### Distinctive character of the earlier mark

51. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* the CJEU stated that:<sup>2</sup>

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-

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<sup>2</sup> Case C-342/97.

108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

52. The opponent's evidence is thin on sales detail for a mark which it states is so long-lived. Turnover figures have been redacted, although the units sold in the five years prior to the application have been supplied. The highest of these was in 2016, when 1,288,422 units were sold. Assuming a unit to be a packet of catarrh, cough or cold pastilles (which is all that the use shows), and assuming the retail cost of these to be around £3, that is not a huge amount of sales in what is a fairly large market. Accordingly, I find that the opponent is not entitled to claim that its mark has an enhanced distinctive character on the basis of use. For the avoidance of doubt, this finding applies to all three of its earlier marks.

53. None of the content of the mark describes or alludes to the goods. Surnames form one of the earliest methods of differentiating one's goods from those of another and consumers are accustomed to their use as natural tools of differentiation. I find that the mark has a medium level of inherent distinctiveness.

## Likelihood of confusion

54. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa.

55. I have found that, with the exception of food for babies, the goods in class 5 are identical. I will assume the applicant's best case in class 5, which is a) that there is no conceptual similarity and b) that consumers will pay a high or enhanced degree of attention to the purchase: such a level of attention might point away from confusion because the effects of imperfect recollection are lessened. Nevertheless, I find that there is a likelihood of confusion. The marks are visually similar to a medium degree and aurally identical or similar to a medium degree. Assuming that the purchase is primarily visual, the marks share the identical dominant and distinctive element.

56. In respect of goods which I found were similar, the lowest degree of similarity was medium, in respect of food for babies and beverages (in class 32). Those buying food for babies are likely to pay a reasonably high degree of attention. However, again, I find that there is a likelihood of confusion since the dominant and distinctive element is identical, and the earlier mark has a medium degree of inherent distinctiveness. The applicant's class 30 goods, confectionery, are similar to a high degree with the opponent's goods, particularly its medicated confectionery. The level of attention paid to the applicant's goods will be low to medium. There is a likelihood of confusion as a result of imperfect recollection. Lastly, in relation to the applicant's beverages in class 32, for which I found a medium to high degree of similarity with the opponent's goods, and an average degree of attention (at its highest), there is also a likelihood of confusion through imperfect recollection.

57. I think that the most likely manner in which the marks will be confused for all the goods is via imperfect recollection, i.e. the marks will be mistaken for one another owing to the dominance of the distinctive common element, POTTER'S, and because the other elements carry much less weight in the overall impression of the respective

marks. However, if I am wrong about that and the average consumer would notice the additional elements, the presence of the identical common and distinctive dominant element, POTTER'S, for goods which are at least similar, will lead average consumers to believe that the parties' marks are variant versions of the POTTER'S brand, or an economically linked undertaking. This is also confusion for the purposes of section 5(2)(b) of the Act.

58. There is a likelihood of confusion in respect of all of the goods in the application which are opposed. Given this clear conclusion, the opponent cannot be in a better position in relation to its POTTER'S marks which are subject to proof of use, since the specifications of those marks are much narrower than of its composite mark which is not subject to proof of use. Additionally, the 'missing' assignment document did not relate to the composite mark, 3017684, which means that even if it had been filed, it would not have affected the finding of a likelihood of confusion.

59. The applicant relies on the defence of acquiescence. In its counterstatement it said [my emphasis]:

“19. The Applicant denies that its Mark is confusingly similar to the Opponent's Marks. The Applicant [sic] has failed to put forward any instances of confusion. Furthermore, the parties and their marks have co-existed in the market place for different goods over the past several decades without any confusion, and in fact with full knowledge and agreement between the parties. The Applicant will provide evidence to confirm this.

60. Mr de Froment submitted that there were two types of acquiescence upon which the applicant could rely: statutory and common law. There is no basis in law for the applicant to rely upon statutory acquiescence, which applies only to registered trade marks, under section 48 of the Act. The mark which is the subject of the present dispute is not registered.

61. The claim on a common law basis is that the opponent has acquiesced in the applicant's use of Potter's and/or Potter's Herbals, to the point of collaboration in the joint marketing campaign. Mr de Froment submitted that it would be unconscionable

to permit the opponent to pursue the opposition, relying upon *Habib Bank Ltd v Habib Bank AG* [1982] R.P.C. 1.

62. Ms Blythe submitted that this claim of common law acquiescence must fail referring to *Coreix Ltd v Coretx Holdings Plc* [2017] EWHC 1695 (IPEC). Citing *Marussia Communications Ireland Ltd v Manor Grand Prix Racing Ltd* [2016] E.T.M.R. 32, Mr Douglas Campbell QC, sitting as a Deputy Judge, stated:

“91. The Claimant submits that the same reasoning should apply to a national mark since the UK Act was enacted pursuant to the Trade Marks Directive, which has substantially the same provisions as the EU Trade Mark Regulation; and indeed the reasoning of Males J relied on **Martin Y Paz** [2014] ETMR 6, a decision of the CJEU made under the Directive. The Defendants did not agree with this but gave no convincing reason as to why not.

92. I understand that there was going to be an appeal to the Court of Appeal in **Marussia**, but that the case settled before a hearing. This is clearly an important issue for trade mark law generally and in the absence of any sufficiently cogent reasons not to follow **Marussia** I will follow it. Thus acquiescence/estoppel cannot be relied on to provide a defence to the trade mark case but it can be relied upon as a defence in relation to the passing off case.”

63. The defence of acquiescence, in relation to the section 5(2)(b) ground, therefore, fails.

64. The applicant also relies upon the defence of honest concurrent use. Claims to a lack of confusion in the market place will seldom have an effect on the outcome of a case under section 5(2) of the Act, for reasons explained in *Roger Maier and Another v ASOS* [2015] EWCA Civ 220 at [80].

65. In the present case, the applicant claims that the parties have co-existed for many years. In *IPC Media Ltd v Media 10 Ltd* [2014] EWCA Civ 1439, Kitchen LJ referred to *BudeJovický Budvar NP v Anheuser-Busch Inc* [2012] RPC 11, Case C-482/09 (CJEU), stating:

“46. The Court then explained (at [75]) that it was to be noted that the use by Budvar of the Budweiser mark had not had and was not liable to have an adverse effect on the essential function of the Budweiser mark owned by Anheuser-Busch. It proceeded to point out that the facts of the case were exceptional in five respects:

“77. First, the referring court states that Anheuser-Busch and Budvar have each been marketing their beers in the United Kingdom under the word sign 'Budweiser' or under a trade mark including that sign for almost 30 years prior to the registration of the marks concerned.

78. Second, Anheuser-Busch and Budvar were authorised to register jointly and concurrently their Budweiser trade marks following a judgment delivered by the Court of Appeal (England & Wales) (Civil Division) in February 2000.

79. Third, the order for reference also states that, while Anheuser-Busch submitted an application for registration of the word 'Budweiser' as a trade mark in the United Kingdom earlier than Budvar, both of those companies have from the beginning used their Budweiser trade marks in good faith.

80. Fourth, as was stated in para.10 of this judgment, the referring court found that, although the names are identical, United Kingdom consumers are well aware of the difference between the beers of Budvar and those of Anheuser-Busch, since their tastes, prices and get-ups have always been different.

81. Fifth, it follows from the coexistence of those two trade marks on the United Kingdom market that, even though the trade marks were identical, the beers of Anheuser-Busch and Budvar were clearly identifiable as being produced by different companies.”

66. As can be seen from the above extract, such cases are 'exceptional' and rare. What the parties know about each other's use is not relevant; what matters is the perception of average consumers. This must be an objective test based upon evidence and, because such cases will be exceptional and rare, it follows that the evidential hurdle or burden is relatively high.

67. With that in mind, the applicant's evidence is not compelling. The applicant's evidence comes from Steven Hicks, the applicant's Head of Sales and Marketing UK & Ireland. His witness statement is dated 27 August 2019. Mr Hicks gives evidence about the history of the POTTER'S brand:

- The POTTER'S brand has existed since 1812 and has been owned by several individuals and companies. Exhibit SAH11 comprises a product catalogue of POTTER'S goods, from an unspecified pre-decimalisation date.
- The opponent purchased the 'Potters Catarrh Pastilles' brands in 1991 from one of the applicant's predecessors.
- In 2015, the applicant acquired the POTTER'S business and brand in respect of class 5 goods, excluding catarrh pastilles.

68. Mr Hicks states that the POTTER'S trade marks have been used continuously by the applicant and its predecessors. He states that the POTTER'S marks owned by the applicant and the opponent have co-existed in the marketplace for several decades without any confusion and with the full knowledge of the parties. At paragraph 13 of his witness statement, Mr Hicks states:

"The respective POTTER's herbal goods which are sold in the marketplace by the Applicant and the Opponent are complimentary."

69. In the winter of 2008/9, the opponent and the applicant's predecessor (Potter's Limited) agreed to run a joint advertising campaign. Mr Hicks states that the purpose of the campaign was to highlight that the parties' brands were historically related, and the respective ranges were complimentary therapies. The joint advertising campaign featured the applicant's range of POTTER'S liquid herbal remedies and the opponent's

range of POTTER'S pastilles. The agreement states that the campaign was to air as an advertisement on the television in November and December 2008 and January 2009, with a budget of £250,000. The joint campaign was promoted through an article in the Community Pharmacy News, on 16 October 2008, with the headline "Winter remedies: National ads reunite Potters' brands".

70. A press report dated 4 December 2015 (Exhibit SAH6), from Insider Media Ltd, records that the applicant's goods are sold throughout the UK by Boots and Holland & Barrett, as well as other pharmacies, health-food outlets and retailers.

71. Exhibit SAH7 comprises 74 pages from the gov.uk website regarding herbal medicines granted herbal registration (THR). The first POTTER'S entry is dated 27 March 2012 ("Potter's Nodoff Tablets Passion Flower"). There are several details of POTTER'S products up until 29 April 2013.

72. Exhibit SAH9 comprises prints (which are not very clear) from the Amazon website, in respect of the applicant's Potter's Herbals Catarrh Mixture (in a composite mark). It is not possible to ascertain from the exhibit at what date the product was available. I note that under the 'frequently bought together' section of the page, the applicant's catarrh mixture is placed next to an image of the opponent's Potter's Mucus Cough Pastilles (in composite mark form). Another set of Amazon prints which concern POTTER'S HERBALS ELIXIR OF ECHINACEA PLUS is also undated and says that the product is 'currently unavailable, we don't know when or if this item will be back in stock'. However, there are said to be 36 reviews; some of these are printed out and range from 5 September 2011 to 12 May 2015. A further set of undated Amazon prints concerns the applicant's POTTER'S HERBALS NODOFF TABLETS, which are also 'currently unavailable, we don't know when or if this item will be back in stock'. There are no customer reviews. Prints in Exhibit SAH12 refer to POTTER'S HERBALS SENNA CONSTIPATION RELIEF TABLETS; Mr Hicks states that these prints show that the tablets are currently sold. However, although the pages state that the product is available to buy from HerbalDirect and Amazon, and there is a copyright date of 2019, there is no date for these pages, and no details from the retail outlets, e.g. as to price and online shopping.



73. It appears from a page in Exhibit SAH9 that the applicant's branding had changed to the form applied for by 2018:



74. Exhibit SAH 14, which comprises the material relating to the joint marketing campaign, includes some brief notes about a survey done in April 2008:

CONSUMERS	
Potters brand awareness	<ul style="list-style-type: none"> <li>➤ Omnibus Survey – April 08, 2000 adults (results attached)</li> <li>➤ 20% of UK population have heard of Potters</li> <li>➤ 30% of those have bought Potters products</li> <li>➤ 40% who have purchased have purchased in the last year</li> <li>➤ 20% who have purchased buy several times a year</li> </ul>
	<ul style="list-style-type: none"> <li>➤ Profile : Female <ul style="list-style-type: none"> <li>55+ years of age</li> <li>ABC1 social class</li> <li>Retired</li> </ul> </li> </ul>

75. I agree with Ms Blythe that this carries no evidential weight, for the reasons set out in Tribunal Practice Notice (“TPN”) 2/2012. Survey evidence requires the hearing officer’s permission, and none was sought. As the TPN sets out,

“In seeking the permission of the hearing officer [the party] must advise the hearing officer of all details of how it is intended for the survey to be conducted eg:

- The purpose of the survey
- The questions that are to be put.
- What those interviewed are to be shown as stimulus material.
- The nature of the population sample, in terms of size, social class, gender and location.
- The types of persons who will conduct the survey.
- The instructions that will be given to those people.
- The types of locations where the survey will be conducted.
- Whether it is intended that statistically based conclusions are expected to be drawn from the survey

The hearing officer will consider whether the proposed survey is likely to have any determinative effect upon the proceedings.”

76. Consequently, I will disregard this aspect of Exhibit SAH 14.

77. Although there is an indication of sales in the 2015 press report which mentions various high street retailers, there are no sales figures, no turnover figures, no annual advertising expenditure figures and no invoices. It is impossible to gauge the extent of sales from the evidence, or during which years they were sold. The joint marketing campaign, almost a decade prior to the relevant date, had a budget of £250,000 whereas the evidence shows that competitors were spending twice as much as that and for campaigns which lasted longer than the three months of the joint campaign.<sup>3</sup> The Amazon prints are less than compelling as several of them say that the goods are unavailable and it is not known when they will be back in stock.

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<sup>3</sup> Page 9 of Exhibit SAH 14.

78. The documents from the gov.uk website regarding POTTER'S herbal medicines granted herbal registration (THR) do not tell me what was happening in the market-place. There is no evidence that all or any of them they were actually sold. I cannot tell from these documents whether or to what extent the average consumer has become accustomed to the applicant's mark or the opponent's marks, or to their co-existence. The document exists in a vacuum without e.g. corroborating sales figures and evidence of actual sales in outlets. It also appears to be a Government document and unlikely to be something that the average consumer would consult. Stepping back and viewing all of the evidence in the round, it is insufficient to establish the applicant's defence that concurrent use would militate against a likelihood of confusion, or that the guarantee of origin is 'different', such as in the *Budweiser* and *Ideal Home* cases.

79. Finally, there is the matter of a change to the format of the applicant's name in 2018. When viewed alongside the weak evidence, the change to the mark compounds the lack of evidence that the average consumer has become accustomed to distinguishing the mark which has been applied for from the opponent's marks. However, even without this factor, I find that the evidence does not support the applicant's defence.

### **Section 5(2)(b) outcome**

80. As I have found that the applicant's defences of acquiescence (statutory and non-statutory) and concurrent use do not succeed, there is a likelihood of confusion. **The opponent's section 5(2)(b) ground of opposition succeeds.**

### **Section 5(4)(a) of the Act: passing off**

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

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

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

(b)...

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

82. Ms Blythe submitted that this ground stands or falls with the outcome of the section 5(2)(b) ground. The opponent’s case under section 5(4)(a) is narrower than under its section 5(2)(b) ground. The three elements which the opponent must show are well known. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether “a substantial number” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

83. Guidance is given in paragraphs 184 to 188 of Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

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

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

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

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

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

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

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

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

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

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

84. The date when the applicant applied to register its trade mark, 12 October 2017, is the relevant date for the purposes of section 5(4)(a) of the Act. If an applicant for registration has used the mark prior to the date of application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about. This is because if an applicant for registration was not passing off when it commenced use of the sign, a continuation of the same trade under the same sign is unlikely to amount to passing off at the application date.<sup>4</sup> In *Croom’s Trade Mark Application* [2005] RPC 23, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, stated:

“45. I understand the correct approach to be as follows. When rival claims are raised with regard to the right to use a trade mark, the rights of the rival claimants fall to be resolved on the basis that within the area of conflict:

- (a) the senior user prevails over the junior user;
- (b) the junior user cannot deny the senior user’s rights;
- (c) the senior user can challenge the junior user unless and until it is inequitable for him to do so.”

85. In *W.S. Foster & Son Limited v Brooks Brothers UK Limited*, [2013] EWPC 18 (PCC), Iain Purvis QC, sitting as a Deputy Judge, set out the following test for whether honest concurrent use provides a defence in a passing off action:

“61. The authorities therefore seem to me to establish that a defence of honest concurrent use in a passing off action requires at least the following conditions to be satisfied:

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<sup>4</sup> *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Mr Daniel Alexander QC, sitting as the Appointed Person.

(i) the first use of the sign complained of in the United Kingdom by the Defendant or his predecessor in title must have been entirely legitimate (not itself an act of passing off);

(ii) by the time of the acts alleged to amount to passing off, the Defendant or his predecessor in title must have made sufficient use of the sign complained of to establish a protectable goodwill of his own;

(iii) the acts alleged to amount to passing off must not be materially different from the way in which the Defendant had previously carried on business when the sign was originally and legitimately used, the test for materiality being that the difference will significantly increase the likelihood of deception.”

86. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margerine Ltd* [1901] AC 217 at 223:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

87. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Mr Daniel Alexander QC, sitting as the Appointed Person, said, in connection with sufficiency of evidence:

“17. Key does not dispute the correctness of these principles or criticise the Hearing Officer for applying them. Instead, relying on the decision of Richard Arnold QC, Appointed Person, in *Pan World Brands v. Tripp (Pan World)* [2008] RPC 2, Key submits that if evidence is given about goodwill which is not obviously incredible and is unchallenged by countervailing evidence or by cross-examination, it is not open to the Hearing Officer to reject it. Key refers to Tribunal Practice Note TPN 5/2007 which is to similar effect. Key submits that

this is the position here and that the Hearing Officer was therefore wrong to have concluded that Key's goodwill was insufficient to found a s.5(4)(a) attack. It is therefore necessary first to consider what *Pan World* was and was not saying.

18. In *Pan World*, the Appointed Person said that, although documentary records of use were not required, mere assertion of use of a mark by a witness did not constitute evidence sufficient to defeat an application for revocation for non-use (see [31]). He did not regard a tribunal evaluating the evidence as bound to accept everything said by a witness without analysing what it amounts to. He pointed out at [37] that Hearing Officers were entitled to assess evidence critically and referred to the observations of Wilberforce J in *NODOZ Trade Mark* [1962] RPC 1 at 7:

“...in a case where one single act is relied on it does seem to me that that single act ought to be established by, if not conclusive proof, at any rate overwhelmingly convincing proof. It seems to me that the fewer the acts relied on the more solidly ought they to be established.”

19. *Pan World* and *NODOZ* were applications for revocation for non-use. The approach to use is not the same as in a s.5(4)(a) case. As Floyd J said in *Minimax*, it is possible for a party to have made no real use of a mark for a period of five years but to retain goodwill sufficient to support a passing off action. Conversely, use sufficient to prevent revocation for non-use may be insufficient to found a case of passing off.

20. However, the approach to evaluation of evidence of use is similar: the less extensive the evidence of use relied on, the more solid it must be. The Registrar is not obliged to accept – and in some circumstances may be obliged to reject – a conclusory assertion by a witness that it has a given goodwill at the relevant date or that the use by a third party of a similar mark would amount to misrepresentation, when the material relied upon in support does not bear that out.



21. That point was also made by Laddie J in *DIXY FRIED CHICKEN TM* [2003] EWHC 2902 (Ch) and, more recently, in *Williams and Williams v. Canaries Seaschool SLU (CLUB SAIL)* [2010] RPC 32, Geoffrey Hobbs QC, Appointed Person, said at [38]:

“...it is not obligatory to regard the written evidence of any particular witness as sufficient, in the absence of cross-examination, to establish the fact or matter (s)he was seeking to establish.”

22. Overall, the adequacy of evidence falls to be assessed by reference to the Lord Mansfield’s aphorism from *Blatch v. Archer* (1774) 1 Cowp 63 at 65, cited, inter alia by Lord Bingham in *Fairchild v. Glenhaven Financial Services Ltd* [2002] UKHL 22 [2203] 1 AC 32 and in *CLUB SAIL*:

“...all evidence is to be weighed according to the proof which it was in the power of one side to have produced, and in the power of the other to have contradicted.”

88. As I mentioned earlier in this decision, there are no sales figures, no turnover figures, no annual advertising expenditure figures and no invoices. The evidence is not cogent enough even to enable me to guess at the extent of sales made, or when. Nor is the evidence sufficiently cohesive to be able to work out if there was a residual goodwill. Several of the Amazon prints say that the goods are unavailable and it is not known when they will be back in stock. The documents from the gov.uk website regarding POTTER’S herbal medicines granted herbal registration (THR) do not tell me what has or has not been sold, or how much and when. Even if the applicant sold some of its goods at the time of the joint marketing campaign, that was nearly a decade prior to the application date and the campaign lasted for three months, a relatively short time if concurrent goodwill is to be shown. As observed in *Multisys*, “the less extensive the evidence of use relied on, the more solid it must be.” The applicant’s evidence is flimsy considering what it is attempting to demonstrate. The evidence filed by the applicant does not form a picture that enables me to make a finding that it had concurrent goodwill at the application date. This defence fails.

89. The opponent's evidence shows use of the sign relied upon, POTTER'S, only in relation to medicated pastilles for the treatment of catarrh, coughs and colds. The evidence shows goodwill, distinguished by the sign POTTER'S, in relation to these goods. There would be misrepresentation in relation to the identical goods in the applicant's specification. Furthermore, owing to the high degree of similarity between the sign POTTER'S and the application, and because the applicant's goods except for food for babies are all in the fields of vitamins, medicinal remedies and confectionery, to which the opponent's goods also belong, a substantial number of the opponent's customers, or potential customers, are likely to believe that all of the applicant's goods are the opponent's, or those of an undertaking economically linked to the opponent.<sup>5</sup> Inevitably, damage would follow. It is unlikely that there would be misrepresentation in relation to food for babies, based upon the opponent's limited sphere of goodwill. The passing off ground fails against food for babies.

90. The applicant has pleaded acquiescence. In *Coreix Ltd v Coretx Holdings Plc*, at the end of paragraph 92, the deputy judge found that acquiescence could not be relied upon to provide a defence to the trade mark case, but it could be relied upon as a defence to the passing off case. In *The Law Of Passing Off: Unfair Competition by Misrepresentation* (5<sup>th</sup> Edition), Professor Christopher Wadlow observes [at 9-108] that for a defence of common-law acquiescence,

“The present state of the law appears to be this. The irreducible minimum of the defence is that the defendant must have altered his position on the basis of an act, omission or representation of the claimant in such circumstances as to make it inequitable for the claimant to enforce his rights.”

91. The applicant's evidence is thin in this respect. The high point of its evidence is the joint marketing campaign. However, the applicant was using a different mark in 2008, albeit one with POTTER's within it. POTTER'S in the contested mark is more prominent in relation to the other elements of the mark compared to the version used until 2018:

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<sup>5</sup> See *Harrods Limited v Harrodian School Limited* [1996] RPC 697.

Old version:



Application:



92. The old version, in use at the time of the joint campaign, was arguably more similar to the mark which the opponent was actually using:



93. The opponent relies on POTTER'S, but the above sign was the one the opponent used at the time of the joint marketing campaign.

94. The applicant did not so much alter its position as continue with its position, which must have been known to the opponent in order for it to have entered into the joint promotional campaign. This works in the applicant's favour. However, the status quo has been altered by the applicant: it applied for a trade mark which it has altered from the one which the opponent was aware of in the joint campaign; and the applicant extended, in its specification, the range of goods compared to those involved in the joint marketing campaign. Nevertheless, it seems inequitable for the opponent to complain about the use of the altered sign, in relation to some of the goods, which retains the dominant element POTTER'S and the word HERBALS, when it was content to advertise jointly with the applicant in 2008 when the latter used a sign in which the same elements were dominant and which was closer to the sign used by the opponent.

95. This finding may seem to sit awkwardly with my earlier finding that the change to the mark compounded the problem of lack of evidence as to concurrent use and the

effect on the likelihood of confusion. However, the lens is different: under section 5(2)(b), the applicant needs to demonstrate that the average consumer is not confused. Providing weak evidence and then adding to the mix a changed mark in an area of law which has been described as applying to the exceptional case has caused the defence to fail under section 5(2)(b). Acquiescence does not involve the consumer or customer.

96. Accordingly, I find that the applicant's defence of common-law acquiescence succeeds in relation to a limited specification which reflects the goods which it sold at the time of the joint marketing campaign: *herbal remedies for medicinal purposes*. The defence fails in respect of all the other opposed goods of the application (I have found that the passing off claim fails in respect of food for babies).

## **Outcome**

97. Although the applicant's defence under section 5(4)(a) has partly succeeded, the opponent's claim under section 5(2)(b) has been wholly successful. Accordingly, the application will be refused for all the goods which were opposed under section 5(2)(b):

Class 5: Beverages adapted for medical purposes; biological preparations for medical purposes; capsules of herbs for medical use; dermatological preparations (medicated); dietary supplements; dietary fibre; dietetic substances adapted for medical use; energy drinks (dietary supplements); enzymes contained in pharmaceuticals and nutritional supplements; fish oil for medical purposes; food for babies; herbal infusions and herbal remedies for medicinal purposes; malt extracts for medical and pharmaceutical use; meal replacement preparations in this class, including but not limited to beverages and bars; medicinal herbs extracts, dietetic food and substances adapted for medical use; mineral additives, mineral food supplements, preparations of minerals; nutritional preparations for medical use; nutritional supplements; pharmaceutical preparations; plant extracts (dietary supplements); protein dietary supplements; pharmaceutical tonic preparations; plant extracts for medical and pharmaceutical use; tonics (medicinal) based on plant extracts;

stimulants made of vitamins; stimulants made of minerals; vitamins, vitamin supplements and vitamin preparations.

Class 30: Confectionery.

Class 32: Beverages containing multivitamins and minerals.

98. The application may proceed to registration for the goods which were not opposed:

Class 3: Cosmetics and non-medicated skin care preparations; cosmetic preparations for body care; fragrances for personal use; essential oils for personal use; body and beauty care cosmetics.

Class 29: Edible oils and fats, edible fish oils not for medical purposes, meat, processed vegetables, and dairy products (excluding ice cream, ice milk, and frozen yogurt) all supplemented with essential fatty acids; edible soy proteins; energy bars; food protein for human consumption; preserved, dried and cooked fruits, nuts and vegetables; vegetal proteins for human consumption; wheat proteins for human consumption; whey protein.

Class 30: Bakery products, bread, pastry; bars and preparations made with wheat; cereal preparations and cereal snacks; flour and preparations made from cereals; high-protein cereal bars; malt extracts for food; muesli bars; rice, snacks made with rice; snack bars containing a mixture of grains, nuts and/or dried fruits; sugar, honey, treacle.

Class 32: Beverages in this class; extracts and other preparations for making beverages, including powdered preparations; protein, whey and soya based beverages; energy drinks; sports drinks; isotonic beverages; fruit drinks and fruit juices; vegetable drinks and vegetable juices.

## Costs

99. The opponent has been successful and is entitled to a contribution towards its costs, based upon the scale published in TPN 2/2016. I make no award in respect of the CMC since, even though the applicant was unsuccessful in its bid for disclosure, the opponent could have been far more forthcoming, much earlier, in informing the applicant that it did not have a copy of the assignment document. It was not until the CMC that the opponent gave this information and said that it would have been content to send the applicant a copy, if it had the document. It is also regrettable that this dispute, between two parties with a history of collaboration, has not settled. Despite my indication at the CMC that the proceedings could be suspended for negotiations and/or mediation, no request for further time was made for this purpose.

100. The cost breakdown is as follows:

Official fee for the opposition	£200
Preparing a statement and considering the counterstatement	£400
Preparing evidence and considering the applicant's evidence	£1300
Preparing for and attending the hearing	£800
Total	£2700

101. I order Soho Flordis UK Limited to pay to Ernest Jackson & Co. Limited the sum of **£2700**. This sum is to be paid within two months of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 29<sup>th</sup> day of May 2020**

**Judi Pike**

**For the Registrar,**

**the Comptroller-General**