

Protecting the attractive force

A review of extensive UK case law across several key passing-off cases

In the United Kingdom, a brand owner can protect its unregistered trademarks and commercial signs through the common law right of passing off. This concept has been developed through case law and manipulated to encompass a wide variety of anti-competitive practices. It is a useful tool for businesses to protect rights that are not capable of registration, or that have simply not been registered formally, but have acquired goodwill. Essentially, passing off protects the 'attractive force' that brings customers to a business.

Modern definition of 'passing off'

While the idea that the law would intervene to protect a claimant's goodwill dates back to the early to mid-19th century, the modern definition of 'passing off' as we recognise it today first came from the more recent case of *Reckitt & Colman v Borden* ([1990] RPC 431 HL), known more commonly as the *Jif Lemon* case.

Jif sold lemon juice which was packaged in distinctive yellow plastic lemon-shaped containers. The plastic lemons themselves contained no prominent branding, except for a triangular green label around the neck which bore the Jif logo. The defendant copied the plastic lemon packaging and used it for its own brand of lemon juice. It was found that Jif owned goodwill in lemon-shaped packaging and that this goodwill attracted consumers to Jif's product. The defendant was found to be misrepresenting to the public that its lemon juice had come from Jif, and this misrepresentation caused the claimant damage. Thus the 'classical trinity' of passing off was established: goodwill, misrepresentation and damage.

Goodwill

Passing off protects the goodwill in a business from damage by the

misrepresentation of another business. If the claimant cannot establish the existence of goodwill, an action in passing off will not be successful.

In *Harrods Ltd v Harrodian School Ltd* ([1996] RPC 697) the judge explained that just because an act would be an infringement under the Trademarks Act if the mark were registered, this did not mean that there had been passing off: "It is well settled that (unless registered as a trademark) no one has a monopoly in his brand name or get-up, however familiar these may be." It is the goodwill that is important.

Goodwill can take a number of different forms. The most common form is where the goodwill is associated with the packaging, get-up or name of a product. In these cases it is imperative that the claimant can establish that the public recognise the get-up as being distinctive of the claimant's goods. Although they are much harder to demonstrate, even advertising styles can be protected, as long as the public associates the style of advertising exclusively with the claimant. Passing off can even protect a goodwill owner's personality through what is known as false endorsement (ie, falsely suggesting that the personality endorses a particular product). More recently, passing off has been used to protect businesses' rights in domain names. This can be particularly useful where a brand owner seeks an injunction rather than simply a Uniform Domain Name Dispute Resolution Policy decision.

The recent case of *Numatic International Ltd v Qualtex UK Ltd* ([2010] EWHC 1237 (C)) provides a further example of how broadly goodwill can be applied. The claimant manufactured the famous Henry vacuum cleaner, a distinctively shaped vacuum cleaner with eyes, a smiley face, a 'bowler hat'-shaped top and the name 'Henry'

painted on it. Qualtex had planned to market a vacuum cleaner that imitated the shape of the Henry vacuum cleaner. The judge found in favour of Numatic on the basis that there was goodwill in the shape of the Henry vacuum cleaner, and that Qualtex's use of the similar-looking vacuum cleaner was a damaging misrepresentation. Therefore, Qualtex was found liable for passing off.

Misrepresentation

A misrepresentation can take many different forms. The traditional form is a misrepresentation as to the source of the goods or a misrepresentation that the goods of the defendant, or the defendant itself, is in some way connected to the claimant. This connection can even be that the public believes that the claimant has control or responsibility over the goods and services.

In the *Henry* case, the fact that the Qualtex model did not include the face and the name 'Henry' was not sufficient to prevent a misrepresentation, as the shape and colours of the Qualtex model nonetheless suggested that it was a Numatic product.

The circumstances of the misrepresentation are very important. For example, the courts will look at factors such as:

- where the goods were purchased;
- the strength of the public's association with the claimant's mark; and
- the proximity of the parties' businesses.

Therefore, the facts of a case are crucial in establishing misrepresentation. For example, in *Harrods v Harrodian School Ltd*, a school was founded on the site of a former employees' club for the department store Harrods under the name 'The Harrodian School'. While the school successfully defended a passing-off claim, it might not have been successful had it used the

Harrods signature green and gold signage, or had instead been a shop calling itself 'The Harroddian Shop'. For this reason, a passing off claim is likely to be more successful, in terms of establishing misrepresentation, if the defendant's goods are similar to those of the claimant.

The timing of the misrepresentation is an important factor. While each case turns on its facts, the general rule is that the deception must occur at the point of sale, as highlighted in *Bostik v Sellotape* ([1994] RPC 556). In this case Bostik made the well-known, blue-coloured adhesive putty BLU-TAC. Sellotape had produced an adhesive putty that was also blue in colour. Bostik brought a claim for passing off on the basis that consumers would believe that Sellotape's product was BLU-TAC or connected with Bostik. However, the claim failed as consumers could not see the colour of Sellotape's adhesive putty until after the product had been purchased; thus, there was no prospect of confusion (ie, no misrepresentation) at the point of sale.

The relevant public that must be confused are the usual purchasers of the relevant goods or services. Depending on the facts of the case, the relevant public can be a particular section of society. For example, in *Whirlpool Corp v Kenwood Ltd* ([2009] RPC 2) the relevant public were held to be consumers with knowledge about high-end food mixers who would take more care in selecting the goods than consumers of less expensive, everyday products.

Damage

The third and final element that must be established is damage. The claimant must show that there has been, or will be, damage to its goodwill resulting from the defendant's misrepresentation. The most common forms of this are that trade will be diverted from the claimant to the defendant, and that there will be damage to the claimant's reputation.

The most common remedies, depending on the facts of a case, are injunctions, accounts of profits and damages.

Establishing passing off

In practice, while passing off is often alleged in cease and desist correspondence, it is not easy to establish. While the United Kingdom's reputation as an expensive jurisdiction in which to litigate is not always justified, passing-off proceedings are generally time consuming and costly. Significant evidence is needed to establish the requisite goodwill, and evidence will also be needed to show that the defendant's



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activities amount to a misrepresentation. With regard to evidence of misrepresentation, a claimant would ideally need to produce actual evidence of confusion from consumers. However, evidence of actual confusion is rare and claimants will often need to use trap orders or survey evidence to show that, on the balance of probabilities, consumers will be confused. Evidence of this nature is problematic. In *Diageo N America v International Brands Ltd* ([2010] EWHC 17 (Ch)) the claimants had to establish that the defendant's alcohol, Vodkat, was being passed off as vodka. The claimants used trap purchases in pubs and corner shops to demonstrate this. However, the trap purchases were not the totality of the deception and only really proved deception among wholesalers of the drink.

Claimants must also beware when using survey evidence. The stance taken by the English courts is generally characterised by a reluctance to accept survey evidence. The pitfalls of survey evidence were discussed in some detail in the *Henry* case. Numatic was heavily criticised for using leading questions which were designed to elicit the response that survey participants were familiar with the Henry vacuum cleaner.

Summary

In summary, the most important points to bear in mind when faced with a passing-off situation in the United Kingdom are as follows:

- A claimant must seek to establish the classical trinity - goodwill, misrepresentation and damage.
- Passing off protects the goodwill in the way that a sign is used, not the sign itself.
- The courts will look at all the facts to establish whether misrepresentation has taken place.
- Survey evidence, if submitted, must be fair and impartial. [WTR](#)