



Neutral Citation Number: [2010] EWHC 2035 (Ch)

Case No: HC09C04060

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

Royal Courts of Justice
Strand, London, WC2A 2LL

Date: 30/07/2010

Before :

MR JUSTICE MANN

Between :

**Specsavers International Healthcare Limited &
others
- and -
Asda Stores Limited**

Claimants

Defendant

Michael Bloch QC and Adrian Speck (instructed by **Eversheds**) for the **Claimants**
Iain Purvis QC and Kathryn Pickard (instructed by **Pinsent Masons**) for the **Defendant**

Hearing dates: 22nd – 27th April, 29th April 2010

Approved Judgment

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

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Mr Justice Mann :

Introduction

1. This is an action in which the claimants (“Specsavers”), a well known chain of high street opticians, claim that the defendant (“Asda”), the well known supermarket (and which also runs optician’s stores in some of its larger supermarkets), has infringed its trade marks and has been guilty of passing off. Asda denies that, and also attacks one of Specsavers’ marks for non-use. Although there are 4 Specsavers companies who are claimants in this case, it is unnecessary to distinguish between them for the purposes of this action and I shall treat them as one.

The marks and the infringing or offending acts

2. Specsavers’ marks are essentially 3, with 5 community registrations. They are set out in Appendix 1 to this judgment, with their registration numbers. The first is a word mark, and I shall use that expression to describe it. The second has shading in the overlap between the two logos shown, and I shall refer to it as the shaded logo mark. The third I will call the unshaded logo mark (for obvious reasons). And the fourth I will call the wordless logo, again for obvious reasons. None of the marks is registered for any particular colour, but in practice Specsavers deploys the logos in a particular shade of mid- to dark green, though whether it has deployed the wordless logo at all is a question that I will have to decide. Where the marks are deployed they are used extensively in public displays and on publicity material.
3. Asda has for some time had its own opticians in some (but not all) of its large stores, and decided to relaunch those services in circumstances to which I will come. In connection with that it launched a marketing campaign in October 2009 with logos and straplines some of which are alleged to amount to passing off or trade mark infringement. The offending material is set out in Appendix 2 to this judgment. They are set out in colour because a point is taken about that in this case. It should be noted that it is green, and in fact in a shade of green that is Asda’s usual corporate colour. In describing them I shall use the descriptive terminology used in that Appendix. The logo was used principally in Asda stores and on the Asda website. In the stores it appeared on posters and on boards above the optical section. With one exception it was used in the form of green text on white ovals. The colour was reversed only in the case of “recall cards”, which are cards sent out to existing Asda optician customers inviting them to attend for a new eye test some time after their previous one. The straplines were used on various posters and other materials, the details of which do not matter for present purposes save that it is necessary to observe that the main strapline appeared in some in-store material in close proximity to the logo. The logo did not appear on any actual posters bearing the straplines, but the word “Asda” did. The straplines were used only for a few weeks at the end of 2009. Their use was mainly stopped as a result of a court hearing on 3rd November. It will go to remedies if I find passing off or infringement. There were odd occasions on which some of the material was used after it had been agreed that use would stop for the time being, and even after an interim application. These were said by Asda to be accidents. For the purposes of this judgment I do not need to deal separately with these alleged breaches of contract and court order. They will be relevant to remedy (if any).

Pre-launch misuse of confidential information

4. Before the launch, the campaign design document fell into the hands of Specsavers. It was obviously confidential information. Nonetheless it was circulated amongst some of Specsavers senior management who used it to plan their reaction to the campaign. Part of that reaction was a pre-emptive strike. Having notice of some of the details of the campaign with which this judgment is not concerned, they launched their own identical offer so as to coincide with the launch, and thus got a few days, and some commercial advantage. The misuse of confidential information forms the subject of a counterclaim and has been admitted. In this action the evidence of senior personnel is that they think Asda has behaved badly and that Specsavers has the moral high ground. This conduct disqualifies Specsavers from moralising too heavily. However, that is not relevant to what I have to decide, and any consequences will be dealt with in a subsequent inquiry as to damages.

The law in outline and the issues

5. Although I shall have to return to some specific features of the law in due course, it will be useful to set out Specsavers' basic legal target here.
6. So far as passing off is concerned there was little dispute as to the relevant law and I do not need to engage in an elaborate exposition of the law. It was not disputed that Specsavers had goodwill in its name and business. What is required for the purposes of a case in passing off is a misrepresentation or deception of customers as to whose product is being sold and consequential damage. The principal dispute in relation to this is whether there was, in the circumstances, any material misrepresentation in what Asda did. On the facts of this case this involves not merely a comparison of the marks, and evidence of alleged customer confusion. It also involves a consideration of why Asda did what it did, and whether it was deliberately "living dangerously" in trying to get as close to the Specsavers marks as it could without crossing the line – see *United Biscuits v Asda* [1997] RPC 513.
7. So far as the trade marks are concerned, Specsavers claims infringement under two provisions of the Trade Marks Regulation:

“9(1) ... The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

... (b) any sign where, because of its identity with or similarity to the Community trade mark and the identity or similarity of the goods or services covered by the Community trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion include the likelihood of association between the sign and the trademark;

(c) any sign which is identical with or similar to the Community trade mark in relation to goods or services which are not similar to those for which the Community trade mark is registered, where the latter has a reputation in the Community and where use of that sign without due cause takes unfair

advantage of, or is detrimental to, the distinctive character or the repute of the Company trade mark.”

Paragraph (c) is to be interpreted as covering use with similar as well as non-similar goods – see *Kerly on Trade Marks* 14 Edn at para 14-083.

8. Specsavers ran claims under both those heads. It said that there was a likelihood of confusion, and indeed it produced witnesses who it said were confused. So far as the second provision is concerned, it claimed that Specsavers had a relevant reputation (which was not disputed); that Asda’s use forged a “link” in the mind of customers; that unfair advantage was taken by “riding on the coat-tails” of Specsavers’ distinctive reputation so as to benefit from the association of the marks without having to invest in building its own reputation; and that detriment was caused because the reputation and distinctive character of Specsavers’ mark would be diminished because Asda had lower standards in relation to professionalism of service and range of goods, and because the marks as a whole become less distinctive in a market in which its marks are aped.
9. The validity and use of the logos with words is not questioned. The wordless logo is. For the reasons appearing in Appendix 3 I consider that the registration of this mark falls to be revoked for non-use. I put the material in an Appendix to keep it out of the way of the rest of the issues in this case.

Witnesses

10. I heard evidence from a number of witnesses. Because of the allegations that the closeness of the two marks was deliberate, I heard a lot of evidence of the genesis of the Asda signs. The witnesses, and my brief findings on credibility, were and are as follows.

11. **Dame Mary Perkins**

She is one of the founders of Specsavers (the business was started in 1984) and remains on the board. She gave evidence of its development and reputation, and her distaste for what Asda had done, which she regarded as “pinching” Specsavers’ brand. She also expressed a generalised view about damage to Specsavers, without giving any details. She was a good and reliable witness but not much of her evidence was of any real relevance.

12. **Richard Holmes**

He is the marketing director of Specsavers with an extensive experience of marketing going back many years prior to his joining Specsavers in 2006. His evidence included Specsavers’ marketing spend and the messages that Specsavers sought to communicate by it – value, style and professionalism/quality. Then he turned to what Specsavers did to counter Asda’s campaign in marketing and commercial terms, by (inter alia) reducing some of its own prices. Mr Purvis QC (counsel for Asda) criticised him for “marketing speak”, but that is a generalised criticism of his evidence which does not help much. He was quite down to earth about many things, and was clearly a conscientious man. His witness statement provided his own narrative of, and sometimes his commentary and views on, what the disclosure documents of Asda

showed about its activities and revealed about its attitude, but he was not cross-examined on this material by Mr Purvis QC (counsel for Asda). Mr Bloch QC, counsel for Specsavers, said that he should have been cross-examined if his account was to be challenged. I disagree. So far as his many paragraphs on the topic were narrative, it is not really evidence at all. So far as he was expressing a view as to what the documents were saying, that is inadmissible – it is not for one witness of fact to comment on what the other side’s documents and other material should be taken as saying. This section of his witness statement was of very limited assistance, so far as it was of assistance at all. He was, however, on the whole, a witness who was trying to assist. His witness statement ended by dealing with his perception of “The effect of Asda’s infringements”. This was, however, more in the nature of submissions, or perhaps opinion, rather than real evidence of fact.

Mrs Brenda Pritchard

13. Mrs Pritchard gave evidence of seeing one of the Asda posters in October 2009 which she said led her to believe that Asda and Specsavers had somehow joined forces. She gave evidence as a member of the public and was undoubtedly doing her honest best to assist the court.

Mr Mark Jones

14. Mr Jones was another member of the public. He received an Asda recall notice with the Asda logo on it and told me that at first he thought that Specsavers was writing to him because of the logo. However, a brief review told him that it had come from Asda. As Mr Purvis accepted, he too was doing his best, though Mr Purvis had submissions to make as to whether he was a typical customer.

Mrs Emma Trevis

15. Specsavers produced a witness statement from Mrs Emma Trevis, on which she was not cross-examined. She too gave evidence of seeing Asda material and she says that she thought it was Specsavers material.

Rick Bendel

16. Mr Bendel is the Chief Marketing Officer for Asda and as such was ultimately responsible for the marketing campaign which is the subject of this action. He is a very senior person within Asda. He gave evidence of how proposals for a campaign came to be presented to him by others, and what his attitude to it was. He was, in my view, a somewhat defensive and on occasions evasive witness. The first line of questions put to him was as to whether the strapline was intended to be a reference to Specsavers. His first answer was “No, not directly”. He seemed to be making a distinction, which I found hard to grasp, between a direct reference to Asda (which he said it was) and an indirect reference to Specsavers. He initially declined to accept that it would only work to ensure people would compare the price with Specsavers if they understood it would be seen as a reference to Specsavers, but said that “Obviously” it was a play on words. Eventually he accepted that since the majority of people (whatever that might mean) bought specs from Specsavers, the majority of people would compare the price with Specsavers. He displayed a curious refusal to accept what seems obvious from the strapline and the genesis of the whole campaign,

namely that the poster did intend a reference to Specsavers. Later in his evidence he claimed that he had nothing to do with the development of the logo, which is at odds with some of the material emanating from other employees and at odds with the probabilities. While he might not have been involved in the development of the actual shape on an evolutionary basis, it is not likely that he would have been as unconcerned about it as the impression he apparently sought to give. Overall, I got the impression that he was being overly defensive and overly careful to a point which causes me to have less confidence in his evidence than I (and I am sure he) would like.

Nikolai Langrish-Dixon

17. He is the Buying Manager for Asda Opticians and he led the development of the campaign pursuant to which the allegedly offending material in this case was deployed until shortly before its finalisation and launch. He was a very wary witness who often did not answer the question. I got the impression that from time to time he was careful to adopt a line which he thought would be less problematic for him than another answer which might have been more to the point. Mr Bloch submitted that he was anxious not to disagree with the evidence of Mr Bendel, who had gone first, and whose evidence he had heard. I think that that is a fair criticism.

Maria Barnett

18. Ms Barnett is the Marketing Manager for Asda's central Pharmacy and Healthcare Department and covered the role of Claire Pritchard for 2 weeks of the development of the campaign while the latter was away on holiday. No criticism was made of this witness, and rightly so.

Claire Pritchard

19. At the relevant time she was the Marketing Manager in the optical department of Asda. Mr Bloch submitted that her evidence sometimes sought to reinforce the Asda party line rather than give an objective view of the evidence, and there is something in this, but she was overall an honest witness.

Ms Claire Slade

20. She is the Professional Services Manager for Optical in Asda. Asda served a witness statement in respect of her evidence, but she was not required for cross-examination so her evidence went in unchallenged. She gave some evidence about regulatory matters, about the professionalism which she thought that Asda intended to convey in the then forthcoming campaign and about Asda's complaints procedure. She dealt with the use of the strapline on a leaflet after the injunction which should have prevented it, and said that she had not been made aware of any complaints by any person about confusion arising out of the offending material.

Mr Richard Mather

21. He gave unchallenged evidence that a search of Asda's database of "Customer Contacts" did not reveal any complaints about the campaign material.

Other witnesses

22. Asda served witness statements from a number of witnesses who were interviewed in an Asda store and all of whom disclaimed any confusion created by the straplines and logos. There were 11 of them, though it was indicated that one had changed his or her mind about giving evidence in court. The other 10 were, I am told, prepared to give oral evidence. There was also evidence from two individuals as to how the witnesses were selected, which was intended to establish that the 11 individuals were fairly selected members of the public to whom no relevant filter had been applied other than that they had indicated a willingness to be interviewed in store, to be interviewed in greater depth subsequently, and who remained willing to give evidence. Asda described this as a witness collection exercise. I deal with the relevance and significance of this evidence below.

The development of the campaign

23. It is necessary to make some findings about the development of the campaign because of Specsavers' case that Asda deliberately tried to get close to the Specsavers marks and that this bears on both the passing off and trade mark infringement claims. Asda adduced evidence going to that area, but did not call all the individuals who were actually involved in the events of the time. In particular, it did not call those who took over the preparation of the marketing campaign in its late stages after 17th September 2009. It relied on the evidence of the witnesses identified above.
24. There was much detail in the facts as presented to me. What follows is a narrative of the salient points. In the narrative that follows, any recitation of fact should be taken as a corresponding finding by me, unless the contrary appears.
25. At the start of the campaign Specsavers was already established as an extremely successful opticians' chain. It has 632 stores in the UK, and more elsewhere in the world. It prides itself on giving good value. Some evidence suggests that it does not rank as high in consumer perception as others (particularly independent operators) in the areas of professionalism and good quality, but it would not necessarily accept that. I do not need to make findings about that, and I certainly do not say that Specsavers lacks professionalism in its approach. However, the general thrust of the evidence was that it was at the "value" end of the market as opposed to the "quality" end.
26. Asda has had opticians in some of its stores for some time, but by 2008 was concerned about its position in the market. In mid-2008 it was decided to bring about a process of re-positioning and relaunching the optical business, and in December 2008 a document was prepared entitled "Understanding Optical". It reflected a view that the then current position of the optical department was "Specsavers in your supermarket", and the presenter suggested a move to "The 'Family Optician' in your supermarket". Specsavers was (at least in Asda's perception) at the "value" end of the market – people went to them for value – and the suggested move was to widen Asda's appeal so that it appealed to a wider cross-section of the public. Mr Langrish-Dixon told me that those particular phrases came from a customer listening group. Its big idea was "The 3 pillars" - 3 ideas which it was suggested should be central to the exercise. They were "iconic pricing", "broad church" and professionalism in approach. The last largely speaks for itself. The first was something that persisted throughout the campaign. It was a way of describing how spectacles should be

priced. Hitherto most opticians had priced on the basis of frames, then pricing different types (including strengths) of lenses differently, and then adding in further elements to the price for things like coatings. There were therefore a number of variables. Asda's idea was to have a basic price – actually two, one for basic frames and one for designer frames. A price was quoted for each type, and that price held irrespective of the lens and the prescription (for a single prescription lens – not, for example, bifocals). A customer could therefore know what he or she was going to have to pay for glasses before going in for the eye test, irrespective of what that customer's prescription turned out to be. The “broad church” pillar referred to an improvement of the range so as to provide glasses which would appeal to all ages and all types of people.

27. These ideas were conveyed to the professional practitioners in the optical and pharmacy departments of Asda in January 2009. The three pillars were part of a presentation to Mr Bendel made on 1st April 2009. It was proposed to seek parity with others in the market for range and professionalism, and use iconic pricing as the big difference point on which Asda was better. The purpose of the presentation was to get Mr Bendel's feedback on the proposed campaign. He was a senior and experienced figure. The presentation to Mr Bendel acknowledged that Specsavers had a reputation for good value (low prices) and were a trusted brand. Mr Langrish-Dixon said that Mr Bendel told them that they should focus on Specsavers. Their customer demographic was the same. Mr Bendel told him that if Asda was to offer better value than Specsavers then they should “shout about it” and let customers know where they could get the best value.
28. Mr Bendel's evidence was that he viewed Specsavers as the biggest player in the “value” section of the market and that the team should take on Specsavers because Specsavers' pricing structure was not transparent and failed to give the customer the certainty of low pricing that research demonstrated the customer to want. He told his team to concentrate on price, and not the other pillars, because the marketing campaign should try to do one thing, not three things. An e-mail from Maria Barnett to Mr Langrish-Dixon recorded feedback from the meeting. – “We should market the truth – if we are cheaper than Specsavers and our range is as good then that's what we should market.” It also recorded “Reasons to be Specsavers in the supermarket ... we can be like Specsavers but better...” At all times from now on the plans for the campaign had an eye on Specsavers in the manner which appears in the narrative below.
29. Further steps to advance the plan were taken during the rest of the year. A lot of the detail does not matter. There was a “Frame Summit” at the beginning of June which, as its name suggests, related to the supply and pricing of frames in order to increase the range, reduce lead times and reduce costs. Iconic pricing continued to be at the heart of the plans, though the three pillars still figured as part of what Asda wished to convey to the public. The documents during this period, and the evidence of the witnesses, make it clear that Specsavers was a clear target of the proposed campaign. The intention was to present Asda as being better than Specsavers, particularly on price.
30. On 26th August there was a second meeting with Mr Bendel. For the purposes of this meeting the room was set up so that it bore some of the signage (via projections) that it was suggested be used in an Asda opticians section. The signs were prepared by

Checkland Kindleysides, a design company. They conveyed various messages as to the prices offered, and “promises” about the quality and value of the Asda offering. Mr Bendel was not satisfied with this material and said that it needed to show that Asda was better than being “Specsavers in your supermarket”, and it needed to show that Asda’s pricing was clearer. It ought to be more focused on Specsavers.

31. The sort of things that Mr Bendel was saying are recorded in two places. First, an e-mail of 26th August claims to be notes of this meeting. It says:

“Real clear message here [in Optical] – review of messaging and marketing campaign to launch full on assault of [sic] Specsavers using price and range as the benchmark ...

Nick have [sic] briefed Brilliantmedia to review how we create full on offensive attack on Specsavers ... the big messages ... [we] will never be beaten v Specsavers on price/range, refund of any Specsavers prescription etc ...

Review messaging for Optical launch 19th October to be overtly aggressive against Specsavers.”

32. The second is a Powerpoint slide prepared a few days later. It records similar sentiments and is in effect the start of Specsavers’ “living dangerously” point. Under “View of October Strategy” it records:

“Really clear message here – review of messaging and marketing campaign to launch full on assault of Specsavers using price and range as the benchmark.”

33. Under “Recommendations and Advice” it says:

“Specsavers is our version of ‘my supermarket’, so we should compare range and price to them

Marketing should be about; Simplicity and aggression

If we are not getting Ellie from Legal involved then we haven’t been bullish enough

Rick [i.e. Mr Bendel] wants them to bring the fight to Asda”

34. Mr Bendel was asked about the reference to involving “Legal” and explained:

“Because, as a company, we operate very clearly a policy that in order to do drive-price perception we need to compare prices with our competitors. When one is producing advertising that is going to be comparing prices with competitors, especially when we use headlines that are either a play on words or have some fun, it is very normal that our competitors tend to get upset. Therefore, it is very, very

important that all of our work is looked at by our legal team to ensure that we are not doing anything that would be considered to be defamatory to them.”

35. Thus Mr Bendel demonstrated that he was aware of the dangers of the sort of campaign that was launched. His oral evidence was that he instructed, or advised, those approaching him that the message should be about price, and that the other pillars should not be part of the marketing campaign. This point was not really reflected in the sort of documents to which I have referred, which I would have expected if he were as clear as he says. He was probably not as clear as all that on the point, and his assertion to the contrary is one of the matters which causes me to view his evidence with caution.
36. In order to decide the details of the campaign Asda looked at what Specsavers themselves were saying. Claire Pritchard ordered a review of material from an agency called Billetts. The results were summarised by Mr Langrish-Dixon in a table in which he listed them under one of three headings, “Poach”, “Take Mick” and “Watch”. They seem to reflect Specsavers advertising lines which might be improved on (poached) or developed in a tongue in cheek way (take the mick) or simply have an eye kept on them. The mickey-taking suggestion can be illustrated by one example. One of Specsavers’ slogans was “Should’ve gone to Specsavers”, which (in certain specified situations) was intended to demonstrate that a notional purchaser would have done better to have got his/her spectacles from Specsavers. The “Take Mick” column suggests using “Should’ve gone to Asda”. The table shows how minds were working at Asda. People were considering developing Specsavers’ own slogans.
37. On 28th August logos became the subject of consideration. Maria Barnett sent an e-mail to Checkland Kindleysides saying:

“Can you work up what an Asda Opticians logo would look like in Specsavers style please? ... This is a mock up at this stage, just the logo.”

Mr Langrish-Dixon attributed the idea of having a logo to Mr Bendel’s expressions of view. Ms Barnett said that Mr Langrish-Dixon had had a go himself at producing a logo and this was an attempt to produce something more professional. The team was trying to produce a presentation of mock-up material which was slick.

38. The results of that request were emailed to Ms Barnett on 2nd September. It is not wholly clear to me what was sent. Ms Barnett identified some designs in the bundle, but it is more likely that they were sent later. However, that does not matter much. What is significant, if anything, is that the instruction was given to produce something based on Specsavers’ logo. Before they arrived Mr Langrish-Dixon had started to design some header boards (large boards to appear on the top of displays in the store) bearing his attempt at a logo (overlapping ovals with a slightly different text) and the slogan “Should’ve gone to Asda ...”. On one of those he has written “Headline mickey take at Specsavers”. When asked to explain why he included a logo like that in his presentation, he did not really give a satisfactory answer. He sought to say that they never intended to use such a thing in the outside world, and it was just for internal presentation. He sought to say that it was “just an example of a logo”, and he was trying to be humorous; that it was ironic; that it was an internal mickey take; and

that it was intended to convey the message of Mr Bendel that they should be bullish. His answers did not make a lot of sense to me. There must have been more to the idea of using a version of the Specsavers logo with Asda text than an internal-only mickey take, because Maria Barnett actually instructed Checkland Kindleysides, an outside agency, to do some mock-ups, and I doubt if that would be done if the logo were no more than an entertaining placeholder. I think it portrays a mindset on the part of Mr Langrish-Dixon at the time to try to see how to feed off the Specsavers advertising material in a close way.

39. Having received the various versions of the logo, on 2nd September Maria Barnett emailed Checkland Kindleysides and asked them to produce some mock header boards:

“Please can you mock up the following messages onto Optical header boards using the Asda Opticians/Specsavers parody logo I asked for last week ...

Should’ve gone to Asda

The price you see is the price you pay ...”

40. Checkland Kindleysides responded with a couple of questions one of which was:

“Also do you want the new logo to look exactly like the specsavers logo or for us to design a brand new logo?”

To which Ms Barnett responded:

“For the logo yes please make it like Specsavers (this is one Rick Bendel asked for)”

41. In fact Mr Bendel denied that he required any such thing. He said he had asked them to parody “if parody is the right term, Specsavers in terms of our advertising”. Maria Barnett was not at the relevant meeting. Mr Langrish-Dixon was. He must have communicated what he wanted to Maria Barnett. It is likely that her emails reflect what he said, which is in turn a reflection of what he understood. He probably thought that that was what Mr Bendel required, or was suggesting, and the backing away from it at this stage (which he did) is attributable to his defensiveness in giving his evidence.

42. The material from Checkland Kindleysides arrived promptly. It contained a number of variations of the logo. One was overlapping ovals, but without shading in the middle, and with “ASDA Optician” written across it. Other variations were overlapping circles, and the odd plain rectangle. Mock-ups of what a store wall might look like with header boards over a display of frames showed the overlapping oval variety, but this time with shading in the overlap. Another mocked up header board has a logo with overlapping ovals and the line “Should’ve gone to Asda!”. These were, as I accept, intended for internal use only. They were immediately used for a presentation to Katherine Patterson (director of marketing communications). On 8th September Maria Barnett told Checkland Kindleysides that “the next step is to get Rick Bendel approval on the proposed visuals” and asked for a PDF file with 8

sample header boards, using the logo described on the captions as “Logo 1 most like Specsavers”.

43. Katherine Patterson had told Mr Langrish-Dixon he should get legal clearance for what was being proposed, and on 11th September he met with members of the legal team. He took with him copies of the Checkland Kindleysides mock-ups. The legal team told him that the use of the overlapping oval logo was “High risk” in relation to trademark infringement. The strapline “Should’ve gone to Asda!” was also apparently said to be high risk. There is a typed note, whose genesis was not established at the trial but which looks like a summary of the legal advice and some deliberation on it, which sets out various options. Option 1, which is “Asda version of Specsavers – rip off” is said to be “High risk, very offensive”. A logo with square-ish spectacle lens shapes (not overlapping) was said to be medium/high risk when used with the “Should’ve gone to Asda!” strapline, and medium risk with another strapline which is not close to anything Specsavers had put out.
44. An e-mail from Maria Barnett to colleagues on the advertising team, and dated 14th September, records that:

“Rick and Darren are really buzzed up about the new optical offering from October and they've told us to ‘attack Specsavers on their own territory’ Exciting stuff! We’ve been told to parody Specsavers advertising, logo and messages.”

On the same date she emailed Checkland Kindleysides asking for some new mock-ups, but this time using a logo with no overlap on the ovals.

45. A third meeting and presentation took place with Mr Bendel on 17th September, in order to discuss the message in the forthcoming campaign. Mr Langrish-Dixon, Claire Pritchard and three others attended on him. He was shown some “scamps” (roughish design ideas) for posters, with various slogans including “Should’ve gone to Asda”. Mr Langrish-Dixon also prepared some slides showing mock-ups of a store showing the overlapping oval Asda logo, and other slides showing a comparison of three possible Asda logos. At the top of one slide was a Specsavers logo. Down the left hand side were three possibilities. The top two were overlapping ovals with Asda rubric within them. The “Consequences” of using these were that they were “Highly recognisable” and “Aggressive”. Mr Langrish-Dixon accepted that this meant highly recognisable as Specsavers, but he also said that it was highly recognisable as Asda. The third is a different lens-shaped logo. This is said to be “Not as easily recognised”. Mr Langrish-Dixon’s oral evidence as to what this meant was confused. He did not really answer the question “Not as easily recognisable as what?”. He ended up by saying that the first two were more like eyes, which is what Asda wanted, and the bottom one was more like spectacles, which would put some people off. I think that in this passage of his evidence he was trying to avoid saying that the third logo was not so easily recognised as Specsavers because, despite the earlier evidence he had given about the top two, he did not want to reinforce the link to Specsavers too much in his evidence. This particular presentation slide is seeking to start with the Specsavers logo and then to represent steps away from it, and “recognised” means having a resonance with Specsavers. The consequence of one not being “as easily recognised” was not a desirable consequence to Mr Langrish-Dixon. This ties in with

his evidence that what they were after was a “parody” of Specsavers. He referred to a parody (for these purposes) as being:

“something that in the customers’ mind they would then compare it to Specsavers so that they would then look to see whether Asda was, in fact, better value than Specsavers ... This was an example of a parody ... [it] was a step too far ... So, again, these were just thoughts and ideas that we were sharing internally to help us to get the correct logo ultimately.”

He even went so far as to say that this slide was presented as something that the team did not want to do. I do not accept that evidence. I do not think he would present such material to Mr Bendel. This slide shows that the whole design process started with a Specsavers logo and that the process involved their moving what they thought was a safe distance away from it.

46. The message from Mr Bendel at this meeting was that they should be direct with customers and not “tiptoe around”. They should get over the message that Asda opticians were cheaper than Specsavers. He did not like the “Should’ve gone to Asda” strapline and they should not copy the Specsavers logo but they should have some “fun” and be “cheeky” in the campaign. The campaign should be aggressive and he wanted them to use the words “spec” and “savers”. Mr Bendel made his own suggestions for slogans. After the meeting Mr Langrish-Dixon noted “Save on Specs at Asda” as being a possibility. Claire Pritchard summarised the meeting in an e-mail to a colleague the same day. Mr Bendel’s oral evidence was that he was not aware that the legal department had been involved. That is a little surprising bearing in mind that the documents presented to him referred to high risk, and that can only have been in legal terms, but it is not necessary for me to make a finding about that.
47. After this meeting the matter passed largely out of Optical’s (Mr Langrish-Dixon’s) control and was passed to the corporate marketing teams, though Mr Langrish-Dixon still had some involvement. I did not receive any evidence from anyone in that latter team. A new marketing brief was sent to Checkland Kindleysides and another agency (Fallon). It contained “Objectives”:
- “To be able to shout that we are cheaper than Specsavers
- To promote our transparent and complete pricing
- To communicate that our quality is the same as Specsavers
- Our breadth of range is the same as Specsavers
- [and others]”
48. A further information brief was sent out the next day, prepared by Ms Pritchard. It included mock-ups of the store, but without logos. Header boards were to contain a main message “e.g. Save on Specs at Asda”. Posters were referred to “to use as comparison on Specsavers and Why pay more, and to say we have a great quality range using glasses or models, replicating the Specsavers style, mocking them.” Under “Colours” it said “We do not have to stick to the Standard Asda colours. Asda

green is similar to Specsavers and could help with the association – but we could use in a more stylised, less flat style. Use more white with the green to give a designer feel to the store ...”. She told me that at the meeting on 17th September Mr Bendel had suggested looking at colours other than green. Mr Bendel denied ever suggesting any other colour – he said his invariable policy was to tell people to stick to Asda green. I prefer Ms Pritchard’s evidence on that point. Mr Bendel’s evidence was, in my view, again a demonstration of the defensive quality of his evidence. Ms Pritchard explained that her views on colour were to assist the parody. She had been told by Mr Bendel to consider new colours but was nervous about moving too far away from Asda green. Her evidence on this was a little confused.

49. A further page of this document contained a “Legal Summary” to the effect that Specsavers was trademarked, but the two separate words were not.
50. In a note prepared by Mr Langrish-Dixon for a colleague (Mr Sinnock) for the purposes of a presentation, Mr Langrish-Dixon wrote out some key points about the campaign:

“Benchmark not copy

We are using Specsavers as a benchmark rather than a format to copy. We need to do what they do but do it even better, even simpler, and at even better value for customers. We are in a fortunate position where Specsavers have already simplified the optical market for us with their successful supermarket format. The range change in October gives us parity against Specsavers on range and quality, and our true point of difference, transparent pricing.” [this should probably read ‘difference is transparent pricing’]

51. Checkland Kindleysides produced some more ideas for header boards, posters and other materials on 21st September. The first sheet lists three elements, presumably the tone of the material. The first is “Cheeky & confident”. There are then versions of the material varying in both colour and content. One set is coloured a mid-blue. Another set is based on green. It contains two non-overlapping ovals with Asda and Optician written in each of them respectively. The ovals are in a darker green; the text is in white. A marginal note reads:

“Asda green is very close to Specsavers green. Using a darker logo is very Specsavers and compliments our light green.”

52. Another marginal note comments on the similarity of the dark green to Specsavers. Other versions of the material played with messages and colours. At least one did not have a logo in it. This shows what one would expect – various possibilities are being considered for the respective strengths and weaknesses in presentational and marketing terms.
53. An e-mail exchange on 22nd and 23rd September between the other agency (Fallon) and Lucie Swallow of Asda demonstrates what that firm’s brief was. It was to produce a range of options from “more lower prices than Specsavers”, through “Shouldn’t have gone to Specsavers (hard hitting but not comparative)” to

“spectacular savers” (the safe option). This correspondence recognises, as does other material referred to above, that some styles of campaign were more risky than others in potentially attracting legal attack. Asda were considering a range of options in that respect.

54. On 23rd September Nicki Raybould (an Asda colleague) sent some further mock-up material for presentation to Mr Bendel. (It seems there was a presentation to Mr Bendel on that day, but not involving Mr Langrish-Dixon.) As “Option 1” there were some header boards with an “overlapping oval” logo (bearing Asda’s name). This bore the heading “Specsavers Logo”. It also contained other logos – non-overlapping but touching ovals (“Close to Specsavers”) and other lens shaped logos (“Alternative logo – our version”), and a variety of colours. There was a variety of slogans. One chart puts the three logos (overlapping and non-overlapping ovals, and the other lens shape) under an extended two-headed arrow showing how they compared from “Same as Specsavers” to “Our version of Specsavers”. There is a page of alternative shapes (“Logo explorations”), with a variety of ovals, circles and other shapes, some of them with more association with spectacles than others. A further document of the same day describes the alternatively shaped lenses version as “Current preferred version” though it is not clear whose preference that was. An e-mail of Nicki Raybould of the same day (23rd September) states that the pack for presentation contained a number of logo variations as well as the overlapping ellipses, because ‘Specsavers’ is trademarked and use of the overlapping version “will have legal implications”. Asda was obviously aware of the risks arising out of getting too close to Specsavers’ own mark.

55. On 24th September Claire Pritchard emailed a colleague (Lindsey Ford) ahead of the meeting with Mr Bendel scheduled for the next day. She remarked on the need to remember their USP (iconic pricing) and went on:

“We do not want to be seen to be copying Specsavers (e.g. copying logo, colours too closely) as this could make us seem desperate/the poorer cousin and makes us an easy target for them! Only want to compare ourselves, and make fun at them, as we are better, offering better value to our customers with just as good range ... *we also do not want to incur fines when this is not necessary**

Impact in store – we like the idea of stand-out using different colours ... Like the pale blue option – for full out colour change or the turquoise option with the green.”

It is thus apparent that for her part at least Ms Pritchard was not seeking to ape Specsavers’ presentations.

56. The next day Fallon emailed over some presentations. They contained slogans. One of them was the strapline – “Be a real spec saver at Asda”. This was the first time that the strapline emerged in this story. Nicki Raybould, one of the new marketing people who had taken over the campaign, also sought some legal advice from the legal department over the logo. I infer from her e-mail that she sent the overlapping ovals version, and the non-overlapping version. Apparently Katherine Patterson preferred the former. Jumping ahead in the chronology slightly, on 29th September the legal

department approved the non-overlapping ovals but not the overlapping ones, and “one shade of green different to the Specsavers logo”. Its initial feedback on straplines was not to approve one which suggested that Asda prices were lower than Specsavers (too difficult to prove), not to approve the first strapline “from a legal perspective” (whatever that might mean), to disapprove “shouldn’t have gone to Specsavers” because it was said to be trademarked, and to approve “spectacular savers” (with the first four characters emboldened).

57. Mark Sinnock (marketing communications directors, responsible for corporate communications) raised some questions about the scope of the risk of using some of the expressions, and in particular whether using “spec savings” in place of “spec saver” “is this all about risk?”. Whether as a result of this or not, the legal department had further thoughts on the point, and by 30th September had communicated that Asda “might be OK” (Mr Langrish-Dixon’s formulation) if they used “real spec saver” with lower case letters. The legal department also suggested swapping the colourways of the logo, so it was green text against a white background. In an e-mail of 30th September, Mr Langrish-Dixon indicated that he was aware that the question of what to use required an understanding of the degree of risk. He added:

“We don’t want to make the message too soft and loose [sic] the impact.”

58. Checkland Kindleysides sent some revised mock-ups on 2nd October showing the reversed colours on the logo (its final form, essentially) and the two disputed straplines, and Nicki Raybould sent them to (inter alia) Claire Pritchard and Mr Langrish-Dixon. She commented:

“I suggest the strongest version is the ‘Be a real spec saver at Asda’

I am still chasing legal for a written response.”

59. The lawyer (Ellen McLaughlin) provided that response on 5th October. She responded:

“ my advice would be to follow the format proposed by Nicki in her early e-mail on Friday i.e. White ovals, Asda green for the text ‘be a real spec saver at Asda ’.

Reason for this is that Specsavers has a trade mark for the colour green, with the slogan ‘Should’ve gone to Specsavers’ and the interlocking ovals glasses shape which gives them wide protection. The key concerns:

(1) Anything that features the green colour Pantone No 355 is extremely high risk. In addition trade mark infringement can succeed where a similar mark not an identical mark is used on identical products therefore any shade of green and darker than the Asda green in this category of goods is likely to be problematic

(2) Anything featuring interlocking ovals glasses shape or similar is high risk.

(3) Should've gone to Asda, should've shopped at Asda will be similarly problematic -- I recall that we had suggested something along the lines of "why not shop at/go to Asda" I appreciate it lacks the link to Specsavers but this comes with the real spec saver references.

... The risk of successful action by Specsavers (who are extremely litigious -- I would not be surprised to receive a letter from them even with Nicki suggestions) increases the more the combination of the trademarks is used e.g. a combination of the ovals albeit not interlocking and the colour green could be argued as being a similar mark on same goods so therefore trademark infringement."

60. Mr Martin, who describes himself as "Head of In-Store Experience", expressed his approval of how far things had gone in an e-mail to Nicki Raybould and Katherine Patterson on 7th October:

"Excellent piece of work Nicki – well done in achieving a strong end point on the POS solution – I think it looks very good and we've pushed the limits on getting as close to Specsavers as possible."

61. Once this advice was received, Asda was happy that it could proceed to use the logo and the two straplines. On the basis of that, Mr Langrish-Dixon, Claire Pritchard and another colleague (Linsey Taylor) signed off on the use of the logo and the first strapline. In his cross examination Mr Langrish-Dixon said that corporate marketing signed off on it too. Mr Langrish-Dixon's witness statement did not say that they signed off on the other strapline. The campaign was launched on 19th October.

What was Asda trying to do in its design process?

62. This question is important because it is a major part of Specsavers' case that Asda was "living dangerously" (to use a phrase which has been used to summarise this sort of evidence in an earlier case) in trying to produce closeness to Specsavers. It will be useful to consider this point at this stage before coming back to it in considering the evidence in relation to the various heads of claim.
63. Specsavers' case is that in doing what it did, Asda was trying to get as close as it could to communicating to customers that its optical offering is just like Specsavers' offering in certain respects, and in particular its provision of value, its professionalism, and its breadth of range. It wished to make its optical departments look and feel like Specsavers. To that end it deliberately designed its logo to look as close as it considered safe to Specsavers' logo, and that end was the purpose of the use of the wording in the two straplines.
64. Mr Purvis submitted that Asda was not doing so. His first point was that Asda was not living dangerously in relation to the final logo because it had reversed the

colourways by the time it was signed off (green on white, not white on green). Legal advice had been given on that point and if it was being said that Mr Langrish-Dixon had decided that Asda should live dangerously in relation to that logo then it ought to have been put to him, and it was not.

65. I reject the complaint as to what was and what was not put. The essence of the “living dangerously” point was put to Mr Langrish-Dixon throughout, and the fact that no particular question was asked in relation to the last step in the process does not mean that Mr Bloch cannot run the point. If Mr Bloch is entitled to run the point at all, he is entitled to run it to the end product of the process. The development of the logo is clear enough for these purposes.
66. Mr Purvis then turned to the evidence and says that it did not justify the finding. So far as the logo was concerned, he said that it showed Mr Langrish-Dixon started the logo development as a result of the meeting with Mr Bendel on 26th August. He took the idea of parodying the logo from that meeting and that led him to start with the Specsavers logo. The parody idea was given to the outside designers to work on, resulting in the mock-ups that they produced. Mr Langrish-Dixon had misgivings about that and asked for legal guidance. Mr Bendel then agreed that parody was not the way forward and gave an instruction not to copy. The parody idea was dropped, and the logo changed – Specsavers green was dropped, the ovals were separated and the colourways were reduced. The witnesses all said that they did not want to create confusion with Specsavers because they wanted to say that Asda was better.
67. The development of the logo shows that, chronologically speaking it started with a version of the Specsavers logo with Asda lettering on it. This was the first logo that was prepared. It was prepared by Mr Langrish-Dixon after the meeting with Mr Bendel on 26th August. It is apparent that he thought that Mr Bendel wanted a logo which looked like Specsavers’ logo. Perhaps he thought that that was where a parody should start. But it was his starting point. Thereafter the story shows a development starting from that point, and not a development starting with a clean sheet of paper. While the design agency came up with some ideas from time to time which moved away from ellipses, and produced at least one lens shaped logo as well as some squares, the preferred designs did not move that far away from the Specsavers logo. The purpose underlying the thinking is apparent from the document which shows alternative logos and characterises them in terms of their aggressiveness. Mr Langrish-Dixon was trying to get what he thought was the right blend of aggression and safety. The aggressiveness involved having a logo with a resonance with the Specsavers logo. This was confirmed by Mr Langrish-Dixon when he said that prior to 17th September he was trying to devise a logo which was a parody of Specsavers’ logo. The concept of a parody involves a clear reference to that which is parodied. If the subject of the parody is not recognisable in the product, the parody has not worked.
68. The evidence of Asda was that at the meeting with Mr Bendel on 17th September he told Mr Langrish-Dixon not to copy the Specsavers logo. That is entirely plausible. However, this was not the beginning of an independent design process. It involved the design process taking a course that did not involve too much risk. When Checkland Kindleysides prepared their comparative slide showing the design distance between the Specsavers shape and the lens shape, with non-overlapping ovals in the middle, the lens shape is described as “Our version of Specsavers”. That rubric may,

I suppose, have been the designers', but I think it reflects the attitude of Asda. I consider that the design process referred to above can be characterised as one which started with Specsavers firmly in mind, and then moved to what was considered a safe distance away. I accept that there was no intention to copy. They probably ultimately decided not to try to parody the Specsavers logo, but they had started there and the design thought processes probably still had their roots there. This is demonstrated by the information brief sent out by Ms Pritchard after the 17th September meeting in which she acknowledged that green would help the association with Specsavers and the Checkland Kindleysides document which acknowledged that a darker green was "very Specsavers".

69. In the end, of course, Asda did not adopt the overlapping logo, or Specsavers dark green. It used the non-overlapping ovals, which were said to look like eyes and which were used for that reason. It also reversed the colourways. Mr Purvis is right about all that. The legal department advised on whether Specsavers could legitimately object, and advice was accepted on the lower risk models. However, the fact remained that the design process had started with being close to Specsavers and had then moved away to what was considered a safe distance. This is not surprising bearing in mind the genesis of the project. Specsavers, which was a very successful operator, was always the main target competitor of the whole campaign. It was constantly in the minds of those planning the campaign at Asda. That probably accounts for the apparent starting point in designing the logo. I do not know the mindset of those who took over the campaign from Mr Langrish-Dixon in the closing stages because they did not give evidence, but they were given the campaign with the roots that it had. They did not start with a clean sheet either. A clue is given by Mr Sinnock's e-mail to Nicki Raybould in which he commented on getting as close to Specsavers as possible. That may refer to the overall impression of the optical part of the shops, of which the logo was a part, but it shows how the team still had a firm eye on Specsavers' presentational aspects, in my view. It is plain that Asda were concerned that their mark might give rise to legal problems. That was not because they happened to devise a mark that turned out to be close to Specsavers'. It was because they started with Specsavers' mark and moved away. The legal department told them when they had moved a safe enough distance, and actually suggested a reversal of colours which would help to achieve that.
70. The legal significance of this will be dealt with below.
71. So far as the straplines are concerned, the process was different. It did not start with a Specsavers design. Although Mr Bendel was initially reluctant to accept that they contained a reference to Specsavers, he did concede that they did. That was intentional. His instructions were to parody Specsavers in the straplines and to go after them on price. As observed above, you cannot parody something unless your material includes a reference to what you are parodying. The reference to Specsavers was deliberate. There was much cross-examination as to whether it was intended, subjectively speaking, to import a reference to price, or whether it was intended to refer to other attributes for which Specsavers had an established reputation, that is to say professionalism and range (the other 2 of the 3 pillars). Mr Langrish-Dixon disclaimed any intention to associate Asda with Specsavers in terms of suggesting that its quality or professionalism was as good as Specsavers'. They aspired to more than that. Mr Bendel went so far as to disclaim any intention to associate with Specsavers.

72. Specsavers' submission on this is that in using the straplines Asda was trying to get across the idea that it was every bit as good as Specsavers in the areas of range and professionalism. It was important to him to establish that subjective intention. Mr Bloch's principal reliance was on a passage of Mr Langrish-Dixon's cross-examination.

“ Q. At a later stage, we see that the message became as good
4 quality as Specsavers, same range as Specsavers. Can you
5 explain how that message came to be worked upon as part of the
6 campaign?

7 A. Yes, I can. A number of ideas were bandied around. This is
8 perfectly normal with the creative process at Asda. We were
9 throwing ideas around to enable the customer to understand
10 that we were not just cheap but that we were value. So we did
11 not want customers to think Asda are a fantastic price, that
12 is not because they have any decent glasses or they were not
13 professional. So, in some of our examples, we used those
14 words themselves, but we were very pleased with where we ended
15 up, the "be a real spec saver at Asda", because we felt that
16 that got the message across without needing to refer to our
17 range or professionalism.

18 Q. How does "be a real spec saver at Asda" communicate value
19 rather than price?

20 A. Because people understand Specsavers as being a value
21 operator. People understand that Asda is a value operator.
22 What we are saying with "be a real spec saver at Asda" is we
23 are saying to people who shop at Specsavers, we recommend that
24 they check our pricing against theirs because really we are
25 cheaper and if someone does not shop at Specsavers, we are

2 saying that they can get spectacles savings at Asda.

3 Q. You made a distinction in some of the answers that you have
4 given between value and price. As I understand it, the
5 message that you were seeking to convey you say by use of the
6 strap line "be a real spec saver" was a message about value
7 rather than just price?

8 A. About value, yes.

9 Q. How is it that that message is to value rather than just price
10 was conveyed by the strap line "be a real spec saver."

11 A. That was a collective view that we all had that that conveyed
12 value rather than price. I think that is a personal
13 preference.

14 Q. I appreciate that is the view you all had. What I am
15 endeavouring to explore with you is what the basis for that
16 view was. Why did you think it achieved that?

17 A. Because it says: "Be a real spec saver at Asda."

18 Q. What is it about "spec saver" that suggests you are going to
19 get not simply a low price but good value?

20 A. We believe that Specsavers do a good job in themselves about
21 communicating value.”

73. The next question and answer introduced a slight qualification:

“ Q. It was because people would perceive that, that the suggestion
23 they may be able to get the same quality of product or service
24 but at a lower price, would work for Asda. Is that right?
25 A. We wanted people to look at our pricing, look at the
2 Specsavers price and make a decision themselves, but we
3 certainly wanted to put the question in their mind”

74. This is the high point of Mr Bloch’s evidential case. He submitted that it amounted to an acknowledgment that value was a wider concept than price, and that it also incorporated the quality of what was being paid for – in this case, range and professionalism. So Asda’s intention was to convey a reference to Specsavers’ attributes in that area. I accept that submission, to an extent. The purpose of Asda’s overall campaign was rooted in the three pillars. It does not follow that all those aspects were to be equally served by all aspects of the campaign all the time. Mr Bendel’s clear advice (which would be likely to be accepted by those below him) was to convey one message in marketing, and not three, and that message should be price. Mr Langrish-Dixon’s evidence was not always totally consistent, but he said that he accepted that position so far as the advertising that he was responsible for was concerned. Nonetheless, Asda did aspire to parity with other operators (and particularly Specsavers) in relation to range and professionalism. That is apparent from the passage immediately preceding the particular evidence from Mr Langrish-Dixon relied on by Mr Bloch

“A. Rick and I did have a conversation around how we would best
10 market our price differential, given that Specsavers were the
11 largest opticians in the UK and they were a value operator.
12 It would have been nonsense for us to have done price
13 comparison against Boots, for example, as people would expect
14 us to be cheaper than D&A or Boots. We explained to customers
15 that there was a price difference between us and Specsavers.
16 Q. So are you saying that, whilst the comparator in relation to
17 the first pillar price was Specsavers, the comparator in
18 relation to the second and third pillars was the market
19 generally?
20 A. That is exactly what I am saying. If I can explain how we
21 discussed it in the team. We explained it like it was a
22 Maslow's hierarchy of needs. So, if you imagine a triangle
23 and our customers were telling us that the most important
24 thing above all else was that the opticians was professional,
25 because if they went into the opticians and they were not
2 seeing all the visual cues, for example the uniforms, that
3 gave them the confidence that they could get a full and
4 thorough eye test, they would go elsewhere. The second tier
5 within the triangle was range. So, they needed to see that
6 before they had the eye test the pair of glasses that they
7 would want to buy were present in the same store where they
8 wanted to have the eye test. Then, the most important thing
9 at the top was then the communication in terms of price. To

- 10 answer your question, in terms of range and in terms of
11 professionalism, we felt we needed to be as good, if not
12 better, than every opticians on the high street.
- 13 Q. Different opticians will have different levels of
14 professionalism and different perceptions among the public of
15 their professionalism, will they not?
- 16 A. They will.
- 17 Q. So you cannot seek to communicate parity with all of them, can
18 you?
- 19 A. We were not looking to compare ourselves to Boots or D&A
20 overtly. We were looking to make sure that when a customer
21 went into the Asda Opticians that they saw that it was
22 professional environment, clean and clutter free, it all
23 looked like it was a new unit that was well managed. So we
24 were not looking to compare ourselves against anyone in
25 particular. We were looking to the things that customers
2 wanted to see and to make sure that they were present”

75. I accept Mr Langrish-Dixon’s evidence that conveying those matters was to be done (at first, at any rate) by the in-store appearance – new displays, new equipment new uniforms and other manifestations. They were part of the overall picture. However, that meant that they (or at least the professional service) would feed into the concept of the value that a customer got when he or she purchased spectacles.
76. When they set about choosing slogans I consider that the Asda team were focussing on the price message. When they found the straplines, and particularly the first one, they were fulfilling their brief to reference Specsavers in a parodying way, and primarily had price in mind. When it was devised the first strapline also had the benefit, in the eyes of Mr Langrish-Dixon at least, of bringing in concepts of value as well, with the additional connotations that that brings in.
77. This is a point to which I will have to return when I consider certain of the alleged infringements.

Infringement

78. Having disposed of that matter I now turn to the question of infringement. The presence of three allegedly offending items, with two principal heads of liability said to attach to each of them, makes this a slightly cumbersome exercise. The scheme I shall adopt is to consider Article 9(1)(b) first. In that context I shall consider the effect of the evidence of confusion and association, first in relation to the logo, and second in relation to the strapline, before reaching conclusions on both. Then I shall consider Article 9(1)(c). At that point it will not be necessary to set out a lot more evidence because I will already have dealt with most of it.

Infringement – Article 9(1)(b) – confusion and association

79. Article 9(1)(b) is set out above.
80. Specsavers says that the Asda logo and the straplines fall foul of this because there is the likelihood of confusion and the likelihood of association. It advances three

strands of evidence on this – specific evidence of confusion said to be caused in actual witnesses; the results of a survey; and Asda “living dangerously” in devising its material. It is said that these three strands must be viewed individually and as a whole.

Infringement – confusion and association - the Asda logo – the evidence

81. **The witness.** The evidence of the only individual who gave direct evidence relating to the point was as follows.
82. Mr Jones had once used Asda’s opticians (in 2008) when they supplied him with glasses whose prescription did not suit him. He has also used Specsavers (and indeed others). His wife works at Specsavers. After the campaign was launched he received a reminder card which bore the Asda logo, in white on green (not the more usual one seen instore and online). It invited him to have his eyes tested. As well as the Asda logo, it bore Asda’s name in slightly bigger type than in the logo in two banners, and had a couple of other references. It bore Asda’s green at various points. His evidence was that his initial impression was that Specsavers was inviting him for an eye test. This was because of the form of the letter – “two green circles joined together” and the use of the colour green. However, after briefly reviewing the letter he realised it had come from Asda because he noticed the Asda name in the bottom right hand corner of the letter. He said he assumed that Specsavers had opened a concession in Asda. In due course his wife pointed out that that was not accurate.
83. His cross-examination revealed that he believed that Specsavers had had a concession in an Asda somewhere previously. It also brought out the fact that he believed that the two green ovals represented Specsavers. “If you showed anybody the two green ovals and people who need glasses will think it is Specsavers”.
84. There was no attack on Mr Jones’s credibility or honesty. Mr Purvis’s principal criticism is that he does not qualify as the reasonably observant consumer who has to be posited for the purposes of determining the likelihood of confusion, and that he seems to have been very influenced by the colouring. This criticism is ultimately rooted in the submission that the mark itself does not have the intrinsic quality of being confusing, and is not confusing in context; Mr Jones was very atypical in being confused. In any event he gave no evidence of being confused by the more regularly used logo (green on white). For the reasons given below, I consider that this criticism of his evidence is well-founded.
85. **The survey.** Next, Specsavers relies on a survey. The survey was carried out on a high street in Leyton near, but not in sight of, an Asda with an optician on 15th and 16th December 2009. People were stopped and asked the following question:

“If I wanted to buy a pair of glasses made by Specsavers, do you know where is the nearest place that I could get them?”
86. 244 interviews were conducted. Of those interviewed, 6% (15 in number) identified Asda as the place where they could get Specsavers glasses. This survey was the subject of prior court approval in line with the better practice. Mr Bloch submits that this is a good non-loaded and non-leading question which admits of answers which would be likely to attract a positive answer from those who thought Asda were

running the Specsavers operation, or were somehow connected with it, and a negative answer from others. It was conducted after the campaign had been going for some time, though the use of the straplines had ceased (mainly) some time previously. There could be no doubt that 6% of the public (as interviewed) thought that they could get glasses made by Specsavers at Asda. Given the timing of the survey, this is said to support an inference that confusion has been caused by the advertising complained of.

87. Asda chose not to challenge this survey in any way other than in submissions, and in those circumstances (it is said) Specsavers did not seek to back up the raw facts with any expert evidence. So there was no cross-examination of anyone on it. Mr Purvis confined his criticisms to those made as a matter of submission. He said that one does not know why the 6% answered as they did; there was no follow up of the 5 out of the 6% who said they would be prepared to be followed up; there was no control survey carried out near another supermarket with an opticians (e.g. Tesco); the interviewees were not shown the logo.
88. I do not think that this survey is particularly telling. It is easy to pick over a survey after the event, and contrive criticisms based on matters which could have been addressed, but I think that Mr Purvis's points go beyond that. It is also true that some of Mr Purvis's points could have been dealt with by his clients conducting their own survey (for example, a similar survey carried out near Tesco) but if this survey is presented as a serious attempt to demonstrate confusion caused by Asda's material then it should contain controls and other matters itself. I think that it is a legitimate point that we do not know why the 15 who thought the nearest Specsavers glasses were at Asda actually thought that. It demonstrates that 6% of people were wrong, but it leaves as a matter of inference why they were wrong. I think it very unlikely that it is beyond the wit of pollsters to devise a couple more non-dangerous questions which would get closer to the question which really needs answering if this is to be presented as evidence that confusion is caused by the Asda campaign. A bit of judicial do-it-yourself activity with the summary reveals that there may be some more material which supports both sides, but its significance was not even explored as a matter of submission, let alone expert evidence. Thus, for example, I note that most of the 15 gave the local Asda as the place where they did their weekly shop. That might support the conclusion that they reached their view as a result of being exposed to the Asda in-store material. On the other hand, there was a much greater number of people who shopped at Asda who were not confused. It would be wrong for me to seek to make anything of this, in the absence of at least submissions, and preferably expert evidence, save that I can say that the survey leaves a lot of important questions unanswered. The result is that I do not think that it assists Specsavers.
89. It also does not help to identify which pieces of the Asda material it is which caused the confusion. It is therefore not clear whether it was the new logo, or one or other of the straplines. That seems to me to be the sort of thing which could have been clarified with an additional question or two, or following up those with the erroneous belief. In the absence of that having been done, I do not think it right that I should attribute much weight to this as evidence that any particular one (or more) of those elements caused the confusion and therefore infringes.

90. Accordingly, this survey evidence is of no real weight in identifying confusion caused by any particular allegedly infringing matter, or indeed all the elements taken together.
91. **Mr Holmes.** Mr Holmes gave evidence of his belief that the new Asda branding would be likely to confuse some customers. It was shortly stated, and supported to an extent by Dame Mary Perkins. Without criticising the genuineness of those beliefs, they are obviously affected by their subjective positions within Specsavers. Mr Holmes' belief as a marketing expert is obviously entitled to some weight, but I have to bear in mind his position within Specsavers. He was not called as an expert either.
92. **Living dangerously.** The last piece of evidential material relied on by Specsavers is the material which I have identified above and which is said to show Asda seeking to get as close as they could to Specsavers' marks ("living dangerously"). For present purposes I concentrate on the logo.
93. Justification for considering this material is said to lie in *United Biscuits v Asda* [1997] RPC 513. That was a passing off case, where deception is the test rather than confusion. In his judgment Robert Walker J said (at page 531):

"But it seems to me to be likely that [certain individuals acting for the defendants] were, under advice, seeking to make only such changes as were needed in order to avoid what they judged to be an unacceptable risk of being attacked for copying, while maintaining Puffin's position as an obvious competitor and parody, and (they hoped) a 'brand beater'. I cannot escape the conclusion that, while aiming to avoid what the law would characterise as deception, they were taking a conscious decision to live dangerously. That is not in my judgment something that the court is bound to disregard."

So Mr Bloch relies on the above material to say that, in relation to the logo Asda had decided to try to get as close as it thought it safely could to the Specsavers mark, and that is something that has to be taken into account.

94. Mr Purvis urged caution in using this sort of evidence, but did not go so far as to say that it was irrelevant. The real question was whether the mark was likely to cause confusion, and the subjective intentions of the designer in a "living dangerously" case were no more than weak evidence in support of a confusion case. He also sought to play down the significance of the evidence as it was given, pointing out the difficulties of ascertaining which individual's intention should be taken as governing, and the actual decision to adopt a green on white logo at the end, with non-overlapping logos, after taking legal advice, which he said was the opposite of living dangerously.
95. I think that in considering this limb of the case one has to be careful to consider what the ultimate relevance of the evidence is. Robert Walker J said that the court was not bound to disregard evidence of the character referred to by Mr Bloch, but he did not say how it was to be taken into account. In a trade mark case such as this one must keep one's eye firmly on the real question, which is whether, objectively speaking, confusion is sufficiently likely. The subjective intentions of the alleged infringer are

prima facie irrelevant, particularly if there was no intention to infringe. If there is a likelihood of confusion, then it exists irrespective of what the infringer intended. However, there is a limited place for such evidence in support of a case for confusion. If there is clear evidence that an infringer adopted his mark because he thought it was likely to lead to some beneficial confusion with another mark, then that would be admissible, but not conclusive, in relation to the question of actual confusion. It seems to me it would be as admissible as the evidence of a third party who is said to have been confused, but potentially of greater strength because it is likely to be an assessment by someone who has some expertise in the trade and who knows the market. The “living dangerously” evidence has to be seen in that light.

96. There is likely to be a difference between the following cases. First, a person who starts with another’s mark, recognises that it cannot be duplicated but wishes to use that as a starting point for a design and then moves away from it to what he regards as a safe design distance (safe in the sense of being more likely to be free from a successful challenge). The second is someone who is aware of the mark of another, designs his own mark along the same lines, but not so as to copy it, and checks from time to time that he has not got too close to the mark in question. The first seeks to create a close mark and checks to see if he has moved acceptably far away in terms of risk. He has acknowledged a wish to retain a degree of connection, and assesses the dangers of what he has ended up with. In doing that he provides evidence of a risk of confusion on a sliding scale. He has not sought to remove it; he has sought to lessen the risk. The second may end up at the same point, but in doing so does not seek to reduce an admitted scope for confusion to an “acceptable” degree. He checks that where he has got to has not created a risk of confusion. He does not acknowledge the potential for confusion in the same way as the first does. The first in effect says: “I like X’s mark but acknowledge I cannot use something very similar. I want something which has some resemblances, but accept I must move an appropriate distance. Let’s see what I can get away with.” The second says, in effect: “I want my own mark. I acknowledge that X has a mark, and I like my mark which might be thought similar. Is it far enough away to be safe?” Put like that, it becomes apparent why the first provides some evidence of potential confusion when the second does not.
97. Those are examples designed to illustrate a point. It is necessary to consider the facts of the present case. I think that Mr Bloch is right to treat this case as falling within the sort of category of case which can be summarised as living dangerously in that it smacks overall of Asda starting with Specsavers’ logo and then moving to what it considered a safe distance. The first logo was a copy with different words, but Mr Langrish-Dixon said that was illustrative only. I accept that it was never intended that that logo should be used, but it was produced in a process which started with the Specsavers logo. This was in keeping with the whole tone of the campaign, in which Specsavers was frequently the comparator. It was a successful operator, and it is probably inevitable that the marketing efforts of competitors will be done with a view to besting the successful operator. Specsavers was, as Mr Langrish-Dixon wrote, a benchmark. I accept that it was decided (if decision was necessary) not to copy the Specsavers logo, and eventually that “parody” of the logo was not to be done, but I do not accept that that meant that a new approach to logo design took place. The development of the logo shows the Specsavers logo as the design starting point, and no new starting point was taken. The designers carried on without any change of

direction. The material sent by Nicki Raybould on 23rd September still contained a reference to “Specsavers logo” and to “Close to Specsavers”. This shows the eye that was still being kept on Specsavers. So does the chart showing “Our version of Specsavers”. I think that this shows design choice was being made with one eye on Specsavers’ logo, not to avoid being close to it, but with a view to being as close to it as was safe.

98. The evidence about colour is significant in this respect as well. “Asda green is similar to Specsavers and could help with the association...”, and “Using a darker logo is very Specsavers ...” shows consideration being given to getting close to Specsavers’ mark and creating or reinforcing some sort of association. Those references are not references to a need to move away from Specsavers’ mark.
99. I conclude that the plan of the design teams was to have a logo that at least had resonances to Specsavers’ logo. They did indeed start from Specsavers and go to what their lawyers told them was a safe distance. It is in the bracket of “living dangerously” cases. This material provides support for a confusion case. At the same time a big step in removing one perceived element of association was taken when it was decided that the logo would be green on white and not the other way round.
100. It does not follow that there was necessarily confusion of course, and I shall have to make a decision about that, based on the final forms of logo. However, it is first necessary to complete the evidential picture by identifying the evidential points relied on by Mr Purvis as gainsaying confusion.
101. **Non-complaints to Asda.** First, Mr Purvis relied on a complete absence of complaints about confusion from Asda customers despite the 6 months that the logo had been present in the stores to the date of the trial. There was unchallenged evidence as to complaints procedures and handling, and none were recorded. I give this little weight. For this route to have yielded any relevant complaints there would have to have been customers who were confused, who then had their confusion removed, and who then felt sufficiently strongly about it to complain to Asda formally about it. This does not seem to me to be a likely scenario. I have difficulty in imagining how this can arise in practice.
102. On 2nd December 2009 Asda circulated its optical stores asking for any recorded comments of customer perception of the straplines, logo and point of sale material. The only relevant response back was from Ellesmere Port to the effect that some customers passed a comment on the first strapline being a bit close to the bone, but nothing related to the logo. This was an exercise designed to pick up any comments which happened to be made, not one designed to generate comments. It is of some limited relevance and significance as assisting to prove a negative.
103. **Non-complaints to Specsavers.** Next Mr Purvis pointed to the absence of complaints or indications of confusion coming from or through Specsavers’ 632 stores (other than Mr Jones). This has a bit more weight but on the facts of this case is still of only limited value. While it is true that some reference might have been made by a confused customer, it would not necessarily have been picked up or reported within Specsavers unless there were some system for it. There was no such system (or no evidence of one) and bearing in mind the speed with which this case developed and got to the evidential stage that is not necessarily a matter of criticism

or one on which adverse inferences can be based. It is an explanation of why confusion references might not have figured in the evidence.

104. **The witness collection exercise.** Then there was the witness collection exercise which I have referred to above. A spread of stores, dates and times was taken, and sample points within stores were chosen. All interviews were close to the Asda opticians' part of the store. Steps were taken to make sure that the interviewees were generally representative of the general profile of Asda shoppers. When they were interviewed, certain people were filtered out as being potentially biasing the survey – principally those involved in marketing, opticians and apparently lawyers.
105. 600 interviews were conducted; 578 of the resulting questionnaires were usable. 154 people agreed in store to be contacted by solicitors to provide a witness statement, and 81 when interviewed said they were willing at the time of the interview to go to court. Once they had been pursued, and further information obtained, the number who were ultimately willing to go to court to give evidence came down to 11, and then (I was told) 10. In store the interviewees were asked some questions about the appearance of the optical store, but were not asked about any comparison with Specsavers' advertising. It was only at later stages, when they had further confirmed their willingness to go further and consider witness statements, that they were asked questions about the Asda mark and questions about Specsavers. All 11 who provided witness statements said they would not confuse the Asda mark with a Specsavers mark. Most referred to the wording. At least one said she could not remember the Specsavers advertising.
106. Mr Purvis relied heavily on this evidence. He said that here were 11 (or 10) witnesses who had not been selected by Asda in any way. They were selected purely on the basis that they had agreed to give evidence. No other selection process was at work, and they all expressed the view that the Asda material did not give rise to any confusion with the Specsavers material. They were, he said, representative of the public. This was significant evidence that the Asda material was not likely to cause confusion.
107. I had to rule on whether this evidence should be allowed in. Its admission was opposed by Specsavers on the footing that it was survey evidence which was not covered by a prior order. I ruled that it was survey evidence, but let it in in my discretion. I observed at the time that it did not seem strong evidence. Having heard all the evidence and submissions in this case I maintain that view. It proves, of course, that 11 members of the public were not confused, but Mr Bloch accepted that not all members of the public would be confused. We know that 11 people out of the 600 interviewed expressed that view. They were not selected *because* they held that view; they were "selected" as being the only people who, at the end of the day, went so far as to agree to give evidence in court. But they are only a small part of the number of people originally approached, and there is no indication of the views of the others. We do not know how representative they really are. All in all, therefore, this is evidence which does not help much as a piece of evidence by itself.
108. **Dame Mary's views.** Last, Mr Purvis relied on evidence given by Dame Mary Perkins herself, in which she seemed to admit that persons in Asda, with the Asda logo, would not think they were in Specsavers, but that the effect of the colour and the shapes would operate subliminally so that a bit of Specsavers would rub off on Asda.

This is an interesting statement from one who felt very strongly about the use of the logo originally, and who was not minded to put a gloss on the case which would suit Asda. She partially rowed back on that statement shortly thereafter in her cross-examination, but it is a concession of some significance from one on the Specsavers side who felt very strongly about the position.

Infringement – confusion and association – the straplines – the evidence

109. Much of the evidence relevant to the logo is relied on here, and I need not repeat it. The survey or survey type evidence was relied on by each party, and my comments on it in this context are the same.
110. In addition, Specsavers had two witnesses who saw posters with straplines.
111. Mrs Brenda Pritchard saw the first strapline when driving with her husband. She has been a Specsavers customer since 1999 and her son now works there. She noted the word (or words) Spec Saver and Asda, and the colour green. She was fully aware that the advertisement was one for Asda but thought that they had somehow joined forces – that Asda in-store opticians had somehow been bought or taken over by Specsavers. She had in mind a sort of Specsavers concession in Asda's stores (though she did not put it quite that way). In due course she was disabused of that notion by her son. There was no challenge to the bona fides of her belief. The question (which I will deal with below) is whether this reflects a belief of a relevant "association" and whether it should be treated as a unique belief or one that reflects what is likely to be shared by others.
112. Mrs Emma Trevis is a solicitor whose husband (also a solicitor) worked on this case. She is a personal friend of Mr John Perkins (managing director of Specsavers and husband of Dame Mary Perkins). Shortly after the campaign started she was in the car, talking about a trip that her husband was to make to see Mr Perkins and she saw what she now thinks must have been the first strapline on a poster. She said "talk of the devil" and her husband told her it was not a Specsavers poster. She did not see the Asda name on it. Had he not corrected her she would have continued to believe that the poster was a Specsavers advertisement.
113. I do not think that Mrs Trevis's evidence is of any assistance in this case. She did not notice the word "Asda" which appears twice, prominently, on the strapline poster. What is important is how the sign would be perceived by a "reasonably well informed, reasonably observant and circumspect" consumer (*Lloyd Shuhfabrik Mayer v Klijen Handel BV* [2007] FRS 77 at para 27). On this occasion Mrs Trevis does not qualify, in respect of her perception of the poster. Not to notice Asda at all is neither observant nor circumspect. This is not surprising. She was having a discussion in the car relating to Specsavers, and was therefore doubtless tuned in to that word. That probably explains why she noticed nothing else (apart from the colour green). While her evidence was unchallenged, it was not helpful.
114. Mr Bloch also had available the "living dangerously" evidence. The factual analysis of this evidence on this limb of the case is differently slanted from the evidence relating to the mark. I do not think that it was the intention of Asda to live dangerously in the sense of creating the possibility of confusion or association (in a sense relevant to Article 9(1)(b)). The key is parody and a play on words. This was

not done in order to create an association. Rather, it was to create a comparison. When legal advice was taken, it was not taken in a context of trying to move as far away from a Specsavers mark as was necessary to be safe. It was to check that the chosen slogans were safe. That is a different concept for these purposes. Accordingly, so far as this breach is concerned, Specsavers' case is not fortified by the "living dangerously" point, but its intention is still relevant to the claim under Article 9(1)(c).

115. There was no evidence specifically directed to confusion arising out of the second strapline.

The significance of colour

116. The fact that Asda chose green for its colourways featured as part of Specsavers' case and I need to deal with the significance of that, if any.
117. The Specsavers marks are not limited in colour in terms of their registration. However, they have, in practice, always been used in the same colour green (for the ovals). This generated a debate as to what colours should be compared when determining whether there is a likelihood of confusion. Specsavers' case was that its mark was not limited in colour, so it could be used in all colours. Therefore if one was considering whether a mark in any given colour infringed, one compared it with the registered mark in that same colour. The submission seemed to go further. It was said that since Specsavers had established a considerable repute with their green, then for the purposes of infringement Asda's marks should be considered as if in green (and, I think, Specsavers green, though that was not clear). By bringing in colour Specsavers sought to bolster its case on confusion.
118. Asda's case was that since the Specsavers mark is not limited as to colour, it is not open to Specsavers to enhance its case on infringement by requiring a comparison with a specific colour. This is the case even if a reputation with the public for a particular colour is established. Accordingly, one compares the sign used with the registered mark, as is. The practical effect of this, for the purposes of the present case, is said to be that it diminishes the force of the witness of confusion who relied on colour – Mrs Pritchard and Mr Jones, certainly. Mrs Trevis's reliance on colour was less clear.
119. It is not clear to me that this is a debate which advances the case very much, but the position seems to me to be as follows. As a matter of principle the exercise involves comparing the offending sign with the registered mark and assessing the likelihood of confusion or association. The two things have to be compared. Since we live in a visual world, and signs are visual, some form of appearance has to be considered. If the registered mark is limited to a colour, then the mark that is used has to be compared, as used, to the mark that is registered, as registered (and therefore in colour). If the registered mark is unlimited as to colour then it is registered for all colours. This means that the colour of the offending sign becomes irrelevant. It will not be possible to say that its colour prevents there being an infringement. At this point one can take one of two courses, each of which ought to have the same result. The first is to imagine the registered mark in the same colour as the offending sign. The second is to drain the colour from the offending sign. Either way one then has the material for comparison. One could even imagine them both in a third colour. It

does not matter. So in a sense both Mr Purvis and Mr Bloch are right. As a matter of visual convenience it seems to me to be easier to imagine the registered mark in a colour than to imagine the offending sign drained of colour, and I propose to adopt that course.

120. That exercise involves (if one likes) imagining the sign in the colours of the offending sign in order to produce a workable field of comparison. One does it for that reason. What one does not do is to take the registered mark in a given colour because that is the colour used by the proprietor. To do so would contravene the principles expounded by Jacob LJ in *L'Oreal SA v Bellure NV* [2008] RPC 9. In that case he had to consider whether images of clouds, which were not part of the mark but which appeared on the packaging of both the trade-marked and the allegedly infringing products, could be taken into account in establishing the similarity of the marks. He held they could not:

“The test is, and must be, founded on the mark as registered, not material which forms no part of that. There is simply no warrant in the Directive for taking more than the registered mark into account. The global appreciation test does not amount to the proposition that once a registered mark is used in marketing, anything, extraneous to the mark used in marketing, comes in too – as though it formed part of the registered mark.”
(para 110)

121. He returned to the theme at paragraph 113:

“Implicitly here is a repeat of the argument I have just rejected, namely that in the global appreciation test you take into account not only the mark as registered by how it is marketed. So, even though the mark is just the word *Tresor*, you take into account the packaging of the product and the packaging of the defendant’s *Coffret d’Or* product. That simply is not the law. The mark is what is registered, no more.”

Thus one compares the infringing sign with the mark, regardless of the colour which was actually used by the proprietor.

122. There is practical merit in this approach. If someone wishes to know whether a proposed sign infringes, he ought to be entitled to answer that question by looking at the register and working from that. Such a person should not have to conduct an additional inquiry into the actual colours used by the proprietor.
123. This does not mean that the question of colour is always going to be disregarded. In the present case the choice of green is part of the factual material for the “living dangerously” point. Conversely, it will be important to ascertain how much a witness of confusion (or a witness testifying to association) is influenced by colour as opposed to the mark. However, this does not affect the underlying position which requires a comparison of the offending sign with the registered mark.
124. It is also relevant to the claim under Article 9(1)(c). I will develop that further in that context.

What is the sign which has to be compared with the mark?

125. This point arises in relation to the straplines. Both sides accept that it is necessary to identify the sign that is said to infringe. Article 9 prohibits the use of “any sign [etc]”. There is no problem with the logo in this respect. The logo is clearly the sign. However, in the case of the straplines Specsavers say that the sign is “spec saver”, whereas Asda says it is the whole strapline. Specsavers’ view of this part of the world is said (by them) to make infringement obvious – if you compare “Specsavers” with “spec saver” the answer on likelihood of confusion or likelihood of association is obvious.
126. The only authority that I was shown on this point was *SA Société LTJ Diffusion v SA Sadas* [2003] FSR 1. That case involved the registered mark “Arthur” and the allegedly infringing material “Arthur et Félicie”. It appears that the case involved the question of whether the marks were identical and the question was raised whether there could still be identical reproduction when other elements (“et Félicie”) were added. I was not shown any decision of the court, but the Opinion of the Advocate General records this:
- “A46 Taking account of all those points, I am of the view that the Court should follow with regard to identity the path traced with regard to similarity in particular by its case law in *Sabel* and *Lloyd*, concentrating on the need for a global assessment of the visual, aural ... or conceptual features of the marks or signs in question and the overall impression created by them, in particular by their distinctive and dominant components, in the perception of the average consumer, such consumer being assumed to be reasonably well-informed, observant and circumspect ...
- A49 The national court should therefore first identify what it is that is perceived by the average, reasonably well-informed, observant and circumspect consumer as the relevant marks, or the relevant mark and sign, and then perform the global assessment described above in order to determine whether the two are likely to be perceived as the same or merely similar.”
127. For my part I am not sure that the well-informed consumer is a particularly easy touchstone for what is ultimately probably a rather technical question, albeit probably ultimately one of fact and degree. Be that as it may, the defendant’s sign must be identified. One can imagine circumstances in which it is right to dissect the defendant’s material and to find that it contains within it the mark of the proprietor, even if that mark appears in the context of, say, a slogan. This would be the case if, in place of the words “spec saver”, Asda had included the Specsaver logo. The logo would plainly be a sign, and the relevant sign for these purposes would not be the whole slogan. The same would probably be true if the word “Specsavers” were used instead. Asda could not avoid its being a sign because it occurred in a sentence containing other words. Its impact in the sentence gives it an additional life to the rest of the sentence and gives it the quality of a sign. So would the word “Specsavers”, for the same reason.

128. In my view the split words “spec saver” also qualify as a sign, for the purposes of Article 9, albeit perhaps a sign within a sign. They have the quality of being unconventionally proximately placed words which are apparently designed to be more than just a form of words. That was undoubtedly their purpose so far as the creators of the slogan were concerned, though that is an irrelevant consideration for these purposes. They strike one as being intended to have a particular impact; they are a sign.
129. Accordingly, Specsavers succeeds on this narrow point. I make it clear at this stage, however, that that does not necessarily mean that they win on Mr Bloch’s submission that the case for confusion becomes obvious.

Infringement – Article 9(1)(b) - confusion and association - conclusions

130. There was little dispute as to the correct legal approach to considering these issues.
131. The court must consider the offending sign in its context – *O2 Holdings Ltd v Hutchison 3G Ltd* [2008] RPC 33 para 64. It is not considered in some sort of factual vacuum devoid of context.
132. Where a mark is made up of two elements (which the Specsavers logo is – the ovals and the text) it is important to bear in mind the need to carry out a comparison based on an overall impression. One does not give emphasis to one of the components unless that component is, when perceived by the user, one which dominates. As the Court of First Instance said in *Matratzen Concord GmbH v OHIM* (CFI Case T6/01):

“32. In this context, the Court of Justice has held that the assessment of the similarity between the two marks must be based on the overall impression created by them, in light, in particular, of their distinctive and dominant components ...

33. Consequently, it must be held that a complex trade mark cannot be regarded as being similar to another trade mark which is identical or similar to one of the components of the complex mark, unless that component forms the dominant element within the overall impression created by the complex mark. That is the case where that component is likely to dominate, by itself, the image of that mark which the relevant public keeps in mind, with the result that all other components of the mark are negligible with the overall impression created by it....

35 With regard to the assessment of the dominant character of one or more components of a complex trade mark, account must be taken, in particular, of the intrinsic qualities of each of those components by comparing them with those of the other components. In addition and accessorially, account may be taken of the relative position of the various marks within the arrangement of the complex mark.”

This will be pertinent to a consideration of the ovals in the Asda logo.

133. *Lloyd Shuhfabrik Mayer v Klijen Handel BV* (above) contains further guidance. There is comprehensive description of the test in that case, which I have read, and the most material paragraphs are as follows:

“19. According to [the case law], likelihood of confusion on the part of the public must be appreciated globally, taking into account all factors relevant to the circumstances of the case ...

21. Furthermore, the more distinctive the earlier mark, the greater will be the likelihood of confusion ... and therefore marks with a highly distinctive character either per se or because of the recognition they possess on the market, enjoy broader protection than marks with a less distinctive character.

22. It follows that, for the purposes of Article 5(1)(b) of the Directive, there may be a likelihood of confusion, notwithstanding a lesser degree of similarity between the trademarks, where the goods or services covered by them are very similar hence the earlier mark is highly distinctive ...

26. In addition, the global appreciation of the likelihood of confusion must, as regards the visual, aural or conceptual similarity of the marks in question, be based on the overall impression created by them, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 5(1)(b) of the Directive ... shows that the perception of marks in the mind of the average consumer of the category of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse various details.

27 For the purposes of that global appreciation, the average consumer of the category of products concerned is deemed to be reasonably well informed and a reasonably observant and circumspect... However, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should also 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.”

134. With all that in mind I turn to the logo. All three elements of Article 9(1)(b) are in dispute – sufficient similarity, confusion and association.
135. I start by taking just the logo by itself (without either strapline). For the reasons given above, I gain little assistance from most of the evidence on this point. I rest my conclusion primarily on my own assessment, viewing the logo from the point of view of the appropriately characterised consumer.

136. I find that Specsavers fails in this claim under Article 9(1)(b). There is a degree of similarity in that both logos have ovals with text inside, though that degree is significantly lessened by the fact that the Specsavers ovals overlap in a very characteristic fashion and Asda's touch. That introduces a significant area of visual difference. However, while the ovals are an important part of the Specsavers sign they do not dominate so as to subordinate the wording as a matter of overall appearance. The wording is equally significant. That being the case, a different form of wording (in the form of the Asda wording) introduces a very significant difference. In my view a very different overall impression is given. Taking that comparison by itself, I do not see how the reasonably circumspect consumer would be confused by the only real element in common, namely the presence of ovals, and thereby think that the two marks connote the same trade origin. Asda is itself a well-known name, and I do not readily understand how its name expressly spelled out, in prominent letters, could leave a reasonably circumspect consumer thinking that the mark is, or even might be, Specsavers'.
137. This conclusion is reinforced, not lessened, by the context of most of the actual use of the sign. It is primarily used in the optical section Asda stores, and online. If the circumspect consumer is in an Asda store already, he will hardly make an association with Specsavers by virtue of two ovals with Asda written in one of them. In that context I think there is hardly an argument in favour of confusion. The same applies to the online use. By the time that a consumer encounters the logo online he or she will have entered an Asda site already. As I have observed, Asda has its own strong reputation associated with its name, and the non-overlapping logos, with Asda's name in one of them, will not cause any form of confusion with Specsavers.
138. Further reinforcement for this conclusion comes from the colouration of the Asda logo thus used. It is darker text on a lighter background. The Specsavers logo as registered, and certainly as used, is the other way round. This further distances the Asda logo.
139. Dame Mary's limited evidence is also of some support. She did express the view that customers would not be confused, and I think that her evidence accurately reflects the impression that would be given in the store. The reason for that lies in the points I have just made. The absence of complaints is consistent with my conclusion, though, for the reasons given, of little real significance.
140. I do not think that the conclusion is any different in relation to the other context in which the logo was used, namely the recall cards, one of which was received by Mr Jones (it must be remembered that Mr Jones's evidence does not relate to the more generally used logo). Here there is no context of being in an Asda environment already, and the colours are reversed so that they are white writing on a green background, like Specsavers' (though the green is different). However, even in this case, and even allowing for Mr Jones's evidence, I do not think there is a likelihood of confusion. Again, the real key lies in the wording. It says Asda, not Specsavers. The reasonably circumspect consumer would not think it was a Specsavers card. I accept that Mr Jones did, but without intending him any disrespect I do not think that he was being reasonably circumspect or observant. The lettering is clear enough. He simply did not look at it properly, or properly enough. He may have been over-influenced by the colour green, but that is not being confused by the mark.

141. I do not consider that the “living dangerously” evidence changes this view of the matter. I have set out its significance above. It does not amount to evidence of an intention to confuse. Even if it is evidence of an intention to be close but not so close as to infringe, which is obviously a dangerous tactic, it is still evidence of an intention not to confuse because confusion would be dangerous. The process of starting with Specsavers and then moving away ended up with a final design. The real question is, and remains, whether that design confuses, not whether Asda hoped that it did not confuse, or hoped that they would get away with not confusing, or thought they had got far enough away. The question is whether they are far enough away. The intentions of Asda as I have found them to be, do not, on the facts, provide evidence of a propensity of the mark to confuse. Asda did not design it in order to achieve confusion. It had no wish for consumers to confuse one business for the other, so its intention and conduct cannot be relied on as evidence of a propensity to confuse.
142. The same conclusion and reasoning applies to the case based on likelihood of association. I do not see how the use of the logo with Asda written in it, even if in green, would give the circumspect consumer the idea that there was some sort of link. Two touching ovals do not have that capacity, and nothing else in the sign does either, particularly bearing in mind the wording which proclaims it is Asda’s. This applies to both versions of the logo. Again, the evidence of the genesis of the mark does not assist Specsavers either. If one is looking for evidence of an intention to create an association in the relevant sense, it is simply not there. I find that that was something that Asda would not want to do at all. There was probably an intention to have some resonance, but that is not the same as association in this context. There was no intention to suggest an economic link.
143. I turn therefore to consider the straplines. For these purposes I take Asda’s sign to be “spec saver” in the first strapline, and “Spec savings” in the second.
144. I find that at one level there is a plain and close similarity between “Specsavers” and “spec saver”. They are not identical, but they are closely similar. That is obvious from just looking at them, and the notion of parody, which Asda wanted, would not work if there were no similarity. But that does not entitle Specsavers to succeed. They need to establish that that similarity gives rise to a likelihood of confusion, or a likelihood of association.
145. At this point the context is all important. Taking the first strapline first, the context is a play on words with Asda’s name prominently at the end of the strapline, and lower down on the poster. The relevant consumer would, in my view, read the sign in that way. The “spec saver” is a person who wishes to save money on specs. The strapline conveys that that is better done at Asda. It does not suggest that the advertisement is an advertisement for Specsavers, and I do not consider that the consumer would think that it was. The reference to Asda, in the context, makes sure that it cannot. The word “Specsavers” is fabricated word make up from two existing words. The strapline breaks it up again. There is a looking back at the composite word (otherwise the play on words does not work), but it does not generate confusion. Mr Bloch’s bald submission was that it could not be more obvious that confusion was likely. I am afraid I think it obvious that it is not.
146. The evidence of the history does not assist Specsavers at this point of the argument. There is no evidence that Asda intended its advertising to lead people to think that

Specsavers were involved. It is a contrast or comparison that was intended, not an equation.

147. There may be a little more to the other way in which Specsavers puts its case, based on association. It is said that some form of economic link would be understood, and the evidence of Mrs Pritchard was relied on. She said that she thought that it meant that Asda and Specsavers had somehow joined forces; that Specsavers were running the optical stores in Asda. Mr Purvis relied on her acceptance in cross-examination of the suggestion that she “wondered” whether they had reached some kind of a deal, and submitted that wondering is not enough. I do not think that that is a fair portrayal of her evidence overall. Although paragraph 8 of her witness statement bears a hint that the idea of operating the optical stores was an after the event refinement of her thinking, I think that overall her evidence suggested that this sort of idea probably occurred to her at the time in some form.
148. So Specsavers have some evidence of a consumer who believed that there was some sort of economic association. Such an association would probably be enough for the purposes of Article 9(1)(b).
149. However, I consider that that is not the view that the notional required consumer would take. It seems to me to be a somewhat forced, perhaps over-intellectualised, view to take. I accept that it is the view that Mrs Pritchard took, and I also accept that Specsavers does not have to establish that all consumers would take that view. But it does have to establish that the notional consumer referred to in paragraph 27 of *Lloyd* would take it, and I do not consider that he or she would. As a matter of grammar the sign refers to a person, not a trading concern. That, of course, is nothing like determinative, but it is a start. I think that he or she would go on to realise that the slogan was a play on words, not an advertisement of a new commercial relationship. It connoted a comparison, not an equation. While the typical consumer does not sit in front of the poster deconstructing the slogan and analysing its elements to arrive at a conclusion as to what is being said, I think it is a fair observation that the consumer would have expected a clearer rendition of the Specsaver mark if the commercial connection made by Mrs Pritchard was to be made. That would have been achieved by using the word “Specsaver”, with a capital letter – the capital letter would be the best way of forging the necessary association. It is absence of the capital and the split into two words which makes it plain enough that what is happening is a play on words, not an advertisement of a new connection. The use of the colour green does not assist Specsavers. It is not Specsavers green, and in any event does not build a connection that is otherwise not there, or reinforce the possibility of one to a sufficient degree promote the likelihood of an association.
150. The first strapline therefore does not infringe Article 9(1)(b).
151. The attack on the second strapline is a much weaker attack than the attack on the first. Not much time was devoted to it at the trial, and in my view rightly so. “Spec savings” is some significant distance from “Specsavers”. The noun “savers” has become the different, though related, noun “savings”. The similarity is very weak. That change makes it impossible to say that any notional consumer would be confused into thinking that the goods were Specsavers’. Nor is there any hint of association arising out of it. It is just too far away. The “living dangerously”

evidence does not pull it any closer. No witness gave evidence of being confused by it or of being misled into any belief about association.

152. Specsavers also ran a case based on the cumulative effect of the signs. This case takes the use of one sign as part of the context of the other. This point did not occupy a central part in Mr Bloch's submissions, but it was referred to in opening and it reappeared in his written final reply submissions, albeit in the context of submissions under Article 9(1)(c) only. I should deal with it for the sake of completeness. Probably the high point of this case would be the appearance in the store of the logo and the first strapline side by side (more or less) – I was shown a photograph of one store where they were juxtaposed. The same occurs on Asda's website. Even in the context of this proximity I do not think there is a likelihood of confusion or association. All that I have said about why the use of the logo in-store does not give rise to confusion applies here. The overwhelming impression is Asda, not Specsavers, and I do not think that the combination of the two elements does anything to counter this.

Infringement – Article 9(1)(c) – detriment and unfair advantage - conclusions

153. Article 9(1)(c) is set out above. In summary, the authorities show that it is necessary to show a link between the offending sign, in the sense of calling the registered mark to mind; that an advantage is gained thereby; and that that advantage is unfair.
154. I shall take the first strapline first under this head.
155. The first thing that has to be established for this section to apply is a link between the registered mark and the offending sign. This does not have to be a suggested economic link. It is sufficient if it is brought to mind – see *Intel Corp v CPM United Kingdom Ltd* [2009] RPC 15 at para 60. But such a link is necessary. In *Intel* the ECJ said:

“30. The types of injury referred to in Article [9(1)(c)], where they occur, are the consequence of a certain degree of similarity between the earlier and the later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them ...

31. In the absence of such a link in the mind of the public, the use of the later mark is not likely to take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier mark.

32. However, the existence of such a link is not sufficient, in itself, to establish that there is one of the types of injury referred to in [the Article] which constitute, as was stated in para 26 of this judgment, the specific condition of the protection of the trade marks with a reputation laid down by that provision.”

156. So it is necessary for Specsavers to demonstrate a link in the “bringing to mind” sense. Whether one takes the whole slogan or just the words “spec saver”, Specsavers and its word mark are plainly called to mind. That is the whole purpose of the play on words contained in the phrase. The link therefore exists in this instance.
157. The next question is whether in doing so Asda takes an unfair advantage. Guidance on this has been obtained from the ECJ in *L’Oreal v Bellure* C 487/07.

“41. As regards the concept of taking unfair advantage of the distinctive character or the repute of the trade mark’, also referred to as ‘parasitism’ or ‘free-riding’, that concept relates not to the detriment caused to the mark but the advantage taken by the third party as a result of the use of the identical or similar sign. It covers, in particular, cases where by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation.

44. In order to determine whether the use of a sign takes unfair advantage of the distinctive character or the repute of the mark, it is necessary to undertake a global assessment, taking into account all factors relevant to the circumstances of the case, which included the strength of the mark's reputation and the degree of distinctive character of the mark, the degree of similarity between the marks at issue and the nature and degree of proximity of the goods or services concerned. As regards the strength of the reputation and the degree of distinctive character of the mark, the Court has already held that, the stronger that mark's distinctive character and reputation are, the easier it will be to accept that detriment has been caused to it. It is also clear from the case-law that, the more immediately and strongly the mark is brought to mind by the sign, the greater the likelihood that the current or future use of the sign is taking, or will take, unfair advantage of the distinctive character all the repute of the mark or is, or will be, detrimental to them ...

47. ... It is also apparent from the order for reference that is the similarity between those marks and the products marketed by [the infringers] was created intentionally in order to create an association in the mind of the public between fine fragrances and their imitations, with the aim of facilitating the marketing of those imitations.

48. In the general assessment which the referring court will have to undertake in order to determine whether, in those circumstances, it can be held that an unfair advantage is being taken of the distinctive character or at the repute of the mark, that court will, in particular, have to take account of the fact that the use of packaging and bottles similar to those of the

fragrances that are being imitated is intended to take advantage, for promotional purposes, of the distinctive character and the repute of the marks under which those fragrances are marketed.

49. In that regard, where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of its own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character of the repute of that mark.”

158. The important features to be extracted from these citations are as follows:
- i) The assessment of the question is to be a global assessment taking into account all relevant circumstances.
 - ii) The advantage taken will be unfair if the use amounts to riding on the coat-tails of the mark. By this is apparently meant a use which uses the mark and its inbuilt reputation to create or enhance the reputation of the infringing product. That emerges from paragraphs 48 and 49.
 - iii) It is relevant to this assessment that the offending sign was created deliberately in order to create an association in the mind of the public (the link, referred to above) with the registered mark.
159. Some assistance in the application of those principles is gained from *Whirlpool Corp v Kenwood Ltd* [2010] RPC 2. In that case the mark was a graphic depiction of a food mixer, and it was said that the defendant’s mixers’ shape infringed as being a similar shape, a link was forged and unfair advantage of the mark was taken. The Court of Appeal considered the ECJ decision in *L’Oreal* and rejected one particular interpretation of it:

“112. Thus, the issue raised by Jacob LJ at para 91 of his judgment in *L’Oreal*, which led him to pose the fifth of the referred questions, has been answered, in essence, to the effect that an advantage obtained by the third party from the use of a similar sign, which is neither confusing or otherwise damaging, is unfair if the advantage is obtained intentionally in order to benefit from the power of attraction, the reputation and the prestige of the mark and to exploit the marketing effort expended by the proprietor of the mark without making any efforts of his own, and without compensation for any loss caused to the proprietor, or for the benefit gained by the third party.

113. Mr Mellor submitted that the element of intention would be relevant if it were proved, but that it is not necessary in order to show unfair advantage. He made a legitimate point in that the court's comment at the end of para 41 of the judgement appears to be a restrictive rather than definitive. He contended that the effect of the Court's decision, stripped off inessentials, is that, in a case where the third party, using a sign which is sufficiently similar to a mark with a reputation for a link to be established, obtains any commercial boost or other advantage from the link, then that advantage is of itself unfair, without proof of any additional factor. That reading would deprive the word 'unfair' of any meaning in the article.

114. I cannot accept Mr Mellor's submission, for at least two reasons. First, bearing in mind the terms in which Jacob LJ explained why he posed question (5), ... inviting the Court to say, if they thought fit, that the word 'unfair' is virtually meaningless .. I find it difficult to suppose that the Court would not have risen to his invitation (or challenge), and said so in terms, if they did mean to hold that any advantage was an unfair advantage.

115. Secondly, considering the terms in which they did answer question (5), if they had meant to convey that 'unfair' adds nothing, so that any advantage is an unfair advantage, they need not, and in my judgement would not, have said what they did. The second sentence of para 50 of the judgement is far more specific and detailed than would have been necessary if that was their meaning."

160. Thus something more than mere advantage is required. It must be an unfair advantage. Lloyd LJ seems to state that an advantage is rendered unfair if it is intended. He also leaves open the possibility that unintended advantage may have a sufficient quality of unfairness about it to qualify. Paragraph 136 makes it plain that that possibility exists:

"There must be an added factor of some kind for that advantage to be characterised as unfair. It may be that in a case in which advantage can be proved, the unfairness of that advantage can be demonstrated by something other than intention, which is what was shown in *L'Oreal*. No additional factor has been identified in this case other than intention."

161. I have already determined that a link has been established. I also think that the use of "spec savers" in the first strapline gave Asda an advantage. The advantage was, at the very least, a reference point for its intended message – you will get a better deal at Asda than at Specsavers. That is what I consider to be its prime message. In doing that it is clearly referencing people's knowledge of Specsavers and its reputation for value.

162. However, I also consider it is doing more than that. While focusing on value (savings – “saver”) it is referencing the brand in a wider way, simply because the brand connotes more than just value. It brings Specsavers to mind as a brand. That is inevitable, because it is a brand with a reputation. Furthermore, this was Asda’s intention, and the case law renders intention significant. As described above, Asda intended to refer to value at least. There was considerable debate in, and as a result of, the evidence as to whether Asda intended to convey superiority or parity in areas other than value, namely range and professionalism (the other two pillars). I think that by the time Asda came to decide on, and to use, the straplines its main intended focus was on value, because that is what Mr Bendel told the team to do and that is what the first strapline really focuses on. However, that is not the entirety of the point. The reference to Specsavers was not accidental. It may have been intended to focus on value but calling the brand to mind in this way inevitably, and predictably, calls other aspects of it to mind. That is why it was done. Mr Langrish-Dixon’s evidence demonstrates that the brand was to be brought to mind for some purposes, and once that is done it comes along with all its effects. Whether it is precisely the other two pillars, and to what extent, does not matter.
163. I think that is an unfair advantage within Article 9(1)(c). It was intended, and I think it is riding on the coat-tails within the metaphor used by the ECJ. Specsavers had established a reputation for value. Asda wished to revamp its offering. It wished to establish a reputation for value, and its value offering was iconic pricing. However, in drawing attention to that via the main strapline it sought to draw on the value reputation already established by the Specsavers brand. That was intentional, and that ingredient makes the advantage unfair. It is using Specsavers’ cachet for its own purposes, and building on it. I do not think it matters whether or not Asda actually intended to suggest the other two pillars. The value point is enough. If Asda did intend to suggest equation with the other two pillars, then the intention case is even stronger. If it did not then it nonetheless intended to use the brand as a brand, with all that brings, and that too is enough to make the advantage unfair.
164. Mr Purvis sought to distinguish this case from the type of case illustrated by the facts of *L’Oreal* itself. He said that that was a case where a brand with no reputation sought to promote itself by suggesting a luxury brand with a big reputation, whereas the present case involved two brands with big reputations – Asda had its own reputation. It did not need to hitch a ride (unlike the infringers in *L’Oreal*) and did not do so. Some marketing evidence showed that Asda’s reputation for price and value was good.
165. Obviously the facts of this case are very different from those in *L’Oreal*. In *L’Oreal* an unknown brand was seeking to get a marketing boost by packaging which suggested *L’Oreal* and its luxury reputation. Asda’s campaign was not of that sort. But facts like *L’Oreal* are not the only facts which can amount to unfair use. The unfair use is commandeering part of the reputation of a brand with a view to affixing the qualities to one’s own and then being better still. Asda did not need to suggest that as an unknown it had the qualities of Specsavers, because it was not an unknown. But it did want to suggest it had the qualities (at least as to value) connoted by the Specsavers brand and then did better.
166. Nor does Asda escape from infringement by pointing out, correctly, that the underlying theme is competitive advertising. Mr Purvis submitted that if this case

demonstrated competitive marketing then all cases of competitive marketing would infringe. This was not the intention of the legislation. The point of the allusion to Specsavers was to compare, not to associate (contrast *L'Oreal*). Mr Bendel pointed out that Asda would not want to associate itself with Specsavers.

167. I agree that this message is in large measure essentially a comparison, but that does not mean that it is not building on the reputation of the Specsavers mark in an unfair way. It is not a straight comparison in terms, though the material underneath gives some examples of types of glasses where savings might be made. It is more subtle than that. In terms of the words of the ECJ in *L'Oreal*, it seeks to use the power of attraction of the mark, and then to build on it. If a metaphor were to be chosen, I think I would prefer standing on shoulders rather than riding on coat-tails, but one must not get too carried away by metaphors. I think that this use is what is described as objectionable in *L'Oreal*.
168. Mr Purvis also submitted that Asda could not be getting an unfair advantage in a statement about value if it is itself just as good a value provider, and he relies on evidence which showed that the market perception was that Asda was indeed such a thing. Even if Asda had an equal or better reputation as a provider of value, I do not think that Mr Purvis's logic is correct. The effect of the sign, on Mr Purvis's analysis, is that the comparison is fair one. That might be correct, but it is not the relevant question. The question is whether the use of the mark is fair. If there is a straight, verifiable objectively stated and objectively provable comparison, then the use of the mark may not be unfair; that is likely to be because the mark is not being used to suggest the qualities inherent in the brand, but just as a way of identifying the competitor. However, if the use of the mark is not that, but is, and is intended to be, a reference to the competitor's reputation by using its mark, then that is capable of being unfair. Since the first strapline has that quality, Mr Purvis's argument does not help him.
169. The first strapline therefore infringes on this basis.
170. Specsavers also ran a case to the effect that this strapline was detrimental to its mark. In final speeches this was put in two ways. First, that any attempt to pull Asda up in the market by reference to a superior Specsavers brand pulls Specsavers in the opposite direction. Mr Holmes relied on this as being self-evident. Second, it was said that the Specsavers mark becomes less distinctive in the market where they are aped and where too many marks look the same.
171. There was no real evidence about this other than Mr Holmes' shortly expressed views based on what he presumably thought was obvious. I do not think this evidence suffices, and his views do not strike me as being obvious. In *Intel* the ECJ said:

“77 It follows that proof that the use of the later mark is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future.”

172. There was no evidence before me of anything like that, and I am not prepared to infer it from the material I have seen. No case for detriment has been made out arising out of the first strapline, and I find there was none.
173. Next I take the second strapline.
174. First, the link. I consider that the link is there but is much weaker than with the first strapline. Specsavers' word mark, and therefore the brand, will be called to mind in a much weaker way. This is ultimately a matter of impression but I think the point is clear. I think it will be called to mind in a way which is much more redolent of a pure pun than is the case with the first strapline.
175. The weaker the link, the less likely unfair advantage or detriment that will be likely to be taken or caused – see *L'Oreal* at para 44. That is the first problem for Specsavers. The second is an absence of evidence of detriment. There was no evidence at all, and none was plausibly suggested. Putting this mark in its context, and bearing in mind what I have already said about the pun-carrying quality of this mark, I do not think that Specsavers can make out a case of unfair advantage either. This mark does not use the concept of Specsavers as a value provider, or with any other qualities, so as to give it a leg up, as the first strapline does. I find that this mark does not infringe under Article 9(1)(c).
176. Last I turn to the logo.
177. If it were not for the “living dangerously” evidence I do not think that I would find there was a link at all. I think I would have said that the Asda logo was sufficiently different that it would not call the Specsavers logo to mind within the relevant section of the public. The reasons would have been essentially those which I have stated as applying to confusion. The Asda logo is a sufficiently different shape for that not to happen. It is (usually) in reversed colourways from that appearing in the registration, and (assuming in favour of Specsavers that colour is relevant) from that used by Specsavers; and the wording makes it clear that it is Asda. I accept that confusion or association on the one hand and calling to mind in this sense are different concepts. Intel makes it clear that the latter can exist without the former, but looking at the logo sensibly, and despite the evidence of Mr Jones, I find that Specsavers would not be called to mind by the logo.
178. However, I have to consider the effect of the “living dangerously” evidence. The net result of that was a sign that did not copy the Specsavers sign, and was not close enough to cause confusion, but was one which the design team thought had a resonance with Specsavers. The word “resonance” is my summary of the effect of their evidence, and I consider it to be a fair summary. That was their intention; they are marketing professionals; and I give that view some weight. They thought that they had moved far enough away to be safe from a finding of infringement but that is a different point. I do not think that they thought they had moved a sufficient distance such that there was no resonance.
179. That resonance is capable of amounting to “bringing to mind” within the test. The extent to which that is true depends on the degree of resonance. I have to make a judgment about that. On the basis of that evidence I think that although there is

probably just a calling to mind, it is of the very weak variety. It will be more of a vague impression than a firm implantation.

180. Dame Mary Perkins suggested that there was an effect, characterised by her as subliminal, to be gleaned from the combination of the ovals and the colour green. She suggested that people would know it was not Specsavers but:

“in the back of their mind, ... without them thinking, they just sort of think Specsavers. It just rubs off. The reputation that Specsavers has in my opinion just rubs off on to Asda Opticians ... It is the general feel trying to sort of get a little bit of that reputation that Specsavers has built up over the years... These things sort of get rubbed off on them without them realising. They would know it was not Specsavers, but they would actually get the feeling that they were in quite a good place because it is like where they perhaps went before to Specsavers or walked past. ...”

181. Mr Purvis submitted that subliminal effects did not amount to “calling to mind” for the purposes of the *Intel* test, and to hold that it did would be extending the law. Mr Bloch submitted that one could not draw sharp dividing lines. The exploitation of a mark might involve an effect of which consumers were not consciously aware, but if it has such an effect, and if an infringing sign has such an effect, then the first mark is called to mind for these purposes.
182. I do not propose to enter these psychological waters. I am prepared to accept, for these purposes, that a mark of repute is capable of operating at a number of psychological levels. The Asda design team understood that and thought that what was left of their logo after the lawyers had had a go at it still had an effect. That is evidence of a link.
183. It is, however, very weak. It arises out of the shapes of the ovals and no more. It is heavily countered by the Asda wording. I suppose that, although it is weak, it might be thought to carry some advantage (that would, after all, be the purpose of going for an association) but in my view it is by this time a very slight one, and is too slight to be unfair notwithstanding that it might be thought to have been intended. Nothing else makes it unfair. There is no question of detriment to Specsavers’ mark arising out of it.
184. I reach this conclusion despite the colouration of the logo on the recall card. It seems to me that notwithstanding the fact that colour is of only limited relevance in a 9(1)(b) infringement, it might have more of a part to play in relation to Article 9(1)(c). If the proprietor’s mark has a strong reputation in a given colour, to produce a similar resonating mark in a similar colour might reinforce the link, or reinforce the fairness case. However, I do not consider that I need to go into that question in this case. Even allowing for the colour green used in the logos I still think that the link is weak, any advantage is very slight and the advantage is not unfair. This applies to both forms of the logo.
185. Accordingly, the logo by itself does not infringe on under this head.
186. Mr Bloch had his further case that the logo and straplines together had a combined effect. I do not think that the second strapline adds anything in this way to the logo.

Whether or not the combination of the logo and the first strapline gives rise to a link and an unfair advantage is not something that I need to consider. The link and advantage arise out of the strapline by itself. A fortiori it exists if the logo is there too (as in the instore deployment of both together) but it is unnecessary for me to consider whether or not this means that the logo acquires an infringing capability – an infringement has already been established.

The Comparative Advertising Directive

187. At a late stage in their respective submissions reference was made to this Directive in the context of Asda's submission that the straplines were comparative advertising and in the context of the debate as to fair or unfair advantage. Both sides referred to it, but neither relied on it. Each side said it was for the other to plead, and positively rely on, the Directive if it were to be properly invoked. Neither side really deployed it; they both kept it at arm's length. In the circumstances I say nothing about it.

Conclusion on trade mark infringement

188. I therefore find that the first strapline infringes under Article 9(1)(c), but not otherwise, and no other mark infringes.

Passing off

189. Specsavers' last claim was of passing off.

190. Misrepresentation lies at the heart of passing off. It must be established that "on the balance of probabilities [it] is likely that ... a substantial number of [relevant consumers] will be misled into purchasing the defendant's [product] in the belief that it is the respondent's [product]." (per Lord Oliver in *Reckitt v Coleman* [1990] RPC 341 at 407). Mr Bloch's case on this was the same as his case on confusion in the trade mark aspect of this case. The confusion he relied on gave rise to the misrepresentation. Mr Purvis relied on the same sort of analysis, and submitted that there was unlikely to be a difference in outcome between a passing off case and an Article 9(1)(b) case on the same facts. I agree, provided one bears in mind they have to be the "same facts". None of the trade marks individually gives rise to confusion, and I hold that by the same token they do not give rise to a relevant misrepresentation.

191. However, that is not quite an end of the point. It is particularly appropriate for passing off to consider the cumulative effect of the signs, including colour, in store, where all these things probably make their maximum impression. I should consider whether this is capable of amounting to a misrepresentation that it is Specsavers' goods or business that is on offer there.

192. I do not think that even that combined effect would give rise to the representation necessary for a passing off case. The logo is plainly Asda; the shop is plainly Asda; and the straplines, so far as visible, would contain Asda's name. While the optical department might well be in the sort of position in which one would find concessions, I do not think that anyone looking at the Asda department would think it was a Specsavers. It carried too much Asda branding. If it were a concession it would bear the Specsavers name, not Asda's. There was no evidence that anyone was affected by this combination of factors. If it had been demonstrated that the mistaken view

demonstrated in the Asda survey was attributable to this combination, then that would have been of some probative effect. However, no questions were asked, and no analysis was undertaken, which demonstrated that.

193. In reaching this conclusion I have taken into account the “living dangerously” evidence. At the end of the day the purpose of the design team was not to mislead anyone into thinking that Asda’s offering was Specsavers’ offering. It was to leave them separate but invite favourable comparisons; it was to make the former as good as the latter; and it was probably to produce a similar style in store (which is probably the main thrust of Mr Sinnock’s remark about the POS (point of sale)). This is not the same as an intention to mislead as to trade origin. It might increase the risk of producing something misleading, but that is different. At the end of the day this evidence does not help in the interpretation of how the relevant section of the public would interpret what was presented to it. There remained, in my view, no misrepresentation.
194. Accordingly the passing off claim fails.

Conclusion

195. I therefore conclude that the trademark infringement claim succeeds in relation to the first strapline but otherwise fails on all counts. I find that the passing off claim fails. It has been agreed that I should deal with questions of liability only. Questions of damages will be dealt with by an inquiry, as will the question of the consequences of the misuse of confidential information.

Appendix 1 – the Specsavers Marks

The Specsavers Word Marks

CTM Nos. 1321298 & 3418928

SPECSAVERS

The Specsavers Shaded Logo Mark

CTM Nos. 449256 & 1321348 [referred to at paragraphs 7(iv) & (v) Amended Particulars of Claim]

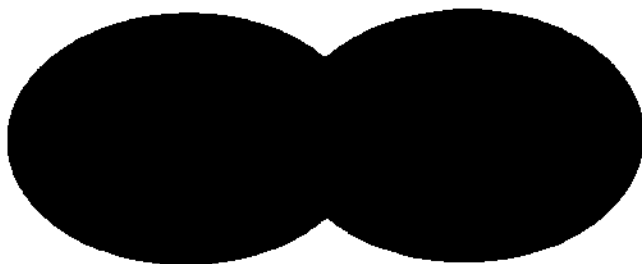


The Specsavers Unshaded Logo Mark

CTM No. 5608385



The Specsavers Wordless mark (logo) CTM 1358589



Appendix 2 – the signs used by Asda

The Asda Opticians Logo



e.g. (from poster):



Colours were reversed only on the recall card:



The First Strapline

“Be a real spec saver at Asda”

e.g. (from billboard):

The billboard features a green header with the text "Be a real spec saver at Asda." Below this, three pairs of glasses are displayed. The first pair is labeled "Designer" with a red arrow pointing to "All £70". The second pair is labeled "George" with a red arrow pointing to "All £50". The third pair is labeled "Kids" with a red arrow pointing to "FREE". Below the "Kids" offer, it says "When accompanied with a valid NHS voucher". At the bottom, there is a line of small text: "WINNER OF BRITAIN'S LOWEST PRICED SUPERMARKET AWARD NOW 10 YEARS RUNNING: WWW.ASDA.COM". To the right of the glasses, the Asda logo is present with the slogan "SAVING YOU MONEY EVERY DAY".

The Second Strapline

“Spec savings at ASDA”

e.g. (from in-store leaflet):

The leaflet has a green background. At the top, it says "Spec savings at ASDA". Below this, there is a paragraph: "Your ASDA Opticians offers you a complete range of services to suit the eyecare needs of you and your family. Our fully qualified Optometrists, Dispensing Opticians and trained Optical Advisors will offer you help and advice with all eye test services and when choosing from our fantastic range of frames, lenses and contacts at great value prices." Below this paragraph, there is a section titled "Full Eye Test" followed by another paragraph: "Regular eye tests are important for more than just identifying whether your vision needs correcting. Your eye test can reveal a number of other underlying problems such as Glaucoma and Diabetes."

Appendix 3 – non-use

How many registered marks are relevant? - the alleged non-use of the wordless logo

1. The undisputed factual position is that that logo has never been used in the business as a logo by itself. The logo with the word is the one that has been used. Asda challenges that mark for non-use. Specsavers relies on two uses. The first is use in a board game; the second is use in the business in that it is said that every time the worded logo is used, that involves use of the wordless logo.

2. Article 50 of the Community Trade Mark Regulation provides that:

“1. The rights of the proprietor of the Community trade mark shall be declared to be revoked on an application to the Office or on the basis of a counterclaim in infringement proceedings:

(a) if, within a continuous period of five years the trade mark has not been put to genuine use within the Community in connection with the goods or services in respect of which it is registered and there are no proper reasons for non-use...”

The “no proper reasons” point does not arise on the facts. The sole question is whether or not there has been relevant use within 5 years.

3. I can deal with the use in the game shortly (as did Mr Bloch in his submissions). The evidence on this was thin. It is said that it was used in a game called “Eyedentity”. The evidence comes in two sentences of Mr Holmes’ witness statement:

“In fact, a board game, Eyedentity, has recently been produced in which players need to associate logos with brand names. Specsavers’ logo, without the name appearing in the ellipses, features in the game. (We gave our permission for the logo to be used.)”

And that is it. The game was not produced. No details were adduced as to how it was played, other than the evidence just referred to; no evidence was adduced as to when it was first produced; no evidence was produced as to how widespread its use was. It was not even pleaded. The deployment of this material in support of a case that it was used smacks very much of an afterthought.

4. This argument for use fails. It first fails on an evidential basis. The evidence of use is too thin. But more significantly, even if that is wrong, it has not been used “in connection with the goods and services for which it has been registered”. The registered uses are various including optical (and, interestingly, dental) uses. They are primarily health care, with an emphasis on optical. The use in the board game itself is use by the game publishers, and they do not use it in that connection. They use it in connection with the game. Specsavers do, of course, carry on the sort of business which fall within the registered uses, but in this particular context they are not using it in connection with that use. They are not using it at all, save insofar as they licence its use. That licence is not, in my view, such a use. The “genuine use” which is required by Article 50 is:

“ use... which is to guarantee the identity of the origin of goods or services to the customer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.” (*Ansul BV v Ajax Brandbeveiliging BV* [2003] RPC 40. at para. 36.

Licensing its use in a board game such as Eyedentity apparently is (or may be) cannot qualify as such use. There is no customer or end user in relation to the licence. Alternatively, if it be said to be the licensee, the mark does not enable that person to identify anything. This use simply does not qualify. The brevity of Mr Bloch’s submission matched the quality of the point.

5. The other point is of more substance. It is said that the wordless logo is used every time that the logos with words are used simply because the graphic is part of the overall whole and is apparent. The worded logos comprise both the word mark (or the words) and the underlying graphic. It would, said Mr Bloch, be surprising if use of an underlying graphic, which was trade marked, was not qualifying use if it had words superimposed on it. He took the well known Heinz cans as an example. They contain an overall graphic outline which is said to be registered as a mark (and he produced the registration) and in which a variety of product names appear, depending on the content of the tin (baked beans, soup and so on). He queried whether it was to be said that the design was not being used because the Heinz word mark was also used?
6. Mr Purvis said that while it might be possible to use two distinct elements at the same time in a manner which meant that both were being used (where, for example, they were used side by side) one could not say that that was so in the present case. The obscuring of the background shape by the words meant that the shape was no longer shaded uniformly throughout, unlike the registered mark which was uniformly shaded. Furthermore, he said that signs are normally taken as a whole by the consumer; they are not dissected. In this respect he relied on *Sabel v Puma* [1998] RPC 199.
7. In my view the question of whether the worded logos amount to use of the unworded logos must depend ultimately on customer perception. Article 15(2) of the Regulation provides:

“2. The following shall also constitute use within the meaning of paragraph 1:

(a) use of the Community trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered.”

Adding the word “Specsavers” adds an element, so that the elements of the worded logos differ. It is therefore pertinent to ask whether the addition of the word “Specsavers” to the wordless logo alters the latter’s distinctive character. This has to be viewed from the perspective of the customer. I received no evidence on the point other than an assertion of the belief of Mr Holmes, expressed very shortly, that he believes that customers would recognise the ellipses without the name. (Interestingly, that was presumably the basis on which the logo was used in Eyedentity, but we do

not know with what effect.) I do not regard that short piece of evidence as evidence of any real weight. In the absence of evidence it falls to me to make an unassisted assessment of the point.

8. In my view the addition of the word across the logo does alter the distinctive character of the wordless logo taken by itself. It subordinates it to part of an overall whole. The distinctive character now comes from two elements – the word and the logo which contains it. That is how I believe the consumer would perceive it. While the proposition of the court in *Sabel*, relied on by Mr Purvis, to the effect that consumers do not dissect the elements of signs is not to be taken as a proposition of law, or a proposition of fact to be taken as true in every case, and was uttered in a different legal context, it does reflect a reality. As has been observed elsewhere, consumers are not trade mark lawyers who view marks with the experience of years of forensic dissection and mutation of their elements. They are people on whom the marks are intended to have a fairly immediate impression (that, after all, is largely the purpose of the mark). The strong impression of the worded logos is of an overall mark to which words and shape both contribute. The distinctive character that the logo by itself might have had is very materially reduced.
9. One gets to the same result via a very similar route even in the absence of that legislative provision. To qualify as use, a deployment must be of something that the consumer would identify as having a distinctive character in relation to the trade in question. The consumer must therefore associate the shape with the trade even in the absence of the words which are superimposed, notwithstanding that it always appears with the words. I do not think that he or she would do so, for the reasons given above. The message given by the worded logos arises from their combined force. If any element predominates, it is likely to be the words, but the logo certainly does not, and I actually do not consider that, as a dissected element, it even has equal force. I do not consider that the consumer would feel that the distinctive element emerges from the use of the worded logo.
10. It follows that Specsavers cannot rely on the worded logos as being use of the wordless logo, and that latter mark therefore falls to be revoked. The real significance for this case is that the wordless logo is not available as a benchmark for determining infringement by the Asda logos. I need not consider it further.