

O-013-11

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION 2479845  
IN THE NAME OF HIPP.COM.AU PTY LTD  
IN RESPECT OF THE TRADE MARK:**

**HIPP.COM.AU**

**AND**

**OPPOSITION THERETO (NO 97909) BY  
HIPP UK LIMITED**

## TRADE MARKS ACT 1994

**In the matter of application 2479845 in the name of HIPPI.COM.AU Pty Ltd  
in respect of the trade mark: HIPPI.COM.AU**

**and**

**opposition thereto (no 97909) by Hipp UK Limited**

### **The background and the pleadings**

1) HIPPI.COM.AU Pty Ltd ("AU") applied for the above trade mark on 15 February 2008. The application was published in the Trade Marks Journal on 13 June 2008. Registration is sought in relation to the following goods:

**Class 16:** Paper and cardboard and articles made from paper and/or cardboard, including wrapping paper, cartons, boxes, bags, containers, cartons; bags and other containers of plastics material; containers of all kinds in this class; plastic materials for packaging (not included in other classes); stationery items; books, album pages, book covers and book jackets.

2) On 12 September 2008 Hipp UK Limited ("UK") opposed the prospective registration of the above application. The opposition is against all of the goods sought to be registered. There is a single ground of opposition, namely under section 5(4)(a) of the Trade Marks Act 1994 ("the Act"). UK claims that it has a goodwill associated with the word HIPPI. UK says that HIPPI products were first sold in the UK in 1995 and that it has been offering them since 2002 when it was incorporated. UK claims that HIPPI has been used in relation to a long list of goods most of which, but not all, relate to products for babies including food and other baby care products.

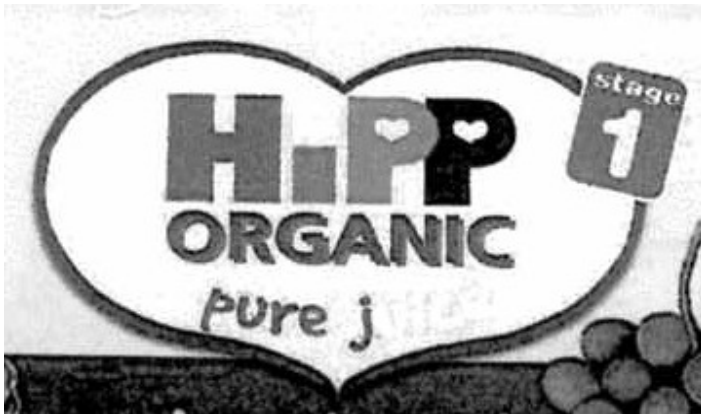
3) AU filed a counterstatement denying the ground of opposition. AU highlights the differences between the mark and the sign said to be associated with the claimed goodwill. AU argues that UK is attempting to extend its rights beyond its use and argues that the goods do not conflict as AU produces high end stationery and packaging. AU argues that no details of damage have been provided.

4) Both sides filed evidence. Neither party asked to be heard. UK filed written submissions in lieu of hearing, AU did not.

## The evidence

### UK's evidence – witness statement of Alexander Maier dated 19 October 2009

5) Mr Maier is a lawyer and in-house counsel working for Hipp & Co, part of the HIPPP group of which UK appears to form a part. It is fair to say from the evidence that HIPPP is a well-known brand of baby food in the UK. Sales began in the UK in 1995 although it is not clear who sold the products at this point because UK was yet to be incorporated. UK has “distributed and promoted” the products since 2002. I say that the baby food product is well-known because sales have ranged from £20 million in 2005 to £45 million in 2008. This represents a 1/3 share of the market in the UK in respect of wet baby food. Various exhibits are provided showing the actual products, the labeling and packaging etc. One of the labels is depicted below:



6) To support the business, a baby club is run which provides information and materials to mothers (and fathers) and mothers-to-be. It is operated online but members receive various items including: free samples, discount coupons, pregnancy and baby development calendars, pregnancy and child health guides, downloadable birth plans, online baby record facilities, access to a chat forum, online newsletters, offers and competitions. A photograph of the welcome pack is provided. The print is very unclear. I can see that it contains a bib and a spoon and some printed materials. The bib appears to have the word HIPPP on it in a similar format to that above. Mr Maier has been informed that the baby club has 400,000 members. He says that since 2003 UK has produced and distributed a range of printed material and related products including: baby height charts, card based nursery thermometers, pregnancy record books, a leaflet on how to feed babies, the baby club application card, a good sleeping chart, a feeding your toddler guide and a wipe clean feeding guide. Examples of these items are provided in AM-5.

7) In terms of advertising and promotion, this is said to cost around 15% of annual turnover so, in 2007, this would have been over £5 million. Advertising takes place through print advertising in magazines and through television. Three

magazine titles are given as: *Mother & Baby*, *Pregnancy* and *Practical Parenting*. Example advertisements are also shown.

8) There are also websites at [www.hipp.co.uk](http://www.hipp.co.uk) & [www.hippbabyclub.co.uk](http://www.hippbabyclub.co.uk). Mr Maier says that they are presented in UK's name. The prints are archive prints from December 2007. The pages promote HIPP products (the stylised version is predominant) but references without stylization also appear. General information is provided to mothers and mothers-to-be about baby care etc. The baby club website promotes the club itself and the benefits of membership.

9) In relation to AU, Mr Maier says that they became aware of them by way of a watch notice in 2008. The first actual use in the UK that they are aware of was in February 2009 when AU attended a trade fair. A brochure showing AU's goods is provided in AM-8. It shows a range of gift stationery such as invitation cards, cards for birthdays, thanks, well wishes, announcements etc. It shows gift boxes, gift boxes for certain products (wine, books, chocolates etc.), gift tags, ribbons, tissues, gift bags, journals and albums (they seem to be photo albums), notecards and invitation kits. Mr Maier says that such products are often sold in retail outlets such as supermarkets and that UK's goods are also sold in such places.

*AU's evidence – witness statement of Steven Jennings dated 19 May 2010*

10) Mr Jennings is a trade mark attorney at Lewis Silkin LLP, the firm with conduct of these proceedings on behalf of AU. The majority of his evidence is submission as opposed to evidence of fact. I will bear all of it in mind but will provide only a brief summary of what is said:

- ❖ That most of the uses of HIPP are in a particular form;
- ❖ That there is little evidence to support use of class 16 goods;
- ❖ That UK may not have any goodwill as it is merely a distributor and promoter for Hipp & Co (Companies House records are provided for UK showing that its role is as "Agents in particular products");
- ❖ That there will be no misrepresentation between AU's online stationery business and a party selling wet baby food;
- ❖ That there are differences between the average consumers of the goods in question;
- ❖ That the materials provided as part of the baby club are not relevant as it does not constitute use or it constitutes only ancillary use for the purpose of increasing the sale of baby food. A reference to the judgment of the

European Court of Justice (“ECJ”) in case C-495/07, *Silberquelle GmbH v Maselli-Strickmode GmbH* is made;

- ❖ That AU’s website has been in operation since 2001 and there has never been confusion. He says that the consumer would not type in hipp.co.uk or hippbabyclub.co.uk instead of hipp.com.au. It is stated that the consumer will be aware of the domain name suffixes and that “.au” would not relate to a UK website;
- ❖ That the distribution of the brochure referred to by Mr Maier and the sales generated from it have not resulted in confusion;
- ❖ That UK has failed to substantiate the opposition against the goods sought by AU and has shown no damage.

UK’s reply evidence – witness statement of John Colbourn dated 19 July 2010

11) Mr Colbourn is a solicitor in the firm of Redd Solicitors LLP, the firm with conduct of these proceedings on behalf of UK. His evidence is to introduce into the proceedings the results of various Internet searches conducted on *Google*, *Yahoo* and *Bing* for the term HIPP in the UK. The vast majority of results relate to HIPP baby food products. Only the first page of each search is provided (although they print on multiple pages). Only one of the prints has a link to AU, this can be found towards the end of the *Bing* print.

**Decision**

12) Section 5(4)(a) of the Act reads:

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

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

(b) .....

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

13) There are three elements (often referred to as “the classic trinity”) to consider in a claim for passing-off, namely: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position quite succinctly when he stated:

“The law of passing off can be summarised in one short general proposition--no man may pass off his goods as those of another. More specifically, it maybe expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff...Thirdly he must demonstrate that he suffers, or in a quia timet action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

14) In relation to goodwill, this was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 as:

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

15) It is also noteworthy from the relevant case-law that to qualify for protection under the law of passing-off, any goodwill must be of more than a trivial nature<sup>1</sup>. However, being a small player does not prevent the law of passing-off from being relied upon - it can be used to protect a limited goodwill<sup>2</sup>.

16) Dates are important in passing-off cases. Matters must be judged at a material date. In the judgment of the General Court in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07 it was stated:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up.

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<sup>1</sup> *Hart v Relentless Records* [2002] E.W.H.C. 1984

<sup>2</sup> See, for instance, *Stannard v Reay* [1967] F.S.R. 140, *Teleworks v Telework Group* [2002] R.P.C. and *Stacey v 2020 Communications* [1991] F.S.R. 49).

In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (Cadbury Schweppes v Pub Squash (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000.”

17) The material date is, therefore, the date of filing of the trade mark in question, namely 15 February 2008. UK must have been able to succeed in a passing-off claim and possessed protectable goodwill at such a date. However, if AU's mark had been used before the material date then this must also be taken into account. It could establish a senior user status, or that there has been common law acquiescence or that the status quo should not be disturbed as the parties have a concurrent goodwill<sup>3</sup>. All of this could mean that the use of the mark could not have been prevented under the law of passing-off at the material date. However, although AU claims that its website has been in operation since 2001, there is no evidence to suggest that the website has been specifically directed at gaining custom in the UK. Furthermore, the question relates to the sign which has been used in the course which the public associates with the undertaking which may or may not correspond to the website's URL. For both these reasons, the claim to pre-application use has no real bearing. This also applies to any claim that there has been no confusion thus far because the nature of any competing use is not clear.

18) In terms of goodwill, it is clear to me that the HIPP baby food business had a goodwill in the UK at the material date. In terms of the signs associated with such goodwill, whilst I agree with AU that the predominant sign is the stylized version of HIPP (as per paragraph 5 above), I consider that the nature of such use will mean that the word itself will have become distinctive of that business. There are, in any event, uses of HIPP without stylization.

19) There is also a question regarding the ownership of goodwill. Such questions often arise in the context of relationships between overseas and local companies. In the judgment of the Court of Appeal in *Scandecor Development Limited v Scandecor Marketing AB* [1999] FSR 26 it was stated:

“The legal response is that this problem, if not solved by agreements, is ultimately soluble only by a factual inquiry with all the disadvantages of the length of its duration, the cost of its conduct and the uncertainty of its outcome. There are no quick, cheap or easy answers to be found in hard and fast legal rules...The cases cited by Mr Wyand QC for SDAB and by

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<sup>3</sup> See, for instance: *Croom's Trade Mark Application* [2005] R.P.C. 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] R.P.C. 42.

Mr Young QC for S Ltd amply demonstrated the primacy of the particular facts of each case over legal precedent in this area of the law.”

20) It is clearly a fact based question as was highlighted in a recent decision of Mr Purvis QC (sitting as the Appointed Person) in *EGL* (BL O- 426-10). It is also noteworthy that in the case before me the matter is more than a mere technical one. It is a requirement of the Trade Marks (Relative Grounds) Order 2007 that an opposition may only be made by the proprietor of the earlier right relied on so, in this case, the owner of the goodwill said to give rise to a passing-off claim must be the opponent. It is, therefore, an important issue to resolve. Applying the factual assessment to the evidence in this case, whilst there is no specific agreement between UK and Hipp & Co, it strikes me from the totality of the evidence that it is UK that it running the business in the UK. Mr Maier states that the websites are put out in UK’s name. He also attached a number of exhibits to his evidence which, as UK’s submissions point out, carry UK’s name and address. I can see from the various exhibits that this includes the product containers, some of the baby club material and advertising material. Taking all of this into account it is my view that the goodwill is owned by UK.

21) Having found that UK had a protectable goodwill at the material date, I must now consider whether the use of the applied for mark in respect of the applied for goods would lead to a misrepresentation. Lord Oliver (in *Reckitt & Colman Products Ltd v Borden Inc*) described misrepresentation thus:

“Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff”

22) A factor highlighted by AU is the distance between its gift stationery and UK’s baby food. There is, though, no requirement in passing-off for goods to be similar. However, it is still, nevertheless, a highly relevant factor to bear in mind. This can be seen in *Harrods Ltd v Harrodian School* [1996] RPC 697 where Millett LJ stated:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

and

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”

and



“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant’s goods or services.”

23) One problem with AU’s argument is that its specification is wider than simply gift stationery. It includes books, stationery of all kind, and broad terms such as goods made from paper and cardboard. It is necessary, therefore, to consider the specifications piecemeal albeit categorized where possible. Before doing so I should give my views on the extent of any similarity between the mark and the sign. In my view they are reasonably similar as I agree with UK that the most important aspect of HIPP.COM.AU is the HIPP element as this is the part which the public will focus most attention upon given that the rest of the mark is made up of domain name elements and the word HIPP itself is distinctive. Clearly the mark as a whole is a URL, which is not the case with the sign HIPP, but I still believe that there is a clear capacity for a misrepresentation to occur on account of such similarity subject, of course, to considering the goods in question which I now come on to:

#### Paper and cardboard

24) The above goods are simply paper and cardboard. There is no inherent suggestion that they are printed in any way. Notwithstanding the similarity between HIPP.COM.AU and HIPP, I do not see why someone encountering HIPP.COM.AU as a trade mark in respect of paper or cardboard will believe that the goods being sold are the goods of UK, a well-known baby food producer. There is no misrepresentation here.

#### Articles made from paper and/or cardboard

25) The above term is a broad one and would include within its ambit a wide range of paper and cardboard based goods. There is no reason why such goods could not include articles made from paper in the form of baby feeding guides etc. It would come as no surprise to members of the public who are aware of UK’s baby food that it may offer such goods as an ancillary range or supportive range to its core business. In fact, it already does so to a degree on account of materials issued through its baby club. Whilst I agree with AU that the baby club use is more promotional and ancillary, the question here is not related to genuine use but is more to do with painting a picture of UK’s business and its business operation. I take the view, given that the above terms could cover goods such as printed matter relating to baby care, that there is misrepresentation here. Whilst there may be other goods within these broad terms which may not result in a

misrepresentation, no limitation to the specification has been made so the term as a whole leads to misrepresentation<sup>4</sup>.

Wrapping paper, cartons, boxes, bags, containers, cartons (all these goods must be made from paper or cardboard given that these goods are tied to the preceding term)

26) The above terms cover both gift wrapping paper and gift presentation cartons, boxes, containers etc. as well as more general wrapping paper and cartons, boxes etc. It strikes me, though, that if UK cannot succeed in relation to the gift aspect then it is in no better position for the other types of goods. In his evidence Mr Maier states that the gift type products are sold in supermarkets etc. (as are UK's goods) and in UK's submissions it is said that some of the gift presentation material is aimed at young children – it could, perhaps, be gift wrap for the giving of gifts to new born children.

27) Whilst the above may be true, such products do not strike me as being natural extensions of trade for a baby food producer. There is no evidence to show that other baby food producers have sold such goods. There is nothing in the baby club material that would suggest that this is a normal practice. Of course, such an extension of trade need not be normal practice, but I am left with the sense that even for those members of the public who are aware of UK's business, they will not assume, despite the similarity between the mark and the sign, that such goods are actually the goods of UK. There is no misrepresentation here.

Bags and other containers of plastics material; containers of all kinds in this class; plastic materials for packaging (not included in other classes)

28) For similar reasons to that given above, I find no misrepresentation here. UK has put forward no different reasons or arguments.

#### Stationery items

29) Such items would include gift stationery and normal everyday stationery articles. For similar reasons to that given already, I can find no misrepresentation here.

#### Books

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<sup>4</sup> See, by way of analogy, *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)*(OHIM) Case T-133/05 (“Gérard Meric”).

30) It is no stretch of the imagination to consider that books on baby care and baby feeding are in existence. Therefore, for similar reasons as given in paragraph 25, there is a misrepresentation here.

#### Album pages

31) This could include albums to be inserted into photo albums or albums of other types. There is a possibility that the album could relate to a new born baby or a baby's upbringing, however, there is little to support that someone who knows of UK's baby food business will assume that such goods (which are in any event album pages rather than albums themselves) come from UK. Whilst I bear in mind the baby club material, which included a development chart etc., it is in my view a step too far to find misrepresentation here.

#### Book covers and book jackets

32) A trade in book covers and book jackets is a little different from books themselves. The product must be assumed to be supplied as a cover or jacket itself and will not, therefore, have specific content. I can find no misrepresentation here.

33) In summary, I have found misrepresentation in respect of: articles made from paper and cardboard; books.

34) In relation to damage, whilst books and baby food do not compete, so there is unlikely to be damage in terms of direct loss of sales, potential damage to a business in a more general sense is also appropriate to consider. This can clearly be seen in *Ewing v Buttercup Margarine Co Ltd*, 34 RPC 232 where it was stated:

“To induce the belief that my business is a branch of another man's business may do that other man damage in all kinds of ways. The quality of goods I sell; the kind of business I do; the credit or otherwise which I might enjoy – all those things may immensely injure the other man who is assumed wrongly to be associated with me.”

35) This is particularly relevant here because if the relevant books and other material gave poor quality or even inaccurate information then a parent may be less likely to trust the baby food which UK offers. This could have a serious impact on UK's business. It could have a negative impact on its goodwill.

36) The opposition succeeds in relation to “articles made from paper and cardboard; books” but fails in relation to everything else.

#### Costs

37) UK's success is limited with the opposition failing in respect of the bulk of the applied for goods. AU has been the more successful party. I hereby order Hipp UK Ltd to pay HIPP.COM.AU Pty Ltd the sum of £1000. This sum is calculated (I have borne in mind the degree of success/failure between the parties) as follows:

Preparing a statement and considering the other side's statement:  
£500

Providing submissions (albeit filed as evidence) and evidence, and considering the other side's evidence:  
£500

38) The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful

**Dated this 20 day of January 2011**

**Oliver Morris  
For the Registrar,  
The Comptroller-General**