

O-158-13

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2587020

BY

RECKITT BENCKISER HEALTHCARE (UK) LIMITED

TO REGISTER THE TRADE MARK:

HUG IN A MUG

IN CLASSES 5 AND 21

AND

THE OPPOSITION THERETO

UNDER NO 103082

BY

PREMIER FOODS GROUP LIMITED

1) On 7 July 2011 Reckitt Benckiser Healthcare (UK) Limited (Reckitt) filed an application to register the trade mark **HUG IN A MUG** (the trade mark). The application was published for opposition purposes on 2 December 2011 for the following goods:

pharmaceutical preparations and substances; medicated beverages and preparations for making such beverages; decongestants; medicated confectionery;

household or kitchen utensils and containers; cups, mugs, drinking vessels; glassware, porcelain and earthenware not included in other classes.

The above goods are in classes 5 and 21 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) Premier Food Groups Limited (Premier) filed a notice of opposition to the registration of the trade mark. It opposes the registration of the trade mark under sections 5(2)(a) and (b), 5(3) and 5(4)(a) of the Trade Mark Act 1994 (the Act). Section 5(2) of the Act states:

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

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

Section 5(3) of the Act states:

“(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

Section 5(4)(a) of the Act states:

“4) 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”.

3) In relation to section 5(3) of the Act, Premier relies upon United Kingdom registration no 2382040 of the trade mark HUG IN A MUG and United Kingdom registration no 2382041 of the trade mark A GREAT BIG HUG IN A MUG. Both applications for registration were filed on 13 January 2005 and the registration procedures were completed on 24 June 2005. The trade marks had been registered for five years or more at the date of the publication of the application and so are liable to proof of genuine use¹. Premier claims that genuine use of both trade marks had been made by it or with its consent in the period from 3 December 2006 to 2 December 2011 in respect of the following goods in class 29 of the Nice Agreement:

snacks and prepared meals included in this class; bouillon, bouillon concentrates; broths; broth concentrates; chowders; consumes; soup and preparations for making soups.

In relation to section 5(2)(a) of the Act, Premier relies upon registration no 2382040 and, in relation to section 5(2)(b) of the Act, it relies upon registration no 2382041. In relation to section 5(4)(a) of the Act, Premier relies upon the same two trade marks.

4) In relation to sections 5(2)(a) and (b), Premier claims that the respective trade marks are identical or highly similar (respectively) and that all of the goods of the application are highly similar to the goods in relation to which it claims to have used its trade marks.

5) In relation to section 5(3) of the Act, Premier claims that it has a reputation in respect of all of the goods in relation to which it claims to have used its trade marks. It claims that registration of any of the goods of the application would be contrary to section 5(3) of the Act. Premier claims that Reckitt would benefit from free-riding on the reputation associated with the trade marks of Premier. Premier claims that all of the goods of the application are consumed by the general public when they are unwell and, therefore, use of the trade mark would provoke an association between the trade mark and sickness or illness. Premier claims that if the trade mark became associated with feelings of sickness or illness, the negative connotations could be detrimental to the reputation embodied in its trade mark. Premier claims that this association would also “restrict the possible uses for its mark and could reduce the Opponent’s sales, thereby being

detrimental to the reputation associated with the earlier mark”. Premier claims that all of the goods of the application are highly similar to the goods in relation to which it claims a reputation. Premier claims that its trade marks were first used in 1992. It claims that they were used in relation to all of the goods on which the opposition is based, including on national television. Premier claims that, in relation to HUG IN A MUG, this use continued until 2007 and, in relation to A GREAT BIG HUG IN A MUG, until 2008. Premier claims that taking all of these factors into account, a link would be established in the minds of consumers.

6) In relation to section 5(4)(a) of the Act, Premier makes the same claims to use of the two trade marks as for sections 5(2) and 5(3) of the Act. It claims that its trade marks and that of Reckitt are identical or highly similar. It claims that all of the respective goods are highly similar. Premier claims that the use of the trade mark “would deceive the public into thinking that the contested goods originated from, are endorsed by or are otherwise associated with the Opponent or an economically linked undertaking”. It claims that use of the trade mark would damage the goodwill it has in relation to the two trade marks upon which it relies.

7) Reckitt filed a counterstatement. It requires Premier to prove genuine use of its earlier trade marks in the material period. Reckitt denies that the respective goods are similar and so the grounds of opposition under section 5(2) of the Act are denied. Premier is put to proof of its claims of use of the trade marks upon which it relies. Premier denies the grounds of opposition under sections 5(3) and 5(4)(a) of the Act. Reckitt claims that it, or its predecessor in business, used the trade mark HUG IN A MUG in relation to its Lemsip (originally Lem-Sip) range of products for the relief of symptoms of colds and influenza for many years. It claims that such use predated Premier’s claimed first use date of 1992. Reckitt claims that it can show the phrase HUG IN A MUG was first associated with Lemsip prior to and after Premier’s first use of its trade marks. Owing to this earlier use, Reckitt denies that use of the trade mark is without due cause or would lead consumers to establish a link between the trade marks of Premier and its trade mark. Reckitt claims that it has a reputation in HUG IN A MUG that predates that of Premier and there were no instances of actual confusion during the time the phrase was used concurrently by Reckitt’s predecessor in business and Premier; consequently, it is claimed that Premier is not entitled to prevent the use of the contested trade mark under section 5(4)(a) of the Act.

8) A hearing was held on 4 April 2013. Premier was represented by Ms Anna Blackburn of Gill Jennings & Every LLP. Reckitt was represented by Ms Rosina Baxter of Reckitt Benckiser Corporate Services Limited.

Material date(s)

9) In relation to the objections under sections 5(2) and 5(3) of the Act, the material date is the date of the application for registration. In relation to the proof

of use, the material period is the five years ending on the date of the publication of the application, 3 December 2006 to 2 December 2011.

10) A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation 40/94 of December 20, 1993. This was the subject of consideration by the GC 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, in which the GC 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. 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.”

The reasoning of the GC, *mutatis mutandis*, is followed in relation to the Act. An opponent must establish goodwill at the date of the filing of the application which is being opposed. If the opponent fails to establish this, its claim under section 5(4)(a) of the Act must fail.

11) Consideration has also to be given to the position at the date that the behaviour complained of commencedⁱⁱ, if this is earlier than the date of application. This has to be considered when the trade mark the subject of the application has been used prior to the date of application for the same or some of the goods of the application. It is possible that both parties have been using the respective trade marks prior to the date of application for registration. Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Lee Alexander McQueen v Nicholas Steven Croom* BL O/120/04 held:

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

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

Evidence

12) For Reckitt evidence was filed by Rosina Margaret Baxter, by way of a witness statement dated 8 October 2012. Ms Baxter is a trade mark attorney employed within the Trade Marks Group of Reckitt Benckiser Corporate Services Limited. For Premier Jo Anna Emery and Anna Blackburn filed evidence. Ms Emery filed three witness statements; dated 11 July 2012, 3 August 2012 and 4 December 2012. Ms Blackburn has filed two witness statements; both dated 3 August 2012. Ms Emery is Group Intellectual Property Manager of Premier. Ms Blackburn is a trade mark attorney.

13) Lem-Sip was launched in 1969. It was the first medicated hot drink specially formulated to relieve the symptoms of cold and flu to be sold in the United Kingdom. In 1975 the product was reformulated and the name was changed to Lemsip. By 1975 Lem-Sip/Lemsip had a 29% share by value of the cold market in the United Kingdom. Ms Baxter states that in the early 1970s “the brand proposition” hug in a mug began to be associated with Lem-Sip. Exhibited at RMB2 is a picture of a mug with the Lem-Sip name upon it. At RMB2 pictures of various packs of Lemsip can be seen; other than a packet for capsules, all of the packets show a transparent cup or mug. In none of these pictures is there any reference to a hug in a mug. Exhibit RMB3 includes information about Lemsip from two trade magazines from October and November 1993. Again there is no reference to a hug in a mug. The final part of RMB3 is an advertorial from *My Weekly* of 27 November 1993. It offers a Lemsip kit to 20 persons; the kit includes a packet of Lemsip menthol extra, a hot water bottle cover, a hankie, a mug and a choice of four videos; there is no mention of hug in a mug. Exhibited at RMB4 is an advertising production information sheet relating to television advertising in winter 1992/93. The “communication objectives” are described as:

“To reinforce Lemsip/Hot Drink’s soothing, sympathetic brand character – ‘A hug in a mug’ when your suffering from a miserable cold.”

Exhibited at RMB5 is part of document entitled *LEMSIP 1995 Packaging Development*. In the part headed *Qualitative Research* the following appears:

“However for some there was clearly a perception of Lemsip as still “Hug in a Mug”, more “cuddly” than medicinal.”

Exhibited at RMB6 are copies of slides from a 1996 “Presentation to the Business Growth Meeting”. On one slide there is a reference to the brand character, which is described as “A Hug in a Mug”.

14) Exhibited at RMB7 are printouts from Reckitt’s website which feature scenes from a Lemsip winter 2011/12 television advertisement. There is no reference to a hug in a mug. Exhibited at RMB8 are pages from *Superbrands 2004*. In relation to Lemsip the following, inter alia, appears:

“Research in the 1990s showed that Lemsip needed a change in positioning from a benign friendly comforter (likened to a ‘hug in a mug’) to an effective fast working medicine.....

..... Lemsip’s ‘Hug in a Mug’, soothing and reliable positioning provides the entire brand with soothing and supportive emotional attributes.”

15) Various items of packaging are shown; none of them include the words hug in a mug. There is no indication that hug in a mug was used to the public.

16) Exhibited at RMB9 is an article from the website of HighBeam Research dated 1 June 2004. The article begins:

“In the 70s Lemsip was a ‘hug in a mug’. In the 80s consumers watched an armchair become more comfortable when somebody drank the cold remedy.”

The content of the piece comes from an interview with the “category manager” of Reckitt.

17) Exhibited at RMB10 is an article from ezinearticles.com from 16 June 2010. It is written by an Andrew M Pearson. There is no indication as to whom Mr Pearson is or what ezinearticles.com is. The following appears in the article:

“In the late 1990s, Lemsip was positioned to meet the needs of busy women seeking the comfort of a warm, soothing medicinal drink. You may remember the campaign’s compelling offer was built around the statement ‘a hug in a mug’.”

18) Exhibited at RMB11 is an article from *Marketing Week* of 7 December 2011. The following appears in the article:

“Lemsip is mulling the return of its original advertising strapline ‘Hug in a Mug’.

The Hug in a Mug strapline was used when Lemsip first launched in the early seventies as a hot lemon A spokesman for the brand says there are “no immediate plans” to revive Hug in a Mug but did not rule it out, stating that “it is of course a part of Lemsip’s historical brand equity.”

19) Exhibited at RMB12 are pages from eBay in which a mug is advertised. It is described as “LEMSIP MAX CUP/MUG, hug in a mug, cup with arms, V RARE”. The sale date was 23 July 2011.

20) Ms Baxter states that all Lemsip products, “in relation to which the strapline HUG IN A MUG has been used, are licensed medicinal products approved and regulated by the UK Medicines and Healthcare products Regulatory Agency

("MHRA")¹. She states the trade marks of Premier have only been used in relation to the Batchelors Cup A Soup range of products. Ms Baxter states the Reckitt's products are usually in healthcare aisle or section, whereas the goods of Premier are to be found in food aisles or sections. Exhibited at RMB16 are pages from the website of Tesco. Lemsip products are shown under Groceries > Health & Beauty > Health Care > Cold & Flu. Batchelors Cup A Soup is shown under Groceries > Food Cupboard > Tins, Cans & Packets > Instant Packet & Tinned Soup.

21) Ms Baxter states that when Reckitt became aware of the trade mark applications for HUG IN A MUG and A GREAT BIG HUG IN A MUG, it did not oppose the applications as it considered the goods covered by the applications to be dissimilar to those in relation to which Reckitt had prior use of HUG IN A MUG and an associated reputation.

22) The use of the trade marks, upon which Premier relies, is in relation to Batchelors soups, usually the Cup a Soup range of products. These are products where hot water is added to powder to form a soup.

23) Ms Emery states that in 1992 the strap line "you only get a hug from a Batchelor's mug" was used in relation to Batchelors Cup a Soup. Five television advertisements are exhibited. In the first one, from summer 2007, at the end, there are the words "new Batchelors Cup a Soup gives you the same tasty hug with no artificial colours or preservatives"². An advertisement from autumn 2005 has the strap line "loads more hugs in a mug". A third and fourth advertisement have the strap line "it's a great big hug in a mug", from the statement of Ms Emery, these advertisements would have been broadcast in 2004. The fifth advertisement exhibited has the strap line "you only get a hug from a Batchelors mug", which from the statement of Ms Emery emanates from 1992.

24) In 1992 £69,000 was spent on press advertising and £1,200,000 on national television advertising of Batchelors Cup a Soup. In 2004, there was further advertising of the Batchelors product. Ms Emery states that both trade marks upon which Premier relies were used in the advertisements. Figures exhibited at JE4 show £701,353, £332,212 and £451,635 being spent on advertising in January, February and March 2004 respectively. Over £1 million was spent on the 2005 advertising campaign.

25) An article from *Campaign* dated 9 January 2004 quotes a person from the advertising agency responsible for the advertising stating that the "existing brand equity – the 'hug in a mug' line" was "contemporised and energised" in the new advertising. An article from *Marketing Magazine* dated 6 February 2004 refers to an £8 million relaunch of the Cup a Soup brand. The article also states that Batchelors has a "68 per cent share of the £70 million instant dry soup category".

¹ The specification is not limited to the goods in relation to which Lemsip has been used.

² So not use of either trade mark.

Over £1 million was spent on both the 2005 and the 2007 advertising campaigns (as noted above the 2007 advertisement does not use either trade mark). Print advertisements were also used; page 65 of exhibit JE9 has the rubric “Only one low fat snack gives you a great big hug in a mug”. A packet of Batchelors Slima Soup appears in the advertisement; there is no indication of the provenance of the advertisement. Page 64 of the same exhibit is a promotion without provenance for tinned soups made by Batchelors. The copy advises that “[w]hen you and your family want more than a great big hug in a mug, unleash the rich flavours of Batchelors new Cream of Mushroom..... canned soups”. The reader is advised that more information on Batchelors canned soups can be found at agreatbighuginamug.com. In 2004 the “Great Big Hug in a Mug advertising campaign” was supported by free sachets of Batchelors Cup a Soup being delivered to homes and offices across the United Kingdom (JE11). Batchelors Hug in a Mug vouchers were available for Batchelors Cup A Soup from greatbighuginamug.com website from February 2005 to March 2006. The domain name greatbighuginamug.com was purchased on 9 September 2004. The advertising campaign was supported by the website. The website supported Batchelors Cup a soup and Batchelors Slim a Soup. There are references on the website to “hug buddies”, “need a hug?”, “Hug-O-Meter”, “the whole, hugging range”, “the perfect hug for your mug”, “a big snuggly hug”, “the exact hug you need” and “[i]t’s a great big hug in a mug”. These references are exhibited at JE13. The pages were downloaded on 11 July 2012 from the url agreatbighug.clients.monochromedns.co.uk; there is no indication as to when the pages were accessible or the extent to which they were accessed. Ms Emery describes the website as historic and states that an advertisement from 2004 can be seen upon it. Exhibit JE14 was downloaded on 9 July 2012 and relates to a promotion for Batchelors Cup a Soup, however, there is nothing to indicate when the promotion ran (it could be an historic promotion). There are references to a Hug In A Mug, a Great Big Hug in a Mug. Ms Emery states that promotion was also made by way of “research” by Batchelors Cup a Soup. Ms Emery refers to the reporting of this “research” being in the “national press”. However, exhibit JE15 has printouts from the websites of easier.com, nationalhuggingday.com and prnewswire.co.uk, not the national press. There is no indication as to what easier.com is. Nationalhuggingday.com is a United States website. In the pages the following appears: “Batchelors Hug in a Mug has identified five different hugs we all use in everyday life”. The pages from prnewswire.co.uk begin with “[a]ccording to research released today by Batchelors Cup a Soup” and includes “A poll by Batchelors, the famous ‘Hug in a Mug’ has revealed....” The exhibited pages emanate from 3 January 2007, 27 December 2006 and in relation to National Hugging Day on 21 January 2007. Exhibit JE16 is an undated article from *The Sun*. The article refers to a television advertisement which it is stated was made in 2005 but “started showing across the UK last week”. From the still of the advertisement, it would appear to be the 2007 advertisement. The article relates to a complaint that the advertisement shows a woman’s breast being groped. A spokesperson for Batchelors Cup a Soup makes references to “a delicious and warming hug in a mug.... a great big hug”. Between January 1992

and December 1994, a total of £5,703,840 was spent on promoting Batchelors Cup a Soup and £551,082 on Slim a Soup (JE17). Between January 1997 and December 1997, £2,363,009 was spent on promoting Batchelors Cup a Soup and £1,435 on promoting Batchelors Slim a Soup (JE18). Between January 2004 and December 2005, £6,459,667 was spent on promoting Batchelors Cup a Soup and £239,063 on Batchelors Slim a Soup (JE19). Between January 2007 and December 2007, £1,270,287 was spent on promoting Batchelors Cup a Soup. The vast majority of the promotion of Batchelors Cup a Soup was on television. Exhibit JE21 is a copy of a document in relation to the effects of two advertisements shown to 350 women between the ages of 25 and 64 and who had bought instant soup in the previous 12 months. The interviews were conducted in September 2003. The document does not relate to research in relation to persons who have seen the advertisements “in real life”. The sample appears to relate to the advertiser’s target rather than the average consumer. The document is more of a report of a focus group than a survey. The document is without weight in relation to the perception of the average consumer. Similar documents are exhibited at JE22, JE23 and JE24 (these are from 2003 and 2004). Exhibit JE25 is a brand equity study from May 2004 of Batchelors brands. Ms Emery refers to the study stating that research found that there was a high recall of HUG IN A MUG. There is no supporting data to the study. The study would only have value if it were a properly conducted survey which complies with the criteria of *Imperial Group plc & Another v Philip Morris Limited & Another* [1984] RPC 293; it does not. Exhibit JE26 is a copy of a document from June 2004 that relates to group discussions in relation to Cup a Soup & Crunch. This relates to the advertising being honed. Similar documents to those exhibited from JE21 to JE 26 are exhibited at JE27 to JE32 (all but JE 32 emanate from prior to the material period for proof of use.) JE32 was prepared by Millward Brown in 27 June 2008 in relation to brand equity. It is an internal document and relates to the brand health of Batchelors soups and noodles. Ms Emery refers to page 43 of the report, page 716 of the exhibit, where there are comparisons of the “pillars” of Cup a Soup and Noodles. One of the pillars of Cup a Soup is “[h]ugs/hug in a mug”, against which the numeral 4 appears. JE 27 to JE32, equally, they have no validity as surveys in relation to the perception of the average consumer. A Cup a Soup advertisement from 2004 has been uploaded to You Tube. It is an advertisement that uses the strap line “It’s a great big hug in a mug” (page 737). Between 8 June 2008 and 9 July 2012, the video had been seen 17,312 times. Another advertisement, with the same strap line, was uploaded to You Tube on 4 August 2011 and by 9 July 2012, it had been viewed 2,042 times. Both videos have been mostly viewed from the United Kingdom. Ms Emery states that the advertisements are available at other websites, such as vimeo.com (JE34). Exhibited at JE35 are pages from Internet where various persons comment upon Batchelor’s Cup a Soup. Page 753 is headed “want a Hug in a Mug or soup in a mug?”, it was written on 13 February 2006. Page 756 is written by someone in India. Pages 757 and 759 are reviews of Batchelors Cup a Soup by members of the public, reference is made in both reviews to A GREAT BIG HUG IN A MUG. Exhibit JE36 is an extract from a blog of 16

February 2009 in which reference to “Batchelors Hug in a Mug advert” is made. Exhibit JE37 is a printout from eBay in which a pair of “Batchelors hug mugs” are advertised. The bidding was due to end on 17 June 2012. Ms Emery exhibits pictures of such mugs. They bear the words Batchelors and Hug Mug upon them and around the bottom of the mugs the words “you only get a hug from a Batchelors mug” appear. Exhibit JE38 is an extract from Wikipedia in relation to Cup a Soup; the entry was last modified on 31 May 2012. In the entry there is a reference to “Batchelor’s Cup-a-Soup Extra (“A Great Big Hug in a Mug”)”³. Exhibit JE39 consists of a quiz in relation to slogans used in advertisements. The slogan A HUG IN A MUG is linked with Bachelors (sic). The pages were downloaded from sporcle.com on 11 July 2012. Exhibit JE40 is an extract from the National Curriculum for Citizenship. There is no indication as to the date from which the curriculum emanates, however, from internal evidence it will have been produced after the second invasion of Iraq, ie after 2003. In a quiz various advertising strap lines are given, including “It’s a hug in a mug – BATCHELORS CUP A SOUP”. Exhibited at JE41 is a spread sheet of sales of various Batchelors products, including Cup a Soup, from the beginning of 1993 to the end of 2008. Ms Emery makes specific reference to 2004, owing to the advertising campaign. The total of Batchelors Cup a Soup products sold in 2004 was £3.476 million.

26) Ms Emery refers to a project called Project Street and a survey commissioned at the end of April 2012. In relation to the former she exhibits one sheet and in relation to the latter, nothing. If Premier wishes to rely upon surveys they should have sought the consent of the registrar and then complied with the requirements set by him, if the survey was allowed, and also the guidelines of *Imperial Group plc & Another v Philip Morris Limited & Another*. No weight is given to the project and survey.

27) Ms Emery states that the advertising campaigns to which she has referred, as well as using television, also used radio, press, in-store and outdoor advertising.

28) Premier commissioned research with Leatherhead Food Research. The enquiry was: “What scientific evidence is there showing that soup/broth can help relieve symptoms or/and shorten duration of the common cold”. “Searches were conducted on Leatherhead’s Foodline Web database and on Food Science Direct to identify whether soup/broth can help relieve symptoms or/and shorten duration of the common cold. The research showing that soup/broth can help relieve symptoms of common colds is limited and the studies are rather old. Much of the research that exists has focused on nutrients in chicken soup that could have anti-inflammatory properties.” The research provided three abstracts in relation to the question asked.

³ As with any Wikipedia entry it is not possible to know who has created and/or edited the entry.

29) The response is not indicative of any established relation between soup and relief from the symptoms of colds, or that the average consumer is aware of it.

30) Exhibit JE2 includes details of various nutritional characteristics of various soups and Complan, a product to supply nutrition to those who have lost their appetite. Page 18 of the exhibit shows various Complan products and there is a reference to a “delicious chicken soup”. However, it is not clear from the exhibit that part of the Complan range is an actual soup.

31) Exhibits ACB1, ACB2 and ACB3 are the results of searches conducted for references in the United Kingdom press to HUG IN A MUG and A GREAT BIG HUG IN A MUG from 2004 onwards and to YOU ONLY GET A HUG FROM A BATCHELORS MUG without reference to date. There are references to HUG IN A MUG in *Marketing Week* of 8 January 2004, *Campaign* of 9 January 2004, *New Media Age* of 18 November 2004, *Campaign* of 19 November 2004, *New Media Age* of 3 February 2005, *The Grocer* of 4 August 2007. An article from *The Evening Standard* refers to “the literary equivalent of a hug in a mug”; there is no reference to Batchelors or its product. The reference to A GREAT BIG HUG IN A MUG IN *Food Trade Review* of 1 April 2005 is a reference to the trade mark application of Premier. There are references to GREAT BIG HUG IN A MUG in *The Grocer* of 5 November 2005, *Campaign* of 23 January 2004, *Incentive Today* of 1 February 2004, *Promotions & Incentives* of February 2004, *Campaign* of 18 November 2005 and *Product Launch Tracker* of 27 December 2009 in relation to a launch in India. References to you only get a hug from a Batchelors mug appear in *Brand Strategy* of 22 November 1996, *Campaign* of 12 January 1996 and *Marketing* of 22 July 1993.

32) Exhibit ACB4 is the result of Internet searches for Batchelors and Cup a Soup in relation to mugs. Exhibit ACB5 is the result of Internet searches for the trade mark Campbell's in relation to mugs. Exhibit ACB6 is the result of Internet searches for the trade mark Knorr in relation to mugs. Exhibit ACB7 is the result of Internet searches for the trade mark Heinz in relation to mugs. Exhibit ACB8 is the result of Internet searches for the trade mark Oxo in relation to mugs. Exhibit ACB9 is the result of Internet searches for the trade mark Bovril in relation to mugs. Exhibit ACB10 is the result of Internet searches for “well-known trade marks” in relation to mugs. The searches were conducted on 2 August 2012. Exhibits ACB4 to ACB9 show that a variety of mugs have been produced over the years bearing the above trade marks. Exhibit ACB10 shows many food and beverage trade marks being used for mugs eg Cadbury's Fingers, McVities rich tea and Smarties. Exhibit ACB11 gives information about the various trade marks that were chosen for the Internet searches.

Proof of genuine use of the earlier trade marks from 3 December 2006 to 2 December 2011

33) Section 100 of the Act states:

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

Consequent upon section 100, the onus is upon Premier to prove that it has made genuine use of a trade mark, or that there are proper reasons for non-use. It has made no claim that there are proper reasons for non-use.

34) In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) Arnold J commented on the case law of the Court of Justice of the European Union (CJEU) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

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

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(3) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

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

35) The evidence in relation to the hugging “research” comes from the end of November 2006 and the beginning of January 2007. One of the websites is in the United States and the status of another is not known. None of the references emanate from Premier, or its predecessor in title. In the undated article from *The Sun* a spokesperson for Batchelors is quoted and refers to “a delicious and warming hug in a mug.... a great big hug”. As noted, the advertisement appears to be one from 2007, although there can be no certainty as to this. (The advertisement itself, if it is that advertisement, does not refer to either of the trade marks.) There is also a reference from *The Grocer* of 4 August 2007, which is clearly not use by the proprietor or with its consent. Premier conducted research for references in the press to the trade mark, ACB1-3, and found no references outside specialist press to the trade marks and only the reference in *The Grocer* of 4 August 2007 within the material period. There are a few references to the trade mark(s) on the Internet and the uploading of two advertisements on You Tube; none of this as the result of actions by Premier.

36) The use must be the proprietor or with its consent and it must be to maintain or create and outlet for the goods and it must relate to the United Kingdom. In the material period there has been no use by Premier of either of the trade marks, unless the comments of a spokesperson for Batchelors in the undated issue of *The Sun*, is taken into account. Premier has not established that it had used the trade marks in the material period to maintain or create a market by reference to the trade marks that is warranted in the market place for the goods of the specifications. It has not proved genuine use of either of the trade marks. Consequently, the grounds of opposition under sections 5(2) and 5(3) of the Act are dismissed as Premier cannot rely upon the earlier trade marks.

Claimed use by Reckitt of Hug in a Mug

37) There is a paucity of evidence of use by Reckitt of Hug in a Mug. There are references to such things as brand propositions, communication objectives and brand character. Such use indicates a marketing strategy rather than use of Hug in a Mug to the public. The article from *Marketing Week* of 7 December 2011, RMB11, appears to have been linked to the application for the trade mark and the details in the article suggest that it is the result of PR from Reckitt. There is no indication as to whom Mr Pearson is, RMB10, or how reliable is his state of knowledge. The only solid evidence is the mug that was for sale on eBay. Reckitt has not established use of Hug in a Mug that affects the passing-off case of Premier ie it has not established that it is the senior user nor has it established that it has (or had) protectable goodwill in relation to Hug in a Mug.

Section 5(4)(a) of the Act – passing-off

38) The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“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 may be 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.”

39) At the date of the application for registration Premier was not using either of the signs upon which it relies. Ms Blackburn in her submissions relied upon the residual goodwill which she considered resided with the signs at this time. She pointed to such things as the videos on You Tube and the references on the Internet. She commented on the scale of the use in relation to the signs during the advertising campaigns which, she submitted, would have an effect upon the recall of the use of the trade marks by Premier. She also relied upon the quizzes in relation to advertising strap lines. There is no indication as to when the extract from the National Curriculum for Citizenship emanates; other than the internal evidence indicating that it emanated from after 2003. The use of Wikipedia is freighted with problems. In this case it is not known who made the entry or when and the last modification was after the material date. The download from sporcle.com was after the material date and there is no information in relation to the website. A reference after the material date is not necessarily reflective of the position at the material date as there may have been some specific trigger after the material date that brought about the reference. Premier made a search of print media in relation to use of the trade marks, however, references to the trade marks were from advertising or trade publications. The phrase was not found occurring in the general print media. The reference in *The Evening Standard* makes no connection with Batchelors. In relation to HUG IN A MUG the last reference is in *The Grocer* of 4 August 2007. The last reference, in relation to the United Kingdom, to A GREAT BIG HUG IN A MUG is in *Campaign* of 18 November 2005. These references are all a long time before the material date. Ms Blackburn prayed in aid the “surveys” that had been undertaken to show that the strap lines were recalled from the advertisements. However, these “surveys” were completely artificial; the participants being shown advertisements and then being asked questions in relation to them in the immediate aftermath. The viewer of television advertisements will not be viewing them with the premise that she or he will be immediately quizzed upon them afterwards.

40) During the period that the trade marks were used as strap lines, the main trade marks were being promoted ie Batchelors and Cup a Soup. Consequently, it is difficult to gauge the effect of the advertising in relation to the strap line on the memory of the relevant public. There are some advertising campaigns that become part of the vernacular. The use of Ronseal's catchphrase has entered all areas of life and I have heard a disc on *CD Review* on Radio 3 being referred to as a Marmite recording ie the listener will either love the recording or will hate it. However, this is not the norm. Advertising and strap lines are by their nature ephemeral as advertising agencies adopt and change campaigns to reflect the changing nature of consumers.

41) In *Starbucks (HK) Limited, PCCW Media Limited and UK Broadband Limited v British Sky Broadcasting Group PLC, British Sky Broadcasting Limited and Sky IP International Limited* [2012] EWHC 3074 (Ch) Arnold J stated:

“138. PCCU's service. I am satisfied that PCCU's service had generated some degree of reputation and goodwill in the UK under the name NOW by the time it was closed in January 2002, but on the evidence it is clear that the extent of this was modest. Furthermore, over 10 years elapsed between then and the announcement of Sky's service. It is common ground that, if a business has not been abandoned in a manner which results in its goodwill being destroyed, a residual goodwill may continue to subsist for a time after the business has ceased trading: see Wadlow, *The Law of Passing Off* (4th ed) at §§3-220 to 3-226. In principle, the lesser the extent of the original goodwill and the more time that has elapsed since the business ceased trading, the more one would expect the residual goodwill to have evaporated; but the extent of any residual goodwill in any particular case is a matter for evidence. In the present case there is no direct evidence that any goodwill continued to exist in March 2012. In my judgment there is no sufficient evidence from which the continued existence of any goodwill can be inferred. It follows that the claim for passing off based on the goodwill generated by PCCU's service fails.”

In *Korval Inc v Soundunit Limited* BL O/468/12 Mr Daniel Alexander QC, sitting as the appointed person, stated:

“55. Kerly's *Law of Trade Marks and Trade Names*, 15th edn, summarises the principles relating to extinction and abandonment of goodwill at paragraph 18-060 as follows (omitting footnotes):

If a business ceases or suspends trading temporarily, there remains a residual goodwill which the claimant might wish to sell or use in a reopened business. If, once the business is definitively abandoned, however, so that the claimant no longer owns goodwill, there can be no passing off. Where no positive decision is made to abandon goodwill but trade under the mark has nonetheless ceased with no concrete plans for restarting operations, the question of whether any goodwill survives, and for how long, is a question of fact in each case.

56. That extract from Kerly's neatly encapsulates the current law. It is marginally preferable to the formulation in Wadlow, because it is not necessary for goodwill to survive that the undertaking possessed of it have concrete plans for restarting operations. That said, the longer the business is left un-resumed, the more likely that the goodwill will dwindle to such an extent that it cannot found an action for passing off.

57. It is common sense that the greater the reputation originally established, the greater are the chances that a sufficient residual goodwill still existed at the relevant date: see *Knight v Beyond Properties Pty Ltd & Ors* [2007] EWHC 1251 (Ch) (24 May 2007) at [28]. That shows that the issues of abandonment and establishment of goodwill cannot always be separated. Equally, in my judgment, the extent to which the mark was kept in the public eye prior to the relevant date, for example, through the second hand market, servicing and parts, and a significant enthusiast following (as it was here), may in appropriate cases, be relevant to the overall evaluation of whether sufficient goodwill survived at that date”

42) This is not a case where the goodwill has been abandoned as the business has most certainly continued. This is not a case which lends itself to a second hand market or a significant enthusiast following; a handful of references on the Internet are not indicative of a significant enthusiast following.

43) The number of visitors to the You Tube video is not significant in terms of users of the Internet and potential repeat visitors. The evidence in relation to two quizzes lacks specificity in terms of provenance; however, it does have some indicative value that the television advertising had some lasting effect. The quizzes could reflect the knowledge of the setter more than that of the public. It could be that the setter had trawled reference materials to find strap lines. Their genesis is simply not known which limits any weight they can have. The television advertising was of a significant scale. Having borne in mind the comments of Arnold J and Mr Alexander, it is held that, taking into account the entirety of the evidence, Premier has established that it had residual goodwill in relation to the trade marks at the material date in relation to instant soup, but at a very low level.

44) Although the law of passing-off does not protect trivial goodwill, it does protect small goodwillⁱⁱⁱ. The level of surviving goodwill in relation to the trade marks is above the trivial level that was seen in *Hart v Relentless Records*.

45) The goodwill relates to instant soup. In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ stated:

“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”

In the same case he went on to state:

“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.”

Ms Blackburn prayed in aid the goods of the application could be used in relation to give relief to colds and that soup was taken as a relief to colds. She relied on the evidence of the Leatherhead Food Research. This evidence showed little research in relation to this matter and did not show the perception of the consumer of soups. Ms Blackburn argued that the fact of the undertaking the research was indicative of the belief that soup was beneficial in relation to colds was commonly held. Folk wisdom recommends taking whisky or rum to ease the effects of a cold; this does not put spirits in the same field of activity as pharmaceutical products. The respective goods are sold in different areas of stores, they are sold for different purposes; they have different constituents. There is nothing to suggest that there is a trend in the market for producers of pharmaceuticals to produce soups by reference to the same trade marks. There is not a common field of activity. If it was decided that there was not a common field of activity, Ms Blackburn prayed in aid the judgment in *Lego Systems A/S v Lego M Lemelstricht Ltd* [1983] FSR 155. However, in that case the absence of a common field of activity gap was bridged by evidence showing the deception of the public. It was also the case that the claimant had an enormous reputation in the sign upon which it relied. It was also the case that it relied on what was a traditional trade mark rather than a strap line used in relation to two “traditional” trade marks ie Batchelors and Cup a Soup. The absence of a common field of activity in this case means that the relevant consumer of the products of Premier will not believe that it is responsible for the class 5 goods of the application and there will be no misrepresentation. Consequently, the ground of opposition under section 5(4)(a) of the Act in relation to the class 5 goods of the application fails.

46) In *Stringfellow v McCain Foods (GB) Ltd* [1984] RPC 501 Slade L.J. said:

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

Even if it were to be held that there were a misrepresentation, taking into account the different lines of business, Premier has not established that it would suffer any damage to its goodwill. Consequently, the claim of passing-off in relation to the class 5 goods, would fail owing to the failure to establish damage.

47) Premier’s claim to goodwill relates only to *snacks and prepared meals included in this class; bouillon, bouillon concentrates; broths; broth concentrates; chowders; consumes; soup and preparations for making soups*. There has been no claim to goodwill in relation to the goods in class 21 of the application. As decided above, the goodwill at the material date was for instant soup. The class 21 goods of the application are not in a common field of activity with instant soup. Premier filed evidence which showed that food and beverage manufacturers

commonly have used trade marks upon mugs and similar goods. The type of use shown is clearly promotional⁴. In the absence of a claim of goodwill in relation to the class 21 goods, and the absence of an establishment of goodwill in relation to class 21 goods, the case of Premier stands or falls with the goods in relation to which it has established goodwill. As it has failed in relation to those goods, it cannot succeed in relation to goods which are not in a common field of activity and to which the only link is in relation to potential promotional use.

48) The grounds of opposition are dismissed in their entirety and the application may proceed to registration.

Costs

49) Reckitt having been successful is entitled to a contribution towards its costs. Costs are awarded upon the following basis:

Preparing a statement and considering statement of Premier:	£400
Preparing evidence and considering the evidence of Premier:	£1,000
Preparation for and attending hearing:	£1,000
Total:	£2,400

Premier Food Groups Limited is ordered to pay Reckitt Benckiser Healthcare (UK) Limited the sum of £2,400. This sum is to 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 17th day of April 2013

**David Landau
for the Registrar
the Comptroller-General**

ⁱ Section 6A of the Act reads:

⁴ The evidence of the parties shows that have both promoted their goods through use of trade marks/signs upon mugs.

“(1) This section applies where –

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

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

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

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

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

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

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

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

ⁱⁱ *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9.

ⁱⁱⁱ *Hart v Relentless Records* [2002] EWHC 1984, *Stannard v Reay* [1967] FSR 140, *Teleworks v Telework Group* [2002] RPC 27 and *Stacey v 2020 Communications* [1991] FSR 49.