

House of Lords

Date: 8 February 1990

Reckitt and Colman Products Limited

(trading as Colmans Of Norwich) (Original Respondents and Cross-Appellants)

v.

Borden Inc. and others (Original Appellants and Cross-Respondents)

Lord Bridge of Harwich

Lord Brandon of Oakbrook

Lord Oliver of Aylmerton

Lord Goff of Chieveley

Lord Jauncey of Tullichettle

JUDGMENT

LORD BRIDGE OF HARWICH

My Lords,

When plastic containers made in the shape, colour and size of natural lemons first appeared on the market in the United Kingdom as squeeze packs containing preserved lemon juice the respondents were astute enough to realise their potential and to buy up the businesses of the two companies who first marketed preserved lemon juice in this way. They thereby acquired a de facto monopoly which, by the periodical threat or institution of passing off actions over the years, they have succeeded in preserving ever since. This is the first such action to come to trial.

The idea of selling preserved lemon juice in a plastic container designed to look as nearly as possible like the real thing is such a simple, obvious and inherently attractive way of marketing the product that it seems to me utterly repugnant to the law's philosophy with respect to commercial monopolies to permit any trader to acquire a de jure monopoly in the container as such. But, as Mr. Robin Jacob Q.C., for the respondents, quite rightly pointed out, the order made by the trial judge in this case does not confer any such de jure monopoly because the injunction restrains the appellants from marketing their product "in any container so nearly resembling the plaintiffs' Jif lemon-shaped container as to be likely to deceive without making it clear to the ultimate purchaser that it is not of the goods of the plaintiff." [Emphasis added.] How then are the appellants, if they wish to sell their product in plastic containers of the shape, colour and size of natural lemons, to ensure that the buyer is not deceived? The answer, one would suppose, is by attaching a suitably distinctive label to the container. Yet here is the paradox: the trial judge found that a buyer reading the labels proposed to be attached to the appellants' Mark I, II or III containers would know at once that they did not contain Jif lemon juice and would not be deceived; but he also enjoined the appellants from selling their product in those containers because he found, to put it shortly, that housewives buying plastic lemons in supermarkets do not read the labels but assume

that whatever they buy must be Jif. The result seems to be to give the respondents a de facto monopoly of the container as such which is just as effective as de jure monopoly. A trader selling plastic lemon juice would never be permitted to register a lemon as his trade mark, but the respondents have achieved the result indirectly that a container designed to look like a real lemon is to be treated, per se, as distinctive of their goods.

If I could find a way of avoiding this result, I would. But the difficulty is that the trial judge's findings of fact, however surprising they may seem, are not open to challenge. Given those findings, I am constrained by the reasoning in the speeches of my noble and learned friends, Lord Oliver of Aylmerton and Lord Jauncey of Tullichettle to accept that the judge's conclusion cannot be faulted in law.

With undisguised reluctance I agree with my noble and learned friends that the appeal should be dismissed.

LORD BRANDON OF OAKBROOK

My Lords,

I have had the advantage of reading in draft the speeches prepared by my noble and learned friends, Lord Oliver of Aylmerton and Lord Jauncey of Tullichettle. I agree with both speeches and for the reasons given in them I would dismiss the appeal.

LORD OLIVER OF AYL MERTON

My Lords,

The respondents to this appeal and their predecessors in business have for many years carried on business as manufacturers and suppliers of domestic and culinary products of various kinds, including preserved lemon juice. Shortly after the end of the Second World War such juice began to be sold in Italy in convenient plastic squeeze packs coloured and shaped like lemons and in 1933 a company called Edward Hack Ltd. began to market juice in similar packs in the United Kingdom. Shortly thereafter another company, Coldcrops Ltd., entered the market with lemon juice sold in similar containers. Litigation ensued, Edward Hack Ltd. claiming that Coldcrops Ltd. were passing off lemon juice as and for their produce. That action never came to trial because both businesses were acquired by the respondent who thereafter marketed juice in plastic lemon containers of the Hack design under the brand name "Jif." Since 1936, the respondents, using the brand name Jif, have commanded the market in lemon juice sold in this way, though other traders have sold and do sell such juice in bottles (as do the respondents themselves) and in yellow squeeze packs of various shapes and sizes. From time to time, traders have attempted to penetrate the United Kingdom market with squeeze packs coloured and shaped like lemons but they have not, in general succeeded in establishing themselves in the market with any degree of permanence save in two cases.

Until the 1970s the position of the respondents as substantially the only supplier in the United Kingdom of lemon juice packaged in this way was virtually unchallenged but between 1972 and 1982 a number of traders attempted to break into the market. In most cases, the sales achieved were minimal relatively to the total potential market, but one or two managed to achieve sales which were not insubstantial. In the latter part of 1977, however, the respondents adopted a policy of bringing or threatening to bring proceedings for passing off

against traders seeking to market lemon juice in this way. All claims were disposed of without trial with the result that, with two exceptions, the respondents were, up to the commencement of the present actions, save for relatively brief periods, the only suppliers of lemon juice in facsimile lemon squeeze packs in the United Kingdom. The two exceptions were and are Parrish and Fenn Ltd. and Brandway (Supercook) Ltd. both of whom entered into compromise agreements with the respondents under which they were enabled to continue to supply the market with lemon juice under the brand-names "Lazy Lemon" and "Supercook" in plastic squeeze containers of lemon shape but very much larger in size than the natural fruit size which is the characteristic of the respondents' product. These products have achieved substantial sales which, for the years 1983 and 1986, amounted to some 1.2 m. units per annum constituting roughly 2/3 by volume of the sales of Jif lemon. It was, however, clear from evidence given before Walton J. in the action from which the present appeal arise first, that the purchasing public has come to associate the natural-size lemon squeeze pack with the respondents' lemon juice sold under the brand name Jif and, secondly, that there is, in a substantial body of the purchasing public, a brand loyalty in the sense that these purchasers desire not just lemon juice but Jif lemon juice.

The original basic presentation of the respondents' squeeze pack has remained unaltered. It consists of the plastic container of lemon shape and colour comparable in size with a small natural lemon and having a removable yellow cap at one end covering a nozzle through which the contents is propelled by squeezing. The size of the container is apt to contain 55 ml. of liquid. On one side of the body of the lemon there is embossed the word Jif but this is not picked out in a different colour and it is not, as Walton J. observed, so prominent as readily to catch the eye of the casual shopper. The product is offered for sale with a loose paper label of triangular shape which slips over the nozzle and is held in position by the cap. This label is green in colour, bears the mark "Jif" in yellow lettering and contains such information as the "sell-by" date and other statutory information.

The first and second appellants are connected companies, the second appellant, which is incorporated in Belgium, being the European subsidiary of the first, which is incorporated in the United States. The third appellant, also incorporated in the United States, is the agency through which the second appellant carries on its European marketing operations. The first appellant does not in fact exercise any control over the management of its subsidiary and is not directly concerned with any of the relevant events but was quite properly joined in the proceedings as a result of representations by its solicitors that it was in fact involved in the actions of which the respondents were complaining. It remained in the proceedings without protest but taking no separate part and no substantive relief was granted against it. Its interest in the appeal therefore lies solely in the question of costs, but it may, for present purposes, be treated as one with the second appellant and it will be convenient for narrative purposes to refer to any two or more of the appellants as "the appellants" and to the first and second appellants as "Borden" without differentiating between them. In the United States Borden has for many years carried on business as a manufacturer of food products, including preserved lemon juice, which it markets under the brand-name "ReaLemon." Somewhat surprisingly to English eyes that name is a registered trade mark in the United States. ReaLemon juice is there marketed in plastic squeeze containers of lemon colour but of a shape which more nearly resembles the familiar Mills hand grenade.

Borden sells substantial quantities of juice in Europe, where it is normally marketed in bottles; and it was with bottled lemon juice that Borden first attempted to break into the United Kingdom market in 1973. That launch appears to have been successful. By the end of 1980 ReaLemon, marketed in bottles of 250 ml. in size, accounted for some 23 per cent, of the total United Kingdom sales of lemon juice. Borden's presence in the market appears to have had an adverse effect on the sales of Jif juice in the plastic lemon containers and in 1979 the respondents sought to meet the increasing share of the lemon juice market represented by Borden's sales of bottled juice by launching a new 150 ml. bottle of Jif juice. In 1981 they replaced the 150 ml. bottle with a 250 ml. bottle, the same size as Borden's. There was clearly a contest for domination of the market and it was against this background that the appellants determined to do what they had not so far attempted on any substantial scale in Europe and to begin selling their juice in plastic squeeze containers in the United Kingdom market. The philosophy behind this was that, by reducing the respondents' share of the market represented by sales of the Jif plastic lemons (where, because of the small individual quantity sold in each container, the profit margin was substantially higher), their ability to cut their profit margin on bottle sales and so to compete with ReaLemon in that market would be reduced. It was the way in which they set about doing this that has led to these proceedings.

What the appellants did was to make preparations for the launch on the United Kingdom market of lemon juice to be sold in natural-size lemon-shaped plastic squeeze containers which would compete directly with Jif lemons. The history of the various steps taken to this end is admirably and fully set out in the judgment of Slade L.J. in the Court of Appeal where, having regard to the issue of fraud which was there raised, a meticulous investigation of the background facts was necessary. Walton J. had found that the appellants had acted fraudulently, but that finding was reversed in the Court of Appeal and the respondents' cross appeal against that decision has not been proceeded with. It is unnecessary therefore for the purposes of this appeal to repeat any of the detailed background history. It is sufficient for present purposes to say that between the summer of 1985 and the summer of 1986 the appellants produced three different versions of plastic lemon containers (referred to respectively as "Mark I," "Mark II" and "Mark III") which they proposed to launch on the market. They did not, however, undertake any prior advertising campaign with a view to familiarizing the public with their product in its new get-up. The Mark I container was slightly larger but broadly similar to the Jif lemon, save that it had a green cap in place of the yellow Jif cap and a small flat area on one side which enabled it to stand at an angle on a surface. It contained 73 ml. of juice and was adorned with a yellow leaf-shaped neck-label which was slipped over the nozzle and on which the word "ReaLemon" appeared in prominent green print. The Mark II was of the same size and similar design but was fitted with a red cap and adorned with a round neck-label consisting of a red tag which slipped over the nozzle and the rounded portion bearing the brand name ReaLemon in red against a yellow background fashioned to represent a lemon slice. Above "ReaLemon" there appeared a very small red shield bearing the name Borden in yellow lettering. The Mark III was slightly larger and contained 100 ml., had slightly different stippling, a smaller flat portion and some barely discernible ribs. It too had a red cap and a red and yellow label identical to the Mark II except for the designation of the contents.

In the summer of 1983 it came to the respondents' notice that the appellants were offering their juice in the Mark I get-up to certain supermarkets, and on 13 August 1985 they wrote protesting that the public sale by the appellants of juice in this form would constitute an actionable passing off and threatening proceedings. A reply having been received indicating

a firm intention by the appellants to proceed with sales of the Mark I version, the respondents commenced proceedings and moved for an interim injunction. On 16 December 1985 the appellants gave an undertaking not to supply the lemon juice in the Mark I container and not to offer juice in any other lemon-resembling container without giving 28 days' prior notice of submitting samples.

Thereafter the appellants, having devised the Mark II and Mark III versions, gave the required 28 days' notice and submitted samples. That resulted in the commencement of a second action on 21 May 1986. An application for interim relief failed at first instance, but succeeded in the Court of Appeal, with the result that, at the date of the trial of both actions before Walton J. in May and June 1987, there had been no public sale of any of the three versions. The action was, therefore, entirely *quia timet*. After a trial lasting some 22 days, during the course of which he received a substantial body of direct evidence from consumers as well as evidence of the results of surveys conducted both by the respondents and the appellants, Walton J. held that the employment by the appellants of any of the three versions of their proposed get-up would constitute passing off, and he accordingly granted permanent injunctions in both actions restraining the appellants from selling lemon juice either in packaging corresponding to the Mark I, Mark II or Mark III versions, or in any container so nearly resembling the respondents' Jif lemon-shaped container as to be likely to deceive without making it clear to the ultimate purchaser that it is not of the respondents' manufacture. Walton J. also found as a fact, although this was strictly irrelevant to the result, that the appellants, in seeking to market a juice in the get-up proposed, were fraudulently intending to pass off their goods as the respondents' goods. The appellants appealed to the Court of Appeal which, on 21 April 1988, although reversing the trial judge's findings of fraud, nevertheless affirmed his decision that what was proposed by the appellants would constitute an actionable passing off. It is against that decision that the appellants now appeal with the leave of this House.

Although your Lordships were referred in the course of the argument to a large number of reported cases, this is not a branch of the law in which reference to other cases is of any real assistance except analogically. It has been observed more than once that the questions which arise are, in general, questions of fact. Neither the appellants nor the respondents contend that the principles of law are in any doubt. 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 a 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. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely upon a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. 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.

Thus the three issues in the instant case - leaving aside the issue of fraud which is now no longer material - were and are as follows:

(i) Have the respondents proved that the get-up under which their lemon juice has been sold since 1956 has become associated in the minds of substantial numbers of the purchasing public specifically and exclusively with the respondents' (or "Jif") lemon juice?

(ii) If the answer to that question is in the affirmative, does the get-up under which the appellants proposed to market their lemon juice in all or any of the Mark I, Mark II or Mark III versions amount to a representation by the appellants that the juice which they sell is "Jif" lemon juice?

(iii) If the answer to that question is in the affirmative, is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' lemon juice in the belief that it is the respondents' Jif juice?

Your Lordships have been able, as was Walton J. and as were the judges of the Court of Appeal, to see the appellants' and the respondents' products and, indeed, a number of other not wholly dissimilar products, including the "Lazy Lemon" and the "Supercook," side by side so as to make a direct comparison. I confess that it came as something of a surprise to me, as indeed I believe it did to others of your Lordships, that a housewife presented with a display of these products in close juxtaposition would be likely to pick up at least the Mark II or Mark III versions of the appellants' product in the belief that what she was buying was the respondents' Jif lemon juice. But it has to be borne in mind that, as the evidence at the trial established, the primary retail outlets for these products are supermarkets. They are not displayed in the supermarket in the way in which they have been shown to your Lordships. In the ordinary way, supermarkets do not carry a selection of different brands of preserved lemon juice, but would be likely to stock only one brand plus possibly one other sold under their own brand name or get-up. So that the goods are not ordinarily offered for sale in the artificial conditions in which they have been displayed in the court room or in the Committee Room of your Lordships' House, and the purchasing member of the public is reliant upon his own perception or recollection, unassisted by the opportunity of side-by-side comparison.

It is this, I think, which accounts for what at first may seem surprising findings of fact by Walton J., and it is, I think, material to say a few words about these findings which, it must be stressed, have not been attacked by the appellants and in respect of which it cannot be suggested that the judge did not have sufficient material to make them. Because of the quia timet nature of the proceedings there was, in the nature of things, little opportunity for either side to observe the reaction of the public to the appellants' products in normal market conditions and the evidence before the court was, inevitably, in the main the result of surveys carried out under somewhat artificial conditions. Judges accustomed to trying cases of this nature are rightly somewhat suspicious of evidence obtained in this way, for so much can depend upon the conditions in which surveys are conducted, the format of the questions posed and the manner in which they are asked. It is clear, however, that Walton J., who was a very experienced judge in this field, had well in mind the limitations and possible defects of

such evidence, and he had before him not just the results of surveys conducted by market researchers on both sides but the vive voce evidence of a substantial number of the members of the public interviewed which he was able to observe tested in cross-examination. In particular, he had the evidence of the reaction of shoppers to the appellants' products when they were displayed experimentally in a co-operating supermarket. His findings, therefore, although they may appear at first sight a little surprising in the light of a close comparison and inspection of the products with their labels, are quite unassailable.

The principal findings are conveniently collected and quoted verbatim from the judgment of the judge (as reported in [1987] F.S.R. 303). In the following passage from the judgment of Slade L.J. in the Court of Appeal [1988] F.S.R. 601, 613:

"Having heard the evidence, the learned judge made these important findings of fact:

"(1) (at pp. 308-309): 'There would be no difficulty whatsoever in a careful shopper coming to the conclusion that neither the Mark I, II or III was a Jif lemon - it would merely be a question of her . . . reading the label'.

"(2) Nevertheless, (at p. 311): 'the evidence establishes beyond the slightest peradventure that the effect of the introduction of any of the defendants' lemons on to the market would be bound to result in many housewives purchasing them in the belief that they were obtaining the well known and liked Jif brand'.

"(3) (at p. 312): 'Jif is and has now for a long time been the only lemon-sized squeezy pack of lemon juice on the market. Since the plaintiff took over the concept from its original inventor in or about 1957 although from time to time there have been rival similar lemons on the market, all these have dropped away: Jif in this sense reigns supreme.'

"(4) (at p. 312): 'Jif as a brand name, that is to say, a specific make of lemon juice produced by one particular proprietor is well known among shoppers generally.'

"(3) (at p. 312): 'Shoppers generally are well aware of the existence of various other brands of lemon juice.'

"(6) (at p. 312): 'The crucial point of reference for a shopper who wishes to purchase a Jif squeezy lemon is the lemon shape itself. Virtually no, if any, attention is paid to the label which that lemon bears. This is easily understood, for the shopper has no need to read the label, or pay any attention to it, in order to obtain the goods that she requires. . Moreover, the evidence is that most people, when they get the lemon home, take off the label, which performs no useful function and is easily detachable, so that it is not consciously thereafter any part of the purchased product.'

"(7) (at pp. 512-513): 'Lemons are purchased by consumers who use only a small quantity of lemon juice: anybody with a requirement for a larger quantity buys a bottle, which is better value. The result is that purchases, though made steadily, are made at some little interval, during the whole of this interval, the product which has been used consists of an unadorned squeeze pack lemon. This fact of course reinforces the position that when the consumer goes forth to purchase another such lemon, the starting point of the reference is the unadorned lemon, and not the lemon plus label.'

"(8) (at p. 513): 'Now, paying proper attention to all these matters, and placing myself in the position of the shopper in relation to whom all these matters apply as part of his or her shopping knowledge and habits, I really have no hesitation in coming to the conclusion that there is bound to be confusion in the shopper's mind in relation to all three marks of the defendants' lemons. None of them is really sufficiently distinctive, nor are the labels such as to impinge sufficiently forcefully upon the shopper's attention, as to call immediately to mind that the item is not a Jif lemon: it would be supposed by a very large number of shoppers - probably, on any attempted arithmetical calculation running into millions - that each of the defendants' lemons was no more than an immaterial variant of the Jif lemon.'"

Additionally, the judge found [1987] F.S.R. 303, 309 - as your Lordships were able to see from personal observation - that

"the embossing of the word Jif on the true Jif lemons, is far from being easily legible, and certainly would not be seen by a glance at the shelf on which they were displayed, as any true surface graphics can be seen."

He added:

"we are dealing here with something extra, something added on, which may - or may not - present itself to the housewife as something which catches her eye. Even if it does - and there cannot in fact even be any guarantee that a label of the type here in question will stay on the produce - it is not something, at any rate in the case of a Jif lemon, to which she has in the past been accustomed to refer when purchasing. Accordingly, unless the labels were to be something utterly novel the housewife would not pay any attention thereto."

As regards shopping habits, he observed [1987] F.S.R. 303, 312:

"But the question is not whether the judge himself would be deceived by the defendants' get-up; the question is whether, in the light of all the admissible evidence, the judge is persuaded that an ordinary average shopper, shopping in the places in which the article is available for purchase, and under the usual conditions under which a purchase is likely to be made, is likely to be deceived . . . one is typically dealing with a shopper in a supermarket, in something of a hurry, accustomed to selecting between the various brands where there is such a choice, but increasingly having to choose in relation to a wide range of items between the supermarket's 'own brand' and one other brand, and no more."

Finally, as regards the appellants' use of the word "ReaLemon" as an identification of the product, he said, at p. 313:

"the defendants have chosen to continue to use the word 'ReaLemon,' I presume as a kind of quasi trade mark. The word certainly cannot possibly become distinctive of their lemon juice save (if at all) under exceptional conditions. However this may be, the defendants' own research has conclusively established that the 'brand awareness' of 'ReaLemon' among shoppers is something of the order of 1 per cent of shoppers. In other words, to the vast majority of shoppers, 'ReaLemon' spelled out in this way means nothing more or less than 'real lemon' and is perceived as such and not as a brand."

Upon these findings, it is difficult, at least at first impression, to fault the conclusion at which both the judge and the Court of Appeal arrived, that the proposed use by the appellants of any of their Mark I, Mark II or Mark HI versions would constitute an actionable passing off

in respect of which injunctive relief could properly be granted. The appellants contend, however, that that conclusion was reached by means of a number of material misdirections, through which the undoubted principles of law were wrongly applied to the facts found.

Their primary attack starts from the judge's initial finding that, at least so far as the Mark II and Mark III versions are concerned, there would be no difficulty whatever in a careful shopper who read the appellants' labels coming to the conclusion that that which the appellants were offering in their lemon-shaped containers was not the respondents' Jif juice. It is pointed out that what the respondents pleaded in their statement of claim was the association of Jif juice with their particular get-up consisting of the lemon-coloured, lemon-sized, lemon-shape container and the neck-label. Taken as a whole, a side-by-side visual comparison would clearly dispel any possibility of confusion between the two products, although a purchaser would undoubtedly notice a correspondence in the idea of marketing lemon juice in a lemon-coloured, lemon-size, lemon-shaped container. Thus, it is argued, the respondents' claim rests upon the fact found by the judge that, in the marketing conditions in which these products are sold, the neck-label claimed as part of the respondents' particular get-up is of no significance, and that the crucial point of reference for the shopper requiring Jif juice is the natural lemon-shape and size which had for many years, with only immaterial exceptions, been utilised solely by the respondents in the context of this particular trade. From this, it is argued, a number of legal consequences flow which the courts below failed to appreciate and which, had they done so, would have led them to a different conclusion.

The first is that what the respondents are seeking to protect is not a trade goodwill associated with the get-up of the product which they sell but the very product itself. There is not and cannot be any proprietary right in an idea nor can a trader claim a monopoly in the manufacture or sale of a non-patented article or, in the absence of a registered design, in the configurations of shape in which an article is manufactured. What the respondents are seeking to do, it is said, is to separate the article sold from the label under which it is sold, treat the article itself as its own trademark and, by protecting a claim to monopoly in the mark, to establishing in the manufacture and sale of the article itself a monopoly which the law does not permit.

The argument, so attractively put by Lord Alexander of Weedon, starts from a principle which is common to both parties and which is neatly expressed in the following short passage from the judgment of Lord Cranworth in *Farina v. Silverlock* (1856) 6 De DM. & G. 214, 218:

"... I apprehend that the law is perfectly clear, that anyone, who has adopted a particular mode of designating his particular manufacture, has a right to say, not that other persons shall not sell exactly the same article, better or worse, or an article looking exactly like it, but that they shall not sell it in such a way as to steal (so to call it) his trade mark, and make purchasers believe that it is the manufacture to which that trade mark was originally applied."

So, it is said, the distinction between the manufactured article itself, which anyone is free to copy in the absence of patent protection, and the special trade insignia used to designate its trade origin, which the courts will protect, is clearly brought out in the speech of Lord Macnaghten in *Weingarten Bros. v. Charles Bayer & Co* (1903) 22 R.P.C. 341, 349. The article itself cannot, it is submitted, constitute the special insignia of its own origin. All that

the law will protect are such capricious additions or features as may be attached to the article for the purpose of indicating origin - for instance, the embossed word "Jif" on the respondents' containers in the instant case, which serves no functional purpose.

Whether in fact the particular shape or configuration of the very object sold by a trader is incapable as a matter of law of protection in a case where it has become associated exclusively with his business is a proposition which is at least open to doubt. The decision of Buckley J. in *R.J. Elliott & Co. Ltd. v. Hodgson* (1902) 19 R.P.C. 318 suggests the contrary, although it has been doubted: see *Cadbury Ltd. v. Ulmer G.m.b.h.* [1988] F.S.R. 383. It is clear at least from the decision of this House in *William Edge & Sons Ltd. v. William Niccolls & Sons Ltd.* [1911] A.C. 693 that where the article sold is conjoined with an object which, whilst serving the functional purpose of enabling the article to be more effectively employed, is of a shape or configuration which has become specifically identified with a particular manufacturer, the latter may be entitled to protection against the deceptive use in conjunction with similar articles of objects fashioned in the same or a closely similar shape.

I find it, however, unnecessary to pursue the question further for there is, to my mind, a fallacy in the argument which begins by identifying the contents with the container and is summarised in the central proposition that "you cannot claim a monopoly in selling plastic lemons." Well, of course you cannot any more than you can claim a monopoly in the sale of dimpled bottles. The deception alleged lies not in the sale of the plastic lemons or the dimpled bottles, but in the sale of lemon juice or whisky, as the case may be, in containers so fashioned as to suggest that the juice or the whisky emanates from the source with which the containers of those particular configurations have become associated in the public mind: see *John Haig & Co. Ltd. v. Fourth Blending Co. Ltd.* (1933) 70 R.P.C. 239. It is, no doubt, true that the plastic lemon-shaped container serves, as indeed does a bottle of any design, a functional purpose in the sale of lemon juice. Apart from being a container simpliciter, it is a convenient size; it is capable of convenient use by squeezing; and it is so designed as conveniently to suggest the nature of its contents without the necessity for further labelling or other identification. But those purposes are capable of being and indeed are served by a variety of distinctive containers of configurations other than those of a lemon-sized lemon. Neither the appellants nor the respondents are in the business of selling plastic lemons. Both are makers and vendors of lemon juice and the only question is whether the respondents, having acquired a public reputation for Jif juice by selling it for many years in containers of a particular shape and design which, on the evidence, has become associated with their produce, can legitimately complain of the sale by the appellants of similar produce in containers of similar, though not identical, size, shape and colouring.

So I, for my part, would reject the suggestion that the plastic lemon container is an object in itself rather than part of the get-up under which the respondents' produce is sold. But it is argued that that is not the end of the matter, for the get-up which is protected is not just a plastic lemon-shaped container, but the container plus the respondents' labelling, and it is not open to the respondents to argue that, though the labels themselves could not, fairly regarded, possibly be confused, a part, albeit perhaps a dominant part, of the get-up can, as it were, be separated and made the subject matter of protection in its own right. I confess that I do not see why not, given that the respondents establish a right to the protection of their get-up as a whole. The question is whether what the appellants are doing constitutes a misrepresentation that their juice is Jif juice, and whether that results from the similarity of their get-up to the whole of the respondents' get-up or to only the most striking part of it is

wholly immaterial if - and of course this is critical - it is once established as a matter of fact that what they are doing constitutes a misrepresentation which effectively deceives the public into an erroneous belief regarding the source of the product.

Then it is said - and again there is no disagreement as to this - that the mere fact that the produce of the appellants and that of the respondents may be confused by members of the public is not of itself sufficient. There is no "property" in the accepted sense of the word in a get-up. Confusion resulting from the lawful right of another trader to employ as indicative of the nature of his goods terms which are common to the trade gives rise to no cause of action. The application by a trader to his goods of an accepted trade description or of ordinary English terms may give rise to confusion. It probably will do so where previously another trader was the only person in the market dealing in those goods, for a public which knows only of A will be prone to assume that any similar goods emanate from A. But there can be no cause of action in passing off simply because there will have been no misrepresentation. So the application to the defendants' goods of ordinary English terms such as "cellular clothing" (*Cellular Clothing Co. v. Maxton and Murray* (1899) 16 R.P.C. 397) or, "Office Cleaning" (*Office Cleaning Services Ltd. v. Westminster Window and General Cleaners Ltd.* (1946) 63 R.P.C. 39) or the use of descriptive expressions or slogans in general use such as "Chicago Pizza" (*My Kinda Town Ltd. v. Soll* [1983] R.P.C. 407) cannot entitle a plaintiff to relief simply because he has used the same or similar terms as descriptive of his own goods and has been the only person previously to employ that description.

All this is accepted by the respondents. The appellants, however, starting from this undoubted base, argue that what the respondents are asking the court to protect is no more than the use by them of a descriptive term, embodied in a plastic lemon instead of expressed verbally, which is common to the trade. They pray in aid a whole host of previously decided cases by way of analogy. *J.B. Williams Co. v. H. Bronnley & Co. Ltd.* (1909) 26 R.P.C 763, for instance, was a case where the plaintiffs had adopted a type of container for shaving soap which closely resembled in shape, size and colouring other containers whose salient features were widely used and already familiar in the trade. Not surprisingly, they failed in their claim for passing off. But these cases establish no fresh principle of law, and are really of very little assistance.

Every case depends upon its own peculiar fact. For instance, even a purely descriptive term consisting of perfectly ordinary English words may, by a course of dealing over many years, become so associated with a particular trader that it acquires a secondary meaning such that it may properly be said to be descriptive of that trader's goods and of his goods alone, as in *Reddaway v. Banham* [1896] A.C. 199. In the instant case, what is said is that there was nothing particularly original in marketing lemon juice in plastic containers made to resemble lemons. The respondents were not the first to think of it even though they have managed over the past 30 years to establish a virtual monopoly in the United Kingdom. It is, in fact, a selling device widely employed outside the United Kingdom. It is a natural, convenient and familiar technique - familiar at least to those acquainted with retail marketing methods in Europe and the United States. If and so far as this particular selling device has become associated in the mind of the purchasing public with the respondents' Jif lemon juice, that is simply because the respondents have been the only people in the market selling lemon juice in this particular format. Because there has been in fact a monopoly of this sale of this particular article, the public is led to make erroneous assumption that a similar article brought to the market for the first time must emanate from the same source. This has been

referred to in the argument as "the monopoly assumption." The likelihood of confusion was admitted by the appellants themselves in the course of their evidence, but it is argued that the erroneous public belief which causes the product to be confused arises simply from the existing monopoly and not from any deception by the appellants in making use of what they claim to be a normal, ordinary and generally available selling technique.

The difficulty about this argument is that it starts by assuming the only basis upon which it can succeed, that is to say, that the selling device which the appellants wish to adopt is ordinary and generally available or, as it is expressed in some of the cases, "common to the trade:" see e. g. *Payton & Co. Ltd. v. Snelling, Lampard & Co. Ltd.* (1900) 17 R.P.C. 48. In one sense, the monopoly assumption is the basis of every passing off action.

The deceit practised on the public when one trader adopts a get-up associated with another succeeds only because the latter has previously been the only trader using that particular get-up. But the so called "monopoly assumption" demonstrates nothing in itself. As a defence to passing off claim it can succeed only if that which is claimed by the plaintiff as distinctive of his goods and his goods alone consists of something either so ordinary or in such common use that it would be unreasonable that he should claim it as applicable solely to his goods, as for instance where it consists simply of a description of the goods sold. Here the mere fact that he has previously been the only trader dealing in goods of that type and so described may lead members of the public to believe that all such goods must emanate from him simply because they know of no other. To succeed in such a case he must demonstrate more than simply the sole use of the descriptive term. He must demonstrate that it has become so closely associated with his goods as to acquire the secondary meaning not simply of goods of that description but specifically of goods of which and he alone is the source. The principles are aptly expressed in the speech of Lord Herschell in *Reddaway v. Banham* [1896] A.C. 199, 210:

"The name of a person, or words forming part of the common stock of language, may become so far associated with the goods of a particular maker that it is capable of proof that the use of them by themselves without explanation or qualification by another manufacturer would deceive a purchaser into the belief that he was getting goods of A. when he was really getting the goods of B. In a case of this description the mere proof by the plaintiff that the defendant was using a name, word, or device which he had adopted to distinguish his goods would not entitle him to any relief. He could only obtain it by proving further that the defendant was using it under such circumstances or in such manner as to put off his goods as the goods of the plaintiff. If he could succeed in proving this I think he would, on well-established principles, be entitled to an injunction."

Again Lord Herschell observed, at p. 214-215:

"What right, it was asked, can an individual have to restrain another from using a common English word because he has chosen to employ it as his trade mark? I answer he has no such right; but he has a right to insist that it shall not be used without explanation or qualification if such a use would be an instrument of fraud."

In the instant case the submission that the device of selling lemon juice in a natural-size lemon-shaped squeeze pack is something that is "common to the trade" and therefore incapable of protection at the suit of a particular trader begs the essential question. If "common to the trade" means "in general use in the trade" then, so far at least as the United

Kingdom is concerned, the evidence at the trial clearly established that the lemon-sized squeeze pack was not in general use. If, on the other hand, it means, as the appellants submit, "available for use by the trade" then it is so available only if it has not become so closely associated with the respondents goods as to render its use by the appellants deceptive; and that is the very question in issue. The trial judge here has found as a fact that the natural size squeeze pack in the form of a lemon has become so associated with Jif lemon juice that the introduction of the appellants' juice in any of the proposed get-ups will be bound to result in many housewives purchasing that juice in the belief that they are obtaining Jif juice. I cannot interpret that as anything other than a finding that the plastic lemon-shaped container has acquired, as it were, a secondary significance. It indicates not merely lemon juice but specifically Jif lemon juice.

There is, when one analyses it, nothing particularly surprising about the conclusion that the sale of a particular product in a container designed to resemble a natural fruit or indeed any other natural object may come to be associated with the trader as distinctive exclusively of his goods. If, for instance, a manufacturer of, say, washing-up liquid sold as "Lemon Brand" were to adopt as his squeeze pack a container so shaped as to resemble a lemon, the association of that lemon-shaped container exclusively with that particular brand of liquid would appear entirely natural, for what would be striking about it would be not simply the lemon shape but the absence of any readily intelligible reason for its assumption other than as indicating a particular manufacture. I suspect that the only reason why it is suggested that a similar association in this case ought to occasion surprise is that the container is indicative of the nature of the contents. There is, however, no reason why it should not also come to be treated as indicative also of the source of the contents.

In the end, the question comes down not to whether the respondents are entitled to a monopoly in the sale of lemon-juice in natural size lemon-shaped containers but whether the appellants, in deliberately adopting, out of all the many possible shapes of container, a container having the most immediately striking feature of the respondents' get-up, have taken sufficient steps to distinguish their product from that of the respondents. As Romer L.J. observed in *Payton & Co. Ltd. v. Snelling, Lampard & Co. Ltd.*, (1900) 17 R.P.C. 48, 36:

"when one person has used certain leading features, though common to the trade, if another person is going to put goods on the market, having the same leading features, he should take extra care by the distinguishing features he is going to put on his goods, to see that the goods can be really distinguished ..."

I stress the words "to see that the goods can be really distinguished," for much has been made of the fact found by the judge and, indeed, readily observable by your Lordships that a careful shopper who read the labels attached respectively to the appellants and the respondents products would have no difficulty whatever in distinguishing them. Lord Alexander has submitted forcefully that the labels employed in connection with the Mark II and Mark III versions are so essentially different that, fairly regarded, they are sufficient to avoid any possibility of confusion; and your Lordships' attention has been directed to a passage from the speech of Lord Halsbury L.C. in *Schweppes Ltd. v. Gibbens* (1903) 22 R.P.C. 601, a case involving virtually identical bottles of soda water bearing labels which, seen from a distance, bore a strong resemblance to one another. Lord Halsbury L.C. said, at p. 606-607:

"The question which we have to determine is whether in selling the bottle a person is likely to be deceived by the resemblance of the one thing to the other; and if a person is so careless that he does not look, and does not, as I think Lord Macnaghton described it in another case, 'treat the label fairly,' but takes the bottle without sufficient consideration and without reading what is written very plainly indeed upon the face of the label on which the trader has placed his own name, then you certainly cannot say he is deceived - in fact he does not care which it is. That would be the true inference which I think a person would draw from conduct so described. The whole question in these cases is whether the thing - taken in its entirety, looking at the whole thing - is such that in the ordinary course of things a person with reasonable apprehension and with proper eyesight would be deceived. Looking at it in this way, it seems to me it is only necessary here to put the two things side by side to say that, if you do look and if you do treat the two labels fairly, no human being could be deceived."

But, of course, statements such as this are made in the context of the particular facts under consideration. They cannot be treated as establishing a principle of law that there must always be assumed a literate and careful customer. The essence of the action for passing off is a deceit practiced upon the public and it can be no answer, in a case where it is demonstrable that the public has been or will be deceived, that they would not have been if they had been more careful, more literate or more perspicacious. Customers have to be taken as they are found. As Lord Blackburn observed in *R. Johnston & Co. v. Archibald Orr Ewing & Co.* (1882) 7 App.Cas. 219, 229:

"If the plaintiffs had proved that purchasers had actually been deceived by the use of the mark B and that the defendants after being told of this had persisted in using this mark B, the plaintiffs would surely have been entitled to an injunction to prevent the continued use of B; and it could be no answer that the purchasers, so deceived, were incautious; the loss to the plaintiffs of the custom of an incautious purchaser is as great a damage as the loss of that of a cautious one."

That was a case in which, when the plaintiffs' and the defendants' marks were placed side by side, the differences were clearly apparent. Nevertheless both were traders exporting produce to Eastern markets, where customers were likely to be illiterate and Lord Blackburn quoted with approval the speech of Lord Kingsdown in *Leather Cloth Co. Ltd. v. American Leather Cloth Co. Ltd.* (1863) 11 H.L.C. 523, 339, in the course of which he posed the question of "how far the defendants' trade mark bears such a resemblance to that of the plaintiffs, as to be calculated to deceive incautious purchasers." That, he said, was the question to be asked in that case. It is also the question to be asked in this case. It has, however, to be asked in every case against the background of the type of market in which the goods are sold, the manner in which they are sold, and the habits and characteristics of purchasers in that market. The law of passing off does not rest solely upon the deceit of those whom it is difficult to deceive.

In the instant case, side-by-side visual comparison does not in fact take place. Moreover the trial judge was satisfied of the fact that a substantial part of the purchasing public requires specifically Jif lemon juice, associates it with the lemon-shape, lemon-size container which is the dominant characteristic of the get-up and pays little or no attention to the label. It is no answer to say that the diversion of trade which he was satisfied would take place would be of relative short duration, since the public would ultimately become educated to the fact that there were two brands of lemon juice marketed in such containers and would then be likely

to pay more attention to the labels to be sure that they got the brand which they required. His finding was that the diversion would be likely to run into millions of units. It inevitably follows from these finding that the appellants have not in fact sufficiently and effectively distinguished their goods from those of the respondents and it is not for the respondents or for the court to suggest what more they should do, although some suggestions were made by Slade L.J. in the course of his judgment in the Court of Appeal. In the light of the trial judge's finding, I see no escape from the proposition that the respondents were entitled to injunction which they obtained in the form in which it was granted.

It is pointed out that recent decisions of this House in, for instance, *British Leyland Motor Corporation Ltd. v. Armstrong Patents Co. Ltd.* [1986] A.C. 377 and *In re Coca Cola Co.* [1986] 1 W.L.R. 693 have stressed the suspicion with which this House regards any attempt to extend or perpetuate a monopoly and it is suggested again that, because it is not easy in the circumstances of this market effectively to distinguish the appellants' products for the respondents' except at considerable expense, the respondents are achieving, in effect, a perpetual monopoly in the sale of lemon juice in lemon-shaped squeeze packs. I do not accept at all that this is so, but in any event the principle that no man is entitled to steal another's trade by deceit is one of at least equal importance. The facts as found here establish that, unless the injunction is continued, that is what the appellants will be doing and it is not necessary for them to do so in order to establish their own competing business for there is nothing in the nature of the product sold which inherently requires it to be sold in the particular format which the appellants have chosen to adopt. I would dismiss the appeal.

LORD GOFF OF CHIEVELEY

My Lords,

I have had the advantage of reading in draft the speeches of my noble and learned friends, Lord Oliver of Aylmerton and Lord Jauncey of Tullichettle. I agree with both speeches and I, too, would dismiss the appeal.

LORD JAUNCEY OF TULLICHETTLE

My Lords,

This is an appeal in a passing off action relating to plastic lemons containing lemon juice. The relevant facts are fully set out in the speech of my noble and learned friend, Lord Oliver of Aylmerton, and I gratefully adopt his account thereof which absolves me from the necessity of condescending upon the background to this appeal. I propose to start by examining the nature of a passing off action.

General law applicable to passing off action

The basic underlying principle of such an action was stated in 1842 by Lord Langdale M.R. in *Perry v. Truefitt* (1842) 6 Beav. 66, 73 to be:

"A man is not to sell his own goods under the pretence that they are the goods of another man. . ."

Accordingly, a misrepresentation achieving such a result is actionable because it constitutes an invasion of proprietary rights vested in the plaintiff. However, it is a prerequisite of any successful passing off action that the plaintiff's goods have acquired a reputation in the

market and are known by some distinguishing feature. It is also a prerequisite that the misrepresentation has deceived or is likely to deceive and that the plaintiff is likely to suffer damage by such deception. Mere confusion which does not lead to a sale is not sufficient. Thus, if a customer asks for a tin of black shoe polish without specifying any brand and is offered the product of A which he mistakenly believes to be that of B, he may be confused as to what he has got but he has not been deceived into getting it. Misrepresentation has played no part in his purchase.

There was for some time doubt as to the precise rights which were entitled to be protected by a passing off action but this was finally resolved in *A. G. Spalding & Bros, v. A. W. Carnegie Ltd.* (1913) 32 R.P.C. 273, 284 where Lord Parker of Waddington, identified the right as: "property in the business or goodwill likely to be injured by the misrepresentation." More recently in *Star Industrial Co. Ltd. v. Yap Kwee Kor* [1976] F.S.R. 236, Lord Diplock, delivering the judgment of the Board, said, at p. 269:

"A passing off action is a remedy for the invasion of a right of property not in the mark, name or get-up improperly used, but in the business or goodwill likely to be injured by the misrepresentation made by passing off one person's goods as the goods of another. Goodwill, as the subject of proprietary rights, is incapable of subsisting by itself. It has no independent existence apart from the business to which it is attached."

However, it is not essential to the success of a passing off action that the defendant should misrepresent his goods as those of the plaintiff. It is sufficient that he misrepresents his goods in such a way that it is a reasonably foreseeable consequence of the misrepresentation that the plaintiff's business or goodwill will be damaged. Thus a misrepresentation by B that his inferior goods are of a superior quality, which is that of A's goods, whereby people buy B's goods instead of A's, is actionable. In *Erven Warnink B.V. v. J. V. Townend & Sons (Hull) Ltd.* [1980] R.P.C. 31, Lord Diplock, after pointing out that misrepresentation of one's goods as the goods of someone else was a species of wrong included in a wider genus rather than a separate genus, set out five essential characteristics of a passing off action in the following manner, at p. 93:

"My Lords, *A.G. Spalding & Bros, v. A.W. Gamage Ltd.* and the later cases make it possible to identify five characteristics which must be present in order to create a valid cause of action for passing off: (1) a misrepresentation, (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence) and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a *quia timet* action) will probably do so."

These five characteristics cover both the case where A misrepresents his goods as being those of B and that where he misrepresents the quality of his own goods thereby purporting to render them competitive with those of B.

The fact that the proprietary right which is protected by the action is in the goodwill rather than in the get-up distinguishes the protection afforded by the common law to a trader from that afforded by statute to the registered holder of a trade mark who enjoys a permanent monopoly therein. Goodwill was defined by Lord Macnaughten in *Inland Revenue Commissioners v. Muller & Co.'s Margarine Ltd.* [1901] A.C. 217, 223, as "the benefit and

advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom." Get-up is the badge of the plaintiff's goodwill, that which associates the goods with the plaintiff in the mind of the public. Any monopoly which a plaintiff may enjoy in get-up will only extend to those parts which are capricious and will not embrace ordinary matters which are in common use.

However, although the common law will protect goodwill against misrepresentation by recognising a monopoly in a particular get-up, it will not recognise a monopoly in the article itself. Thus A can compete with B by copying his goods provided that he does not do so in such a way as to suggest that his goods are those of B. Lawful competition will not be restricted by the common law.

In a case such as the present where what is in issue is whether the goods of A are likely to be passed off as those of B, a plaintiff, to succeed, must establish (1) that his goods have acquired a particular reputation among the public, (2) that persons wishing to buy his goods are likely to be misled into buying the goods of the defendant and (3) that he is likely to suffer damage thereby.

Judgments in courts below

My Lords, I shall refer to these judgments only briefly. I do so not out of any disrespect to the judges who delivered them but because of the more detailed analysis thereof contained in the speech of my noble and learned friend, Lord Oliver of Aylmerton -an analysis with which I am in complete agreement and to which I cannot usefully add.

After a hearing lasting 22 days, the late Walton J. granted injunctions in the two quia timet actions. After describing the four lemons in some detail, he concluded [1987] F.S.R. 303, 308 that:

"There would be no difficulty whatsoever in a careful shopper coming to the conclusion that neither the Mark I, II or III was a Jif lemon - it would merely be a question of . . . reading the label."

However, a very considerable body of evidence was led, which he considered to be all one way, and which satisfied him that it was established beyond peradventure that the introduction of the defendants' lemons into the market would be bound to result in many housewives purchasing them in the belief that they were obtaining the well known and liked Jif brand. Walton J. considered that the evidence established beyond all question the following factual matters, at pp. 312-313:

(1) "that Jif is and has now for a long time been the only lemon-shaped lemon-sized squeeze pack of lemon juice on the market. Since the plaintiff took over the concept from its original inventor in or about 1937 although from time to time there have been rival similar lemons on the market, all these have dropped away: Jif in this sense reigns supreme.

(2) "that Jif is a brand name, that is to say, a specific make of lemon juice produced by one particular proprietor, is well known among shoppers generally.

(3) "that shoppers generally are well aware of the existence of various other brands of lemon juice.

(4) "that the crucial point of reference for a shopper who wishes to purchase a Jiff squeeze lemon is the lemon shape itself. Virtually no, if any, attention is paid to the label which that lemon bears ... all that most people, when they get the lemon home, take off the label which performs no useful function and is easily detachable, so that it is not consciously thereafter any part of the purchased product.

(3) "that lemons are purchased by consumers who use only a small quantity of lemon juice: anybody with a requirement for a larger quantity buys a bottle, which is better value. The result is that purchases, though made steadily, are made at some little interval. During the whole of this interval, the product which has been used consists of an unadorned squeeze pack lemon. This fact of course reinforces the position that when the consumer goes forth to purchase another such lemon the starting point of the reference is the unadorned lemon, and not the lemon plus label."

In the light of these matters Walton J. concluded, at p. 313:

"placing myself in the position of a shopper in relation to whom all these matters apply as part of his or her shopping knowledge and habits, I have really no hesitation in coming to the conclusion that there is bound to be confusion in the shopper's mind in relation to all three marks of the defendants' lemons."

He further considered that to the vast majority of shoppers the word "ReaLemon" on the appellants' labels meant nothing more or less than "real lemon" and was perceived as such and not as a brand.

The Court of Appeal dismissed the appellants' appeal. Slade L.J. considered that the following four essential issues had emerged during the course of the argument [1988] F.S.R. 601, 613:

"(1) Have Colmans established that the particular get-up of Jif lemons has become associated in the minds of the public exclusively with their business? . . .

"(2) Did Suzy and Paterson fraudulently intend by the get-up of the Mark I, Mark II and Mark III lemons to induce members of the public to believe that their lemons were the products of the manufacturers of Jif lemons? . . .

"(3) Even if there was no such fraudulent intention, does the get-up of the defendants' Mark I, Mark II and Mark in lemons amount to a representation that their lemons are the products of the manufacturers of Jif lemons? . . .

"(4) Is it likely that a substantial number of members of the public would be misled by the get-up of the defendants' Mark I, Mark II and Mark III lemons into believing that their lemons are the products of the manufacturers of Jif?"

The second issue is no longer relevant for the purposes of this appeal. Slade L.J. with whom Glidewell and Bingham L.J.J. agreed, answered the questions in the first, third and fourth issues in the affirmative and dismissed the appeal. The Court of Appeal did not interfere with Walton J.'s finding in fact in relation to these three issues.

Arguments in this House

Faced with these formidable concurrent findings of fact, Lord Alexander for the appellants sought to traverse them by submitting that the courts below had erred in law in the conclusions which they drew from the facts. Lord Alexander relied strongly on the finding that no one looking at the whole get-up including the label of the appellants' lemons could, treating it fairly, mistake them for Jif lemons, and addressed a number of submissions designed to demonstrate that, as a matter of law, the labels on the lemons were an essential part of the get-up which had to be taken into account in determining whether purchasers were likely to be deceived. In particular, Lord Alexander argued (1) that there could be no monopoly in goods or containers; (2) that the monopoly assumption whereby customers assumed without reading labels or other indicia that all plastic lemons must be Jif lemons invalidated their evidence, and (3) and that it was impossible to acquire a secondary meaning in the shape of a plastic lemon. In the course of these submissions, a very large number of authorities were referred to. Lord Alexander did not seek to traverse the findings in fact relevant to the reputation of Jif lemons, thus the likelihood of deception is the only issue in this appeal and the importance to be attached to the labels is critical to that issue.

My Lords, the article which the respondents sell is lemon juice. The get-up in which they sell that article is a plastic lemon of approximately natural size embossed with the word "Jif" and having attached thereto a readily detachable paper label. The lemon juice thus sold has acquired a reputation in the market over a period of many years. I turn to the three above-mentioned arguments.

(1) No monopoly in goods or containers. In support of this proposition, reference was made to *In re Coca-Cola Co.* [1986] 1 W.L.R. 693, an application under the Trade Marks Act 1938 for registration of a bottle as a trade mark. Lord Templeman said, at p. 698 C:

"A rival manufacturer must be free to sell any container or article of similar shape provided the container or article is labelled or packaged in a manner which avoids confusion as to the origin of the goods in the container or the origin of the article. The respondent registrar of trade marks has always taken the view that the function of trade mark legislation is to protect the mark but not the article which is marked. I agree."

In view of the different rights which are protected by the common law in a passing off action and by statute in an action under the Trade Marks Act 1938 I do not think that Lord Templeman's observations assist the appellants.

It was further argued that since a plastic lemon was a common shape which it was open to anyone in the trade to use, no monopoly therein could be acquired for the purpose of protection of goodwill. This argument, if successful, would exclude from the get-up of the respondents' lemon juice the shape and size of the plastic lemon, leaving only for consideration the embossed letters thereon and the label attached thereto. If these two matters alone fell to be considered it is clear that the appellants would succeed in this appeal. The starting point of the argument was *Payton & Co. Ltd. v. Snelling, Lampard & Co. Ltd.* (1894) 17 R.P.C. 48, which concerned the sale of coffee in circular enamel tins by both plaintiffs and defendants. Lindley M.R. said, at p. 32, that for the plaintiffs to succeed in the passing off action:

"They must make out that the defendant's goods are calculated to be mistaken for the plaintiffs', and, where, as in this case, the goods of the plaintiff and the goods of the defendant unquestionably resemble each other, but where the features where they resemble each other are common to the trade, what has the plaintiff to make out? He must make out not that the defendant's are like his by reason of those features which are common and to them other people, but he must make out that the defendant's are like his by reason of something peculiar to him, and by reason of the defendant having adopted some mark, or device, or label, or something of that kind, which distinguishes the plaintiffs' from other goods which have, like his, the features common to the trade."

In the event it was held that the plaintiffs failed in their actions and the judgments in the Court of Appeal were approved by this House ([1901] A.C. 308). In *J.B. Williams Co. v. H. Bronnley & Co. Ltd.* (1909) 26 R.P.C. 765, a passing off action in relation to boxes containing shaving sticks, Cozens-Hardy M.R. said, at p. 771

"If he takes a colour and a shape which are common to the trade the only distinctive feature is that which he has added to the common colour and the common shape, and unless he can establish that there is in the added matter such a similarity as is calculated to deceive, I think he must fail."

Farwell L.J. said, at p. 774:

"Speaking for myself I think it would be almost impossible for any trader to acquire a monopoly in anything in the nature of a box, or wrapper, which is common to the trade, however much he may use it, simply as such."

If the foregoing references to "common to the trade" meant "in common use in the trade," these dicta would avail the appellants little in view of the finding that Jif has, for a long time, been the only lemon sized squeeze pack of lemon juice on the market. However, the appellants referred to a dictum of Chitty J. in *Burland v. Broxburn Oil Co.* (1889) 6 R.P.C. 482, where, at p. 489, he equated the phrase "common to the trade" in section 74 of the Trade Marks Act 1883 to "open to the trade." On that basis, it was argued plastic lemons were open to the trade inasmuch as they were an obvious idea, were in use in Europe, and could have been made use by any trader, so minded, in England.

My Lords, it is not necessary to consider whether Chitty J.'s construction of the phrase "common to the trade" for the purposes of the Act of 1883 was correct or incorrect. However I have no doubt that his construction cannot be applied in a passing-off action. What emerges clearly from *Payton & Co. Ltd. v. Snelling Lampard & Co. Ltd.* 17 R.P.C. 48, and *J.B. Williams Co. v. H. Bronnley & Co. Ltd.* is that no one can claim a monopoly in the use of a container which is in common use. As Farwell L.J. said in *J.B. Williams Co. v. H. Bronnley & Co. Ltd.* 26 R.P.C. 763, 774, after referring to the difficulty in acquiring a right to words which were merely descriptive of the article, "it is even more difficult to acquire a monopoly in mere wrappers or boxes which have been used for years in the trade and which are common to the trade." The rationale of this conclusion is not difficult to find. The common law leans away from monopoly rights and is unwilling to support the acquisition by individuals of such rights in commonplace articles. Thus a trader can only claim protection for such capricious additions to a commonly used container as distinguish his use of that container from the use of other traders. He may prevent a rival copying the label on his boxes or perhaps the distinctive combination of colours on his tins but he cannot stop him using ordinary boxes or

tins simply because they happen to be of the same shape and size. This is entirely logical since where a container of common shape and size is used by different traders it is not the shape and size of the container which identifies the produce of a particular trader to the public but the capricious additions to the container by way of distinctive labelling or a combination of colour or graphic design. It was to such a situation that the judges of the Court of Appeal in *Payton and J.B. Williams Co.* were addressing themselves when they used the words "common to the trade." To extend those words to cover a case where one trader alone evolves and uses a container of a particularly distinctive and unusual shape, albeit other traders have the capability of achieving a similar result, would be both illegitimate and contrary to the principles whereby those cases were decided. In my view "common to the trade" in a passing off action means "in common use in the trade" from which it follows that plastic lemons cannot be disregarded as part of the get-up in this appeal.

(2) Monopoly assumption invalidates evidence. My Lords, if I had been asked to express my views on this matter without the aid of able argument and copious citation of authority but guided by common sense, I should have stated the following propositions:

(1) Where a trader has established a reputation for his goods in the market and where those goods are identified by a particular get-up which is peculiar to him, the public are likely to be motivated by his de facto monopoly in get-up to purchase the goods.

(2) If another trader seeks to imitate the get-up which the first trader uses, a successful passing-off action at the instance of the latter will necessarily recognise his de facto monopoly in that get-up.

(3) Where trader A enters the market to compete with trader B whose goods have acquired a reputation and are identified by a particular get-up it will be a question of degree to what extent trader A must differentiate his get-up from that of trader B in order to avoid deception. If B's goods have been in the market for a relatively short time with a get-up which is not particularly distinctive, the steps required to differentiate may not be very substantial. If, on the other hand, those goods have been in the market for a long time with a particularly distinctive get-up then A, seeking to market his goods with a similar get-up, will require to take far more drastic steps to inform the public that his goods are not those of B, since the public, having long become used to such a get-up as identifying the goods of B, are likely to be less mindful of differences in detail.

(4) If the monopoly assumption proposition is correct it could follow that the more commanding a position a trader had established in the market by reason of the reputation of his goods and the distinctive character of their get-up, the more difficult would it be for him to establish deception by an incoming trader with a similar get-up. Surely an anomalous result.

It was argued that the evidence of customers who, to use the language of Lord Macnaghton in an earlier case, did not treat the label fairly was not competent to prove deception. This proposition is undoubtedly correct in relation to customers who through lack of interest or idleness have deliberately disregarded distinct labelling of different brands of goods. However, I do not consider that it can be treated as a rule of universal application. There is ample authority for the view that you must take customers as you find them including the imprudent and the unwary: *R. Johnston & Co. v. Archibald Orr-Ewing & Co.* (1882) 7 App. Cas. 219, Lord Selborne L.C., at p. 223, Lord Blackburn, at p. 229; *Powell v. Birmingham*

Vinegar Brewery Co. [1896] 2 Ch. 34, Lindley L.J., at p. 68. Furthermore, much will depend upon the part which the label plays in the overall get-up. In *Schweppes Ltd. v. Gibbens* (1903) 22 R.P.C. 601, the plaintiffs and defendants were manufacturers of soda water which they sold in embossed glass bottles labelled with chocolate coloured labels. The plaintiffs' labels bore the word "Schweppes' Soda Water" and those of the defendants "Gibbens' Soda Water." There was no evidence that anyone had been deceived by the defendants' get-up into thinking that he was purchasing the plaintiffs' goods. Warrington J. gave judgment for the defendant and the plaintiff's appeal was dismissed by the Court of Appeal, 22 R.P.C. 113, and by this House. Both Lord Halsbury L.C and Lord Lindley stressed the fact that if the whole get-up was looked at it was impossible for anyone to be deceived having regard to the differences between the defendants' and the plaintiffs' labels.

This case was much relied upon by the appellants but I do not consider that it assists them. In the first place, there was a complete lack of evidence as to deception. In the second place, the labels performed a much more important function than they do here. In the *Schweppes* case the containers were plain glass bottles and the labels performed the double function of (1) identifying the contents of the bottle, and (2) identifying the manufacturer. This is likely to be the function of any label which is fixed to a container such as a bottle or tin which is in common use. Indeed in such a case the label is likely to be the dominant feature of the get-up. In the case of a plastic lemon, however, the shape and colour of the container, which are the dominant features, identify the contents and the label serves only to identify the manufacturer or supplier. There is accordingly far less need for the customer to look at the label than there is in the case of a conventional container of whose contents he may be otherwise unaware or uncertain.

In *Payton & Co. Ltd. v. Snelling, Lampard Co. Ltd.*, 17 R.P.C. 48, 33, Romer L.J. referred to the case:

"where a particular get-up of goods has been for a long time, for many years, on the market, so as to become identified in course of time with the plaintiffs' goods and with no others, so that that get-up almost of necessity is identified in the market or amongst the public as representing the plaintiffs' goods."

In such a situation if the label plays only an ancillary part in the get-up, I am not persuaded that there is any principle of law which requires that the evidence of customer witnesses who no longer find it necessary to examine the label should be disregarded. It must, in the end of the day, always be a question of fact and degree to what extent customers are genuinely deceived by the overall impression of the get-up. Slade L.J. said [1988] F.S.R. 601, 633:

"The judge was entitled on the evidence to form the conclusion that a substantial proportion of potential purchasers who were not indifferent to the manufacturing source of small plastic squeeze lemons would pay little or no attention to the label, because they would assume that they emanated from the manufacturer of Jif lemons, which had up to that time been the only product of that type on the market."

I entirely agree that the judge was so entitled and I am satisfied that in reaching this conclusion he in no way erred in law. Furthermore I am not persuaded by the appellants' argument that any of the four propositions which I stated above are unsound. It follows that the appellants' submissions relating to the monopoly assumption fails.

(3) No secondary meaning. The appellants submitted that the respondents' plastic lemon was merely the exemplification of the descriptive word "lemon." It was impossible to acquire a monopoly in the use of a word which accurately described the relevant goods, from which it followed that the appellants were not entitled to establish that the plastic lemon had acquired the secondary meaning of Jif lemon juice.

This submission goes too far for two reasons. In the first place there is no absolute principle of law which supports it. In *Reddaway v. Banham* [1896] A.C. 199, relief was granted to a plaintiff who manufactured belting under the descriptive name of "camel-hair" after a jury had found that these words had acquired the secondary meaning of belting manufactured by the plaintiff. In *The Cellular Clothing Co. v. Maxton & Murray* [1899] A.C. 326, the pursuers accurately described their fabric as cellular and sought to interdict the defenders from using this description in relation to any fabric made or supplied by them. The pursuers failed in the Court of Session and in this House. Lord Shand said, at pp. 340-341:

"But I confess I have always thought, and I still think, that it should be made almost impossible for anyone to obtain the exclusive right to the use of a word or term which is in ordinary use in our language and which is descriptive only -and, indeed, were it not for the decision in *Reddaway's case* [1896] A.C. 199, I should say this should be made altogether impossible . . . But where the plaintiffs' proof shows that the only representation by the defendants consists in the use of a term or terms which aptly and correctly describe the goods offered for sale, as in the present case, it must be a condition of the plaintiffs' success that they shall prove that these terms no longer mean what they say - or no longer mean only what they say - but have acquired the secondary and farther meaning that the particular goods are goods made by the plaintiffs, and, as I have already indicated, it is in my view difficult to conceive cases in which the facts will come up to this."

Lord Shand undoubtedly considered that it was extremely unlikely that the plaintiffs would be able to adduce satisfactory evidence of descriptive words having acquired a secondary meaning but he did not go so far as to say that it was impossible in law for such an event to occur. Lord Davey said, at p. 343:

"Then, that being so, what is the evidence upon which the pursuers rely for the purpose of showing that the word has acquired a secondary meaning, so that the mere simple use of the word is alone evidence of a misrepresentation by the defenders?"

In this passage Lord Davey clearly recognised that the acquisition of a secondary meaning was possible and he implicitly recognised the important distinction between a simple representation arising from the use of descriptive words which have acquired no secondary meaning and the misrepresentation which could arise where the words have acquired such a meaning. Once again, whether such a secondary meaning has been acquired must be a question of fact.

In the second place I do not consider that it is legitimate to equiparate a plastic lemon of natural shape and size, which is unique in the market, to a word in ordinary use. Indeed I can see no reason why a trader should not obtain protection for a get-up whose shape and colour ingeniously alluded to its contents but not for a phrase containing ordinary words which described them. I agree with Slade L.J. that the proper way to regard a plastic lemon is as a fanciful and attractive variant of the get-up of the ordinary plastic squeeze bottle lemon

container and I can see no reason why the fact that this get-up is allusive of its contents should deprive it of protection to which it would otherwise be entitled.

The appellants advanced a subsidiary argument to the effect that the article here was a plastic lemon containing lemon juice and that get-up which forms part of the article cannot be protected. The common law, it was said, will not recognise a monopoly in the overall shape of an article of commerce. In this context the Court of Appeal had placed too much reliance on the "Dolly Blue" case, *William Edge & Sons Ltd. v. William Nicholls & Sons Ltd.* 28 R.P.C. 382. My Lords, even if the plastic lemon were part of the article I do not consider that the proposition is sound. In the Dolly Blue case the plaintiffs got up blues or tints in simple unmarked bags with a stick in them, which performed a function of utility when the bags were dipped in water. The defendants copied the plaintiffs' bags and sticks but labelled the bags with their name. This House held that upon the facts the defendants had taken insufficient steps to distinguish their goods from those of the plaintiffs. Lord Gorell said, at p. 394:

"I think, on the whole, when the undisputed facts of this case are considered, that the defendants have not, having regard to the nature of the goods and the persons to whom they are sold, sufficiently distinguished in appearance the goods sold by them from the goods sold by the plaintiffs. This view by no means suggests that the defendants are not at liberty to use a stick in the preparation of their goods, but, if they do so, they must sufficiently distinguish their goods by the form of the stick, or by other means, from those which are sold by the plaintiffs. ... I think the case turns entirely on a question of fact. If the plaintiffs were attempting to prevent the use of 'a stick,' I should agree with the decision of the Court of Appeal, and I think that that court regarded the disclaimer of counsel as an attempt to limit a claim which had not been and was not being effectively limited. But when it is admitted that the defendants have copied the appearance and arrangement of the plaintiffs' goods and distinguish theirs only by a label, and when it is perfectly possible to distinguish goods which contain similar elements of utility in many other ways, so that there should be no reasonable probability of a mistake, it seems to me that the label alone in the particular circumstances is not, for the reasons which I have given, sufficient."

British American Glass Co. Ltd. v. Winton Products (Blackpool) Ltd. [1962] R.P.C. 230, concerned the passing off of ornamental glass dogs. Pennycuik J. said, at p. 232:

"This is not really a passing off case as regards get-up in any way at all. It is not a question of getting-up; it is a question of the appearance of the actual article sold. The plaintiff company must, therefore, show that the trade or public on seeing the dogs of this configuration and shape will understand that the dogs are dogs of the plaintiff company's manufacture."

In this statement the learned judge was clearly recognising that the shape and configuration of the article could be protected against deception.

In my view these two cases are merely examples of the general principle that no man may sell his goods under the pretence that they are the goods of another. This principle applies as well to the goods themselves as to their get-up. "A" markets a ratchet screwdriver with a distinctively shaped handle. The screwdriver has acquired a reputation for reliability and utility and is generally recognised by the public as being the product of "A" because of its handle. "A" would be entitled to protection against "B" if the latter sought to market a ratchet screwdriver with a similarly shaped handle without taking sufficient steps to see that the

public were not misled into thinking that his product was that of "A". It is important to remember that such protection does not confer on "A" a monopoly in the sale of ratchet screwdrivers nor even in the sale of such screwdrivers with similarly distinctive handles if other appropriate means can be found of distinguishing the two products. Once again it will be a question of fact whether the distinguishing features are sufficient to avoid deception.

In the end of the day this is a very simple case notwithstanding the able and attractive arguments addressed to your Lordships and the plethora of authority referred to. It is not in dispute that the respondents have acquired over many years a reputation in the market for their lemon juice got up in plastic lemons. There is abundant evidence that customers would be deceived if any of the three Marks of the appellants' lemons were put on the market in their present form. No reason in law has been made out why this evidence should not have been accepted. The respondents have accordingly established the facts necessary to succeed. The decisions in the courts below and in this House do not have the effect of conferring on the respondents a monopoly right to sell lemon juice in plastic lemons. They merely decide that on the facts as found the appellants in seeking to enter the plastic lemon market have not taken adequate steps to differentiate their get-up from that of the respondents so that consumers will not be deceived.

For the foregoing reasons I would dismiss the appeal.