o/986/22

TRADE MARKS ACT 1994

IN THE MATTER OF an appeal to the Appointed Person

and

IN THE MATTER OF Cancellation Action Nos. CA000503392 in the name of Soho Flordis UK Limited against UK trade mark 645168 in the name of Ernest Jackson & Co Limited.

DECISION

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1. This is an appeal from the decision of the Hearing Officer, Mr James Hopkins, in revocation action 503392. By that action, the Respondent sought partial revocation for non-use, pursuant to section 46(1) of the Trade Marks Act 1994, of UK 645168 (the "**Mark**") and UK 3017684. This appeal concerns only the Hearing Officer's decision in relation to the Mark.

2. Throughout this decision I shall refer to the proprietor of the Mark, Ernest Jackson & Co Limited, as the Appellant and the applicant for cancellation, Soho Flordis UK Limited, as the Respondent.

The Hearing Officer's Decision

3. The Mark is for the word "POTTER'S". The Mark was registered under the Trade Marks Act 1938 on 22 February 1946. As registered, its specification was as follows:

> "*Pharmaceutical preparations and substances, medicated and tonic foods for infants and invalids, insecticides, antiseptics and disinfectants.*"

4. The Hearing Officer found that the Mark had been exclusively used in relation to *"pastilles for the treatment of catarrh, coughs and colds… solely for human use"*. This finding is not disputed on appeal.

5. The Hearing Officer determined that based on such use, the fair specification of the Mark was:

   > *Medicated confectionary for human use for the treatment of catarrh, coughs and colds.*

   He did so on the basis that *"medicated confectionary"* covered goods which "*although not the same as pastilles, are not in essence different from them and can only be distinguished from them in an arbitrary way"* [34].

6. The Hearing Officer rejected the Appellant's contention that the fair specification of the mark was:

   > *Pharmaceutical preparations and substances for human use in the treatment of catarrh, coughs, and colds.*

   He did so on the basis that *"pharmaceutical preparations and substances"* would *"encompass other goods which are in essence different from pastilles, such as, inter alia, cough syrups, nasal sprays and topical medicines, albeit used for the treatment of the same ailments"* [36].

Standard of appeal

7. The principles I must adopt on this appeal are well established and were not contested. They were summarized by Joanna Smith J in *Axogen Corporation v Aviv Scientific Limited* [2022] EWHC 95 (Ch) as follows [24]:

   "(i) the appeal is by way of a review, not a rehearing (see *TT Education Ltd v Pie Corbett Consultancy Ltd (*O/017/17) at [52(i)]);

   (ii) the appeal court will allow an appeal where the decision of the lower court was "wrong" (see CPR 52.11). Neither surprise at a Hearing Officer's conclusion, nor a belief that he or she has reached the wrong decision suffices to justify interference (*NINEPLUS* O/039/21 at [14]);

(iii) the decision of the lower court will be "wrong" if the judge makes an error of law, which might involve asking the wrong question, failing to take account of relevant matters or taking into account irrelevant matters. Absent an error of law, the appellate court would be justified in concluding that the decision of the lower court was wrong if the judge's conclusion was "outside the bounds within which reasonable disagreement is possible" (*Actavis Group PTC v ICOS Corporation* [2019] UKSC 1671 at [81]);

(iv) the approach required by the appeal court depends on a number of variables including the nature of the evaluation in question (*REEF Trade Mar*k [2003] RPC per at [26]). There is a "spectrum of appropriate respect for the Registrar's determination depending on the nature of the decision" (*TT Education* at [52(ii)]), with decisions of primary fact at one end of the spectrum and multi-factorial decisions (of the type which the parties agree were made in this case by the Hearing Officer) being further along the spectrum;

(v) in the case of a multifactorial assessment or evaluation, involving the weighing of different factors against each other, the appeal court should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions (*TT Education* at [52(iv)], *REEF* at [28] and *Fine & Country v Okotoks Ltd* [2014] FSR 11 at [50]-[51]);

(vi) an error of principle is not confined to an error as to the law but extends to certain types of error in the application of a legal standard to the facts in an evaluation of those facts. The evaluative process is often a matter of degree upon which different judges can legitimately differ and an appellate court ought not to interfere unless it is satisfied that the judge's conclusion is outside the bounds within which reasonable disagreement is possible (*Actavis Group* at [80]);

(vii) another variable to be taken into account will be "the standing and experience of the fact-finding judge or tribunal" (*REEF* at [26], *Actavis Group* at [78]). Expert tribunals are charged with applying the law in the specialised fields and their decisions should be respected unless it is quite clear that they have misdirected themselves in law. Appellate courts should not rush to find such misdirections simply because they might have reached a different conclusion

on the facts (*Shanks v Unilever Plc* [2014] RPC 29 at [28] citing the warning given by Baroness Hale in AH *(Sudan) v Secretary of State for the Home Department* [2007] UKHL 49);

(viii) the appellate court should not treat a judgment as containing an error of principle simply because of its belief that the judgment or decision could have been better expressed; "The duty to give reasons must not be turned into an intolerable burden" (see *REEF* at [29]). The reasons need not be elaborate. There is no duty on a judge, in giving her reasons, to deal with every argument presented by counsel in support of his case. It is sufficient if what she says shows the basis on which she has acted (*English v Emery Demibold & Struck* [2002] 1 WLR 2409 at [17], Fage at [115]). The issues the resolution of which were vital to the judge's conclusions should be identified and the manner in which she resolved them explained (*English* at [19]);

(ix) in evaluating the evidence, the appellate court is entitled to assume, absent good reason to the contrary, that the first instance judge has taken all of the evidence into account (*TT Education* at [52(vi)]).

The Applicable Law

8. It was common ground, and I accept, that the correct approach in determining a fair specification is as summarised by the Kitchin LJ (as he then was) in *Merck KGaA v Merck Sharp & Dohme Corp & Ors* [2017] EWCA Civ 1834 [245-248 and 250]:

> 245. First, it is necessary to identify the goods or services in relation to which the mark has been used during the relevant period.
>
> 246. Secondly, the goods or services for which the mark is registered must be considered. If the mark is registered for a category of goods or services which is sufficiently broad that it is possible to identify within it a number of subcategories capable of being viewed independently, use of the mark in relation to one or more of the subcategories will not constitute use of the mark in relation to all of the other subcategories.
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> 247 Thirdly, it is not possible for a proprietor to use the mark in relation to all possible variations of a product or service. So care must be taken to ensure this exercise does not result in the proprietor being stripped of protection for goods or services which, though not the same as those for which use has been proved, are not in essence different from them and cannot be distinguished from them other than in an arbitrary way.

248. Fourthly, these issues are to be considered having regard to the perception of the average consumer and the purpose and intended use of the products or services in issue. Ultimately it is the task of the tribunal to arrive at a fair specification of goods or services having regard to the use which has been made of the mark."

[...]

250. We are concerned in this case with pharmaceutical substances and preparations. In my view it is now well established that this category of goods is sufficiently broad for it to be possible to identify within it a number of subcategories of goods which are capable of being viewed independently. Further, the purpose and intended use of a pharmaceutical substance or preparation are important in identifying the relevant subcategory to which it belongs; and here therapeutic indication is of particular significance: see, for example, Case T-256/04 *RESPICUR* (supra) at paragraphs [26] to [31]; Case T-483/04 *Armour Pharmaceutical Co v OHIM (GALZIN)* [2006] ECR II-4109 at paragraphs [28] to [29]; Cases T-493/07, T-26/08 and T-27/08 *GlaxoSmithKline and Ors v OHIM (FAMOXIN)* EU:T:2009:355 at paragraphs [35] to [37]; Case T-487/08 *Kureha Corpn. v OHIM (KREMIZIN)* EU:T:2010:237 at paragraphs [56] to [61]; and Case T-258/08 *Matthias Rath v EUIPO* (supra) at paragraph [36]."

The Appeal

9. In summary, the appellant advanced the following grounds of appeal:

   a. the Hearing Officer failed to apply the test in *Merck* correctly. In particular, the Hearing Officer failed to treat therapeutic indication as the key factor to be considered (**Ground 1, part 1**);

   b. the Hearing Officer, when considering the facts, failed to give sufficient weight to the importance of the therapeutic indication (**Ground 1, part 2**), and

   c. the Hearing Officer's decision was *"wrong and outside the range of specifications that could reasonably found on the facts* (***Ground 2***).

Ground 1, part 1

10. The Hearing Officer addressed this issue as follows [35]:

I am also unable to accept Ms Blythe's submission that protection ought to be retained for the broad category of 'pharmaceutical preparations and substances', only limiting that protection by reference to the therapeutic indication. Although therapeutic indications are of great importance in identifying

relevant subcategories of pharmaceutical products, I do not understand the above case law to have established that protection can only be reduced by reference to the same.

11. In my view the Hearing Officer directed himself correctly as to the law he should apply. The judgment in *Merck* expressly states that the therapeutic indication is to be treated as being of "particular significance". As the extract above makes clear, the Hearing Officer did both recognised and applied that principle (albeit in saying of "great importance" he used slightly different language). The Hearing Office was, in my view, entitled to reject the submission that the therapeutic indication was to be treated as determinative of the scope of a fair specification. That is not a requirement that can be derived from *Merck*. Nor is it a proposition supported by the cases cited in Merck (*Famoxin, Kremezin* and *Respicur*). Those cases turn on their particular facts and do not, in my view, assist on the particular facts of this case.
12. For these reasons I find that the Hearing Officer made no error of law, and ground 1, part 1 therefore fails.

Ground 1 Part 2 and Ground 2

13. Ms Blythe wrapped her submissions on Ground 1 part 2 and Ground 2 together. I shall do the same.
14. It is not suggested by the Appellant that the Hearing Officer took into account material that he should not have done or failed to take into account material that he should of have done. Instead, it is submitted that based on the fact before him the Hearing Officer reached a decision that could not reasonably have been reached on those facts: i.e. it was a wrong decision.
15. The essential reason why the Appellant submits that the Hearing Officer's decision was wrong is that it is said to have the effect of the Appellant being *"stripped of protection which, though not the same as those for which use has been proved, are not in essence different from them and results in arbitrary distinctions being drawn between treatment for catarrh, coughs and colds based on the form of the treatments"*. The Appellant supported that submission with the following propositions:

    a) from the perspective of the average consumer of treatments for catarrh, coughs and colds, the particular form of the product will be far less important than the fact that they all treat the same ailment.

b) the consumer will not care as much whether the product is, for example, in the form of a pastille, a pastille containing syrup, a syrup, a pill, a spray or a powder, so long as relieves their symptoms.

c) each of those forms are available from a supermarket or a pharmacy without prescription, and from the same aisles of the same stores;

d) they can all be conveniently carried about with you and taken relatively discretely and easily when symptoms flare.

e) to distinguish between them and to give the Appellant only protection for medicated confectionary, such as pastilles and lozenges, but not syrups, sprays, pills and powders, is to strip the Appellant of protection for goods which, though not the same as those for which the Appellant has proved use, are not in essence different from them and cannot be distinguished from them other than in an arbitrary way.

f) all those goods would be regarded in the same manner by the average consumer

16. None of these contentions was supported by evidence. It follows that at the heart of these submissions is a contention that the Hearing Officer's finding that *pharmaceutical preparations and substances"* would *"encompass other goods which are in essence different from pastilles, such as, inter alia, cough syrups, nasal sprays and topical medicines, albeit used for the treatment of the same ailments"* is a finding outside the bounds within which reasonable disagreement is possible. I disagree.

17. Based on the material before him, there was in my view nothing inherently wrong with the decision reached by the Hearing Officer. None of propositions set out above is, in my view, so clear, or so unarguable that, in the absence of evidence to the contrary, its rejection was outside the bounds of a decision over which reasonable disagreement was possible.

18. For these reasons I find that the Hearing Officer made no error on the facts, and ground 1, part 2 and ground 2 of the appeal therefore fails.

The Respondent's Notice

19. In the premises it is unnecessary for me to consider the additional points raised in Respondent's Notices.

Conclusion.

20. The Appeal is dismissed.

21. I approach the question of costs in the manner indicated in paras. [12] to [14] of the decision of Mr Hobbs QC in AMARO GAYO COFFEE Trade Mark BL O/257/18 (25 April 2018). Having regard to what I consider to be the amount of effort and expenditure that is likely to have been reasonably and productively incurred by the Respondent in defending the Appeal, I think it would be reasonable to order the Appellant to pay £1500 to the Respondent in respect of their costs of the Appeal. It is to be paid within 21 days of the date of this Decision.

22. Finally, I note that the Hearing Officer ordered that in relation to the Registry proceedings both parties should bear their own costs. I see no reason to depart from that finding. It accurately represents, as the Hearing Officer stated, that both parties achieved a measure of success.

GEOFFREY PRITCHARD
7 November 2022