

CASE COMMENTS

GET-UP OF GOODS AND THE LAW OF PASSING-OFF: A CASE ON LEMONS

*Reckitt & Colman Products Ltd. v. Borden Inc. and Others*¹

Introduction

IN recent years there has been some speculation as to whether or not the courts in England would be prepared to extend the law of passing-off into a more general cause of action to protect against unfair competition. However, the question has also been raised as to whether or not intellectual property rights in general have been over developed without sufficient safeguards for the interests of fair competition. The House of Lords in the *Reckitt* case had the opportunity to re-evaluate the tort of passing-off. Viewed broadly, the issue in the *Reckitt* case was whether or not in the context of the tort of passing-off, the defendants' conduct could be labelled fair or unfair competition. In the end, the case turned entirely on the strong findings of facts of the trial judge. The House of Lords were constrained by those factual findings to decide in the plaintiff's favour and to re-affirm basic principles of passing-off, albeit to somewhat unusual facts.

Factual Background

In 1955 a company, Edward Hack Ltd., started to market lemon juice in the United Kingdom in plastic squeeze packs coloured and shaped like lemons. Shortly thereafter another company, Coldcrops Ltd., also commenced marketing lemon juice in similar containers. An action for passing-off ensued but never came to trial since both businesses were acquired by the plaintiff, Reckitt & Colman Products Ltd., who then started to market their lemon juice, under the brand name Jif in the United Kingdom. The lemon juice was marketed in plastic squeeze pack containers the colour, shape and size of natural lemons. Since 1956 until the 1970s, the plaintiff had the virtually unchallenged position of being substantially the only supplier in the United Kingdom of lemon juice packaged in that get-up. Between 1972 and 1982 a number of traders tried to break into

¹ [1990] 1 All E.R. 873.

the market but their sales were generally minimal relative to the total potential market. In 1977, the plaintiff adopted a policy of instituting or threatening passing-off proceedings² against traders seeking to market lemon juice in this manner. With two exceptions, the plaintiff was virtually the only supplier of lemon juice in facsimile lemon squeeze packs in the United Kingdom. The two exceptions were in relation to lemon juice marketed, under compromise agreements with the plaintiff, under the brand names of 'Lazy Lemon' and 'Supercook'³ in containers which were very much larger in size than the plaintiff's product, the latter being of the size of natural lemons.

In the United States, the defendants, Borden Inc. (a United States company), had for many years marketed lemon juice under the brand name 'ReaLemon' in plastic squeeze containers of lemon colour but of a shape which resembled the Mills hand grenade. In 1975, the defendants, Borden Inc. and its Belgian subsidiary, started to market 'ReaLemon' lemon juice in bottles in the United Kingdom. By the end of 1980, their sales of bottled 'ReaLemon' accounted for about 25% of the total United Kingdom sales of lemon juice. The defendants' presence in the United Kingdom market appeared to have an adverse effect on the sales of Jif lemon juice in plastic containers. The plaintiff then launched bottled Jif lemon juice in an attempt to dominate the market. The defendants then decided to sell their lemon juice in plastic squeeze containers in the United Kingdom to compete directly with Jif lemons. They made preparations to launch in the United Kingdom, lemon juice in natural-size lemon-shaped plastic squeeze containers and produced three different versions of plastic lemon containers (referred to as 'Mark F,' 'Mark II' and 'Mark III') for that purpose. No prior advertising campaigns were undertaken to familiarise the public with the new get-up of their product. In summer 1985, the plaintiff noticed that the defendants were offering their lemon juice in the Mark I get-up to certain supermarkets. They protested that the public sale by the defendants of their lemon juice in that get-up would constitute actionable passing-off. The plaintiff then commenced interlocutory proceedings against the defendants for the supply of lemon juice in the Mark I version. In December 1985, the defendants gave an undertaking not to supply lemon juice in the Mark I containers until trial and not to offer juice in any other lemon-resembling container without giving 28 days' prior notice of submitting samples. The defendants later devised the Mark II and Mark III get-up and gave the required notice and samples. In May 1986, the plaintiff commenced a second action in relation to the Mark II and Mark III versions and were granted interlocutory injunctions pending trial by the Court of Appeal. Thus, at the date of the trial, both

² All claims were disposed of without trial and this is the first such action that went to trial.

³ See the decision of the Court of Appeal in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1988] F.S.R. 601 at p. 624 for pictures of the respective lemons.

the actions for passing-off were *quia timet* as there had been no public sale of the defendants' lemon juice in any of the three versions.⁴

Decisions at Trial

At the Court of first instance, Walton J.⁵ held that the use by the defendants of any of the three proposed versions of the get-up (namely, Mark I, II or III) would constitute passing-off. He, therefore, granted permanent injunctions against the defendants in both actions restraining them 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 [plaintiff's] Jif lemon-shaped container as to be likely to deceive without making it clear to the ultimate purchaser that it is not of the [plaintiff's] manufacture."⁶ The learned judge also found as a fact that the defendants had acted with fraudulent intent in passing-off their goods as those of the plaintiff's. The Court of Appeal⁷ reversed the trial judge's findings of fraud⁸ but affirmed his decision that the defendants' conduct would amount to actionable passing-off. The House of Lords⁹ dismissed the defendants' appeal and held that the defendants' conduct would constitute actionable passing-off. Lord Oliver and Lord Jauncey delivered judgments to which Lord Bridge, Lord Brandon and Lord Goff agreed.¹⁰

Passing-Off Issues

Since the decision in the case turned largely on the factual findings, these will be set out in some detail. The main findings of fact and observations thereon, of the trial judge, Walton J., on which the case pivoted were:-

⁴ It would be useful at this stage to provide a description of the respondents' Jif lemon and the appellants' 'ReaLemon'. Jif Lemon:- a plastic container of lemon shape and colour comparable in size with a small natural lemon containing 55 ml of lemon juice. It has a lemon coloured cap with the word JIF embossed on one side of the body of the lemon in the same colour as the lemon container. For this reason the embossed name brand is not visually prominent and will not catch the eye of a casual shopper. However, it bears a green triangular label with the mark 'Jif in yellow lettering together with some other information. 'ReaLemon':- (i) Mark I container is slightly larger and contains 75 ml of juice but broadly similar to the Jif lemon except that it has a green cap instead of the Jif yellow cap and a small flat area on one side which enables it to stand at an angle on a surface. It has a yellow leaf-shaped neck-label with the words 'ReaLemon' in prominent green print slipped over the nozzle; (ii) Mark II - of the same size and similar design but it has a red cap with a round neck-label consisting of a red tag bearing the name 'ReaLemon' in red against a yellow background fashioned to represent a lemon slice slipped over the nozzle; (iii) Mark III - slightly larger and contains 100 ml of juice and it has a slightly different stippling, a smaller flat portion and some barely discernible ribs. It also has a red cap and a red and yellow label similar to Mark II. See *supra*, note 3 at p. 624 for pictures of Jif lemon and the three different versions of the 'ReaLemon'.

⁵ See [1987] F.S.R. 505.

⁶ See *supra*, note 1 at p. 880.

⁷ [1988J F.S.R. 601.

⁸ The plaintiff's cross-appeal against that decision on the issue of fraud did not proceed to the House of Lords.

⁹ See *supra*, note 1.

¹⁰ Lord Bridge expressed great reluctance in dismissing the defendants' appeal but he was constrained by the trial judge's findings of fact.

- “(1) (At pages 508-509): “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.”
- (2) Nevertheless (at page 511): “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 page 512): “Jif is and has now for a long time been the only lemon-sized squeeze 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 page 512): “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.”
- (5) (At page 512): “Shoppers generally are well aware of the existence of various other brands of lemon juice.”
- (6) (At page 512): “The crucial point of reference for a shopper who wishes to purchase a Jif squeeze 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 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 pages 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 page 513): “Now, paying proper attention to all these matters, and 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 really have no hesitation in coming to the conclusion that there is bound to be confusion in the shop-

per'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 shoppers' 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' lemon was no more than an immaterial variant of the Jif lemon."¹¹

The basic principle of the law of passing-off can be expressed as follows:- "that nobody has any right to represent his goods as the goods of somebody else"¹² or that "no man may pass off his goods as those of another."¹³ In *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd.* (also known as the *Advocaat* case) Lord Diplock formulated the essential elements of a passing-off action as follows:-

"My Lords, *A.G. Spalding & Bros. v. A.W. Carnegie Ltd.*¹⁴ and 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 calculated¹⁵ 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."¹⁶

Those requirements were restated by Lord Oliver in *Reckitt & Colman Products Ltd. v. Borden* as follows:-

"First, [the plaintiff] 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

11 See the judgment of Slade L.J. in the Court of Appeal, *supra*, note 7 at pp. 613-614, which was quoted by Lord Oliver in the House of Lords, *supra*, note 1 at p. 882. See also the judgment of Lord Jauncey, *ibid.*, at p. 891.

12 See *Reddaway v. Banham* [1896] A.C. 199 at p. 204, *per* Lord Halsbury L.C.

13 See *supra*, note 1 at p. 880, *per* Lord Oliver.

14 (1915) 32 R.P.C. 273; 84 L.J. Ch. 449.

15 Slade L.J., in the Court of Appeal in the *Reckitt* case [1988] F.S.R. 601 at p. 614, stated that:- "I pause to observe that the word 'calculate' in this formulation is not to be equated with intended. Proof of a fraudulent intention is not a necessary element in a cause of action for passing off."

16 [1979] A.C. 731 at p. 742. Lord Fraser laid down five different requirements which were directed towards the facts of the *Advocaat* decision itself, *ibid.*, at pp. 755-756. See also *supra*, note 1 at p. 890.

are the goods or services of the plaintiff.... Thirdly, he must demonstrate that he suffers or, in a *quia timet* action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."¹⁷

The tort of passing-off can basically take three different forms. First, there is passing-off as to the origin of the product or services. Second, passing-off can also take the form of deception as to the quality of the plaintiff's own products. Third, there are the cases on shared goodwill which involve deception in relation to a class of products manufactured not by a single manufacturer, but by a group of manufacturers. The case of *Reckitt & Colman Products Ltd. v. Borden* is concerned with the first form, namely, passing-off which involves deception as to the origin of a product; wherein the goodwill claimed was in the get-up as a badge of origin. The whole basis of the tort of passing-off is the protection of the goodwill in a trader's goods or services. In order to succeed in an action for passing-off the plaintiff must establish a goodwill within jurisdiction¹⁸ and goodwill has "no independent existence apart from the business to which it is attached."¹⁹ Goodwill has been defined as "the attractive force which brings in custom"²⁰ and can subsist in a name, mark, label, logo or in the get-up of a product. Passing-off does not protect the name, mark or the get-up of a product *per se* since there is no "property" or monopoly at common law in the latter; but, rather, the tort of passing-off protects the goodwill which is proven to subsist in the relevant indicia of origin. The get-up of a product is one such possible indicia or badge of origin in which goodwill can arise. Where there is goodwill in the get-up, the latter will essentially be that by which the public associates the product with the plaintiff. To succeed in proving goodwill, it is not however necessary that the public be aware of the actual identity of the plaintiff; as Lord Oliver puts it:-

"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."²¹

The law would, therefore, protect the get-up of the plaintiff's product only in so far as a misrepresentation as to the origin of the product would cause injury to the plaintiff's goodwill.²² Accordingly, Lord Jauncey opined that:-

¹⁷ *Supra*, note 1 at p. 880. The requirements stated by Lord Oliver are in fact similar to those of Lord Diplock in the *Advocaat* case. Lord Jauncey also stated similar requirements, *ibid.*, at p. 889.

¹⁸ See *Jordache v. Millennium* [1985] 1 M.L.J. 281.

¹⁹ See *Star Industrial Co. Ltd. v. Yap Kwee Kor* [1976] F.S.R. 256 at p. 269.

²⁰ See *I.R.C. v. Muller & Co.'s Margarine Ltd.* [1901] A.C. 217 at p. 223.

²¹ *Supra*, note 1 at p. 880. Lord Oliver then continued, *ibid.*, as follows:- "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." See also *William Edge & Sons Ltd. v. William Nicholls & Sons Ltd.* [1911] A.C. 693.

²² See generally, *White Hudson & Co. Ltd. v. Asian Organisation Ltd.* [1964] 1 W.L.R. 1466.

“... 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.”²³

Thus, a competitor may copy the get-up of a product of a rival, but the line is drawn for the purposes of the tort of passing-off where the copying gives rise to a misrepresentation which is likely to deceive members of the public as to the origin of the product in issue.²⁴

Legal issues and arguments in the House of Lords

Lord Oliver summarised the points in issue 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 [plaintiff’s] (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 [defendants] 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 [defendants] 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 [plaintiff’s] Jif juice?”²⁵

The House of Lords decided the points in issue in favour of the plaintiff. The defendants raised three main arguments which failed before the House of Lords, namely:- “(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.”²⁶ These arguments will be discussed in turn. First, the argument that what the plaintiff was seeking to protect was not the goodwill in the get-up of the product but the product itself. This argument was rightly rejected by the House of Lords. The product which the plaintiff was selling was the lemon juice and not the plastic lemon. The plastic lemon container is not the product itself but part of the get-up under which the plaintiff’s

²³ *Supra*, note 1 at p. 890.

²⁴ See generally *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd.* *supra*, note 16 especially at p. 740 where Lord Diplock discusses the rationale of passing-off in terms of dishonest and unfair trading. Note that designs of get-up might in some cases be protected by copyright and by registered designs legislation.

²⁵ *Supra*, note 1 at p. 881.

²⁶ *Supra*, note 1 at p. 892.

product, namely, the lemon juice is sold. Thus, if the plaintiff can show that it has acquired goodwill in the particular get-up such that the public is likely to be deceived into believing that lemon juice sold in similar get-ups are in fact the plaintiff's Jif lemon juice, then the plaintiff can legitimately complain. The tort of passing-off does not protect the get-up of a product as such but protects the goodwill which subsists in the get-up of a product from a misrepresentation which is likely to cause deception as to the origin of the product. The get-up in this context is a badge of origin which the public associates with the plaintiff's product.²⁷ On the facts as found by Walton J., there was no way in which the House of Lords could avoid the conclusion that the plaintiff had established goodwill in the get-up. After all, the trial judge had found that the public did in fact associate the get-up with the plaintiff. Indeed, he also found on the facts that the label setting out the brand name was a less important indicia of origin than the general get-up of the container.

On the question of whether the very object sold can be an insignia of its own origin, namely, whether the get-up of a product can consist of the product itself, Lord Oliver considered it unnecessary to pursue that question and left it open.²⁸ The defendants further argued that the get-up of the plaintiff's product consisted of both the plastic lemon-shaped container as well as the labelling and that it was not open to the plaintiff to argue that although the labelling itself would not cause any confusion, nonetheless, the plastic lemon-shaped container would. That argument was rejected by the court. Lord Oliver said:-

“The question is whether what the [defendants] 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 [plaintiff's] 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.”²⁹

Thus, the crucial question at the end of the day is whether there was any deception as to the origin of the product; whether that deception occurred due to the similarity of the whole of the plaintiff's get-up or due to the dominant part of the get-up, namely, the plastic lemon-shaped container, was immaterial.

Second, the “monopoly assumption” argument that the public confusion which resulted was caused simply from the plaintiff's existing monopoly and was not due to any deception by the defendants in adopting

²⁷ See *White Hudson v. Asian Organisation* [1964] 1 W.L.R. 1466; *John Haig & Co. Ltd. v. Fourth Blending Co. Ltd.* (1953) 70 R.P.C. 259.

²⁸ See *supra*, note 1 at p. 884. See *Coca-Cola's T.M.* [1986] R.P.C. 421; 1 W.L.R. 695 where it was held that the shape of a Coca Cola bottle was incapable of registration under the Trade Marks Act as a trade mark since a mark was something other than the product itself or its container.

²⁹ *Supra*, note 1 at p. 885.

a “normal, ordinary and generally available selling technique.”³⁰ This argument appears to proceed on the basis that as the plaintiff was the only trader³¹ in the United Kingdom market with lemon juice in lemon-shaped containers they were bound to enjoy a *de facto* monopoly on that get-up. The desire of second-comers to use a similar get-up would be nothing more than an attempt to use an ordinary selling technique. Accordingly, it could not be passing-off. The flaw in this argument proceeds from the initial assumption that the plaintiff enjoyed a *de facto* monopoly simply by being the only ones to use that selling technique. The plaintiff would only have enjoyed a monopoly in law if they had established goodwill in the particular get-up. On the facts found by Walton J., the plaintiff had established goodwill in the get-up since the “purchasing public [had] come to associate the natural-size lemon squeeze pack with the [plaintiff’s product].”³² Accordingly, the goodwill in the particular get-up chosen by the plaintiff had the effect of making that get-up no longer “common to the trade”. Further, passing-off is not founded on goodwill alone. Ultimately a misrepresentation likely to cause public deception is needed. The plaintiff could not prevent the defendants from using lemon-shaped containers which had been sufficiently differentiated so as to avoid any public confusion with the plaintiff’s get-up, for in such a case, there would be no likelihood of injury to the plaintiff’s goodwill.

Third, the defendants argued that the plaintiff’s get-up was merely a descriptive term³³ “embodied in a plastic lemon instead of expressed verbally”³⁴ and was incapable of acquiring a secondary meaning. Where the plaintiff has chosen to market his product using a common descriptive term, he would have to prove that he has acquired goodwill in that term in order to obtain protection under the tort of passing-off. The mere fact that he has been the sole user of that term would not be sufficient. The plaintiff would have to prove that the descriptive term has become distinctive of his product and has acquired a secondary signification “not simply of goods of that description but specifically of goods of which he alone is the source”,³⁵ such that the use of that term by any other trader would be likely to cause public confusion as to the source of the product. The principles were stated by Lord Herschell in *Reddaway v. Banham* as follows:-

“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 the goods of *A*. when he was really getting the goods of *B*. In a case of this

³⁰ *Supra*, note 1 at p. 886.

³¹ The marketing of lemon juice in plastic squeeze packs coloured and shaped like lemons by Edward Hack Ltd. in 1955 would appear not to have been substantial nor distinctive of their products. Thus, for all practical purposes the plaintiff could be regarded as the only trader to market Jif lemon juice in the United Kingdom in the particular get-up as described in *supra*, note 4.

³² *Supra*, note 1 at p. 878.

³³ Namely, a lemon.

³⁴ *Supra*, note 1 at p. 885.

³⁵ *Ibid.*, at p. 886.

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 [*sic.*] 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."³⁶

Thus, although it may be difficult for a trader who has chosen to market his product under a descriptive term consisting of ordinary English words to show that those words have become distinctive of his product; nevertheless, if he can prove that those terms have acquired a secondary meaning and have become associated solely with his product then the law would afford him protection.³⁷ Although the present case is not concerned with a descriptive term consisting of ordinary English words but is concerned with the 'descriptive innuendo' arising from use of the shape of a natural article as the container or get-up of a product, the same principles were applied by their Lordships. Thus, based on the findings of fact that the plaintiff's get-up had acquired a secondary significance such that it "indicate[d] not merely lemon juice but specifically Jif lemon juice",³⁸ the plaintiff was entitled to protection.

The House of Lords has also affirmed the factors to be considered in determining the likelihood of public deception in the tort of passing-off. It was not open to the defendants to argue that the deception would not have taken place had the members of the purchasing public been "more careful, more literate or more perspicacious." Lord Oliver continued to note that: "Customers have to be taken as they are found."³⁹ On the other hand, the fact that a "moron shopping in a hurry"⁴⁰ would be deceived would not be sufficient.⁴¹ Every case has to be considered 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."⁴²

The *Reckitt* case was a decision which ultimately turned on its facts. As Lord Oliver puts it:-

³⁶ [1896] A.C. 199 at p. 210. In that case Lord Herschell, *ibid.*, at p. 213, in the House of Lords held that the "words 'camel hair' had in the trade acquired a secondary signification in connection with belting, that they did not convey to persons dealing in belting the idea that it was made of camel's hair, but that it was belting manufactured by the plaintiffs ... the effect of using the words in the manner in which they were used by the defendants would be to lead purchasers to believe that they were obtaining goods manufactured by the plaintiffs, and thus both deceive them and to injure the plaintiffs ... I think the plaintiffs are on these facts entitled to relief."

³⁷ See *White Hudson v. Asian Organisation* [1964] 1 W.L.R. 1466.

³⁸ *Supra*, note 1 at p. 887.

³⁹ *Ibid.*, at p. 888.

⁴⁰ *Morning Star Co-Operative Society Ltd. v. Express Newspapers Ltd.* [1979] F.S.R. 113, *per* Foster J.

⁴¹ See C. Wadlow, *The Law of Passing-Off* (1990), especially para. 6-19.

⁴² *Supra*, note 1 at p. 888. See also *ibid.*, at p. 894, *per* Lord Jauncey.

“In the end, the question comes down not to whether the [plaintiff is] entitled to a monopoly in the sale of lemon-juice in natural size lemon-shaped containers but whether the [defendants], in deliberately adopting, out of all the many possible shapes of container, a container having the most immediately striking feature of the [plaintiff’s] get-up, have taken sufficient steps to distinguish their product from that of the [plaintiff].”⁴³

It is therefore a question of degree as to what extent the defendant must differentiate his get-up from those of the plaintiff’s in order to avoid the likelihood of deception. In a case where the goods have been in the market for a very long time and has become a particularly distinctive get-up of the plaintiff, the defendant seeking to market his product in a similar get-up would have to take “far more drastic steps to inform the public that his goods are not those of [the plaintiff]”.⁴⁴ This is because “... the public, having long become used to such a get-up as identifying the goods of [the plaintiff], are likely to be less mindful of differences in detail.”⁴⁵ It was precisely because of the trial judge’s somewhat “formidable” findings of fact that the House of Lords found for the plaintiff and held that the distinguishing features adopted by the defendants were not sufficient to avoid deception. As Lord Jauncey aptly puts it:-

“The decisions in the courts below and in this House do not have the effect of conferring on the [plaintiff] a monopoly right to sell lemon juice in plastic lemons. They merely decide that on the facts as found the [defendants] in seeking to enter the plastic lemon market have not taken adequate steps to differentiate their get-up from that of the [plaintiff] so that consumers will not be deceived.”⁴⁶

Given the importance in passing-off cases of the findings of facts, it is important that the findings be not based on arbitrary and artificial evidence. In the *Reckitt* case, the action proceeded on a *quia timet* basis and accordingly the courts were not presented with evidence based on normal market conditions. It was somewhat remarkable that in the circumstances the trial judge made such firm findings of fact on the likelihood of confusion between the products. The irony of the matter is that the trial judge accepted that had ‘careful’ purchasing members of the public read the labels attached to the containers, no deception would have arisen. Nothing turned on this point, however, as the trial judge also accepted that members of the purchasing public would not normally pay attention to the actual labels used. The all important indicia of origin of ‘Jif products was not the label on which the brand appeared, but the get-up of the container. One may perhaps sympathise with Lord Bridge’s view that the effect was to confer a *de jure* monopoly on the get-up. Lord Bridge opined that:-

⁴³ *Supra*, note 1 at p. 887.

⁴⁴ *Supra*, note 1 at p. 894.

⁴⁵ *Ibid.*

⁴⁶ *Ibid.*, at p. 897.

“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.”⁴⁷

However, decisions on the tort of passing-off should be treated with particular care because, as one judge has noted:- “the general principles of liability are well established by decisions of the House of Lords and the vast majority of reported decisions ultimately turn on questions of fact. There is a real risk of special factual features being wrongly regarded as themselves establishing, rather than as exemplifying the application of, legal principles.”⁴⁸ The *Reckitt* case was just such a case which turned entirely on its own special factual presentation.

From a practical point of view, it is of interest to note that their Lordships appeared to have relied on both the market survey evidence from both parties as well as the *vive voce* evidence of members of the public.⁴⁹

Conclusion

As to the future development of the law of passing-off, it is unclear whether or not a tort of unfair competition will distill out of the tort of passing-off. The *Reckitt* case would appear in one sense to be rather disappointing in that the House of Lords failed to take the opportunity to clarify and develop this area of the law. There have been some cases where the courts have hinted that unfair trading lies at the heart of the tort. Indeed in the recent decision of the Court of Appeal in *Bristol Conservatories Ltd. v. Conservatories Custom Built Ltd.*,⁵⁰ the court in an interlocutory decision accepted that passing-off could exist in formats other than the three main types of origin, quality and shared goodwill. The underlying concept of likelihood of damage to goodwill through a misrepresentation is flexible enough to encompass many forms of unfair trading and may eventually prove to be the progenitor of a new tort. If the tort of passing-off is ultimately concerned with fair and unfair trading, then the courts have to consider the questions of whether the common law is sufficiently well-informed and in tune with the commercial world to determine where the boundary between fair and unfair competition lies. The concept of

⁴⁷ *Supra*, note 1 at p. 877.

⁴⁸ *Associated Newspapers plc. v. Insert Media Ltd.* [1990] 2 All E.R. 803 at p. 810, *per Mummery J.*

⁴⁹ See Lord Oliver, *supra*, note 1 at p. 881. Some of the evidence which Walton J. considered consisted of a brochure produced by ABA Associates Ltd., who were specialists in packing design and brand development; and evidence from a series of experiments conducted by the parties. On market survey evidence see, P.G.M. Pattinson, “Market Research Survey - Money Well Spent? The Use of Survey Evidence in Passing Off Proceedings in the United Kingdom” [1990] 3 E.I.P.R. 99.

⁵⁰ [1989] R.P.C. 455, a decision on reverse passing-off. See also *Spalding v. Gamage, supra*, note 14; *Advocaat* case, *supra*, note 16.

fairness is a difficult one involving numerous policy considerations and it is perhaps understandable that some of the judges are wary of extending the tort of passing-off in this area. Attempts to broaden the basis of the passing-off action into a general tort of unfair competition might be resisted on the grounds that it constitutes ‘judicial legislation’.⁵¹ In other areas of intellectual property law, concern has been expressed against over developing intellectual property rights without proper safeguards.⁵² Be that as it may, the competitive marketing in today’s global market is likely to force a reconsideration of the question of the protection against unfair competition and where the boundary line is to be drawn, whether it be within the context of the tort of passing-off or by developing a tort of unfair competition or by legislation. Would the courts adopt a sympathetic view to it?

NG SIEW KUAN*

⁵¹ See, for example, the observation of Fry L.J. in *Mogul Steamship Co. v. McGregor Gow & Co.* (1889) 23 Q.B.D. 598 that: “... to draw a line between fair and unfair competition, between what is reasonable and unreasonable, passes the power of the courts” and note also the reluctance of Lord Scarman in *Cadhury Schweppes Pty. Ltd. v. The Pub Squash Co. Ltd.* [1981] R.P.C. 429, to decide on whether such a tort exists.

⁵² See, for example, *British Leyland Motor Corp. Ltd. v. Armstrong Patents Co. Ltd.* [1986] 1 All E.R. 850; and *Re Coca Cola Co.’s Application* [1986] 2 All E.R. 274.

* LL.B. (Hons) (Lond.), LL.M. (Cantab.), Barrister-at-law (M.T.), Advocate & Solicitor, Supreme Court of Singapore, Lecturer, Faculty of Law, National University of Singapore. The writer is grateful to George Wei for his helpful comments on earlier drafts.