

# AFTER INTERFLORA



Three recent decisions have changed the game for use of witness evidence in the courtroom. Nick Aries examines the cases that made the greatest impact

On 20 November 2012, the Court of Appeal gave judgment in an interim application in *Marks and Spencer plc v Interflora Inc* and another [2012] EWCA Civ 1501, relating to the use of witness-gathering exercises and survey evidence. The judgment alters the test for whether or not to allow survey evidence in trade mark and passing-off litigation. This article considers the ramifications of the *Interflora* decision, in light of two subsequent High Court decisions, *Maier and another v Asos plc* and another [2012] EWHC 3456 (Ch) and *Fage UK Limited and another v Chobani UK Limited* and another [2012] EWHC 3755 (Ch).

## **M&S v Interflora**

*Interflora* sued M&S for trade mark infringement in relation to certain Google AdWords corresponding to INTERFLORA, which M&S had bought. *Interflora* ran two pilot surveys to gauge the effect of M&S's adverts (ie those triggered following a Google search for INTERFLORA) on "reasonably well-informed and reasonably observant internet users". *Interflora* did not intend to carry out a subsequent full-blown survey, nor rely on the pilot surveys themselves. Rather, *Interflora* sought to call witnesses identified by means of the pilot surveys.

Arnold J gave *Interflora* permission to do so in relation to one pilot survey,

but not the other (on grounds that the second survey was flawed, containing a leading question). M&S appealed.

The practice previously adopted by the courts was to allow survey evidence unless the judge was satisfied that it would be valueless. The approach was summarised in Mann J's judgment in *A&E Television Networks LLC v Discovery Communications Europe Limited* [2011] EWHC 1038 (Ch). Lewison LJ, giving the Court of Appeal's judgment in *Interflora*, reversed the onus, stating that the judge should not let in survey evidence unless satisfied that it would be valuable and that the likely use of the evidence would justify the costs involved.

The Court of Appeal held that the standard form of order should now make clear that: (i) a party may conduct a true pilot survey without permission, but at its own risk on costs; (ii) no further survey may be conducted or adduced without the Court's permission; and (iii) no party may adduce evidence from respondents to any survey without the Court's permission.

Further, the Court ruled that an applicant seeking permission to carry out a survey should provide: (i) the results of any pilot survey; (ii) evidence that the further survey will comply with the Whitford guidelines (see panel); and (iii) the costs of carrying out the pilot and estimated cost of the further survey.

Finally, an applicant seeking permission to call witnesses who responded to a survey or other experiment (which would cover witness-collection exercises) should: (i) provide the draft witness statements; (ii) show that the evidence will be of real value; (iii) identify the survey or other experiment and give full disclosure on the circumstances of the survey and all answers received; (iv) disclose how the proposed witnesses were selected from the survey respondents; and (v) state the cost of the pilot survey and estimated cost of any further work in relation to the witnesses.

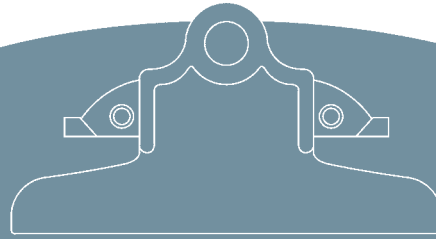
### Maier v Asos

The Applicants in this case (Roger Maier and Assos of Switzerland) own a Community Trade Mark for ASSOS, registered for clothing, and had sued Asos plc for trade mark infringement and passing off in respect of its use of ASOS in relation to clothing. The Applicants sought permission to: (i) contact entrants to a prize draw that had been run partly for the purposes of the litigation; and (ii) conduct a survey. At this stage, no permission was sought to adduce witness statements from this process. In relation to (i), an advert had been published in *The Guardian* asking people who wished to enter the competition to state what they thought of ASSOS and what they had previously bought from ASSOS. The Applicants argued that certain responses

indicated confusion between ASSOS and ASOS. As regards (ii), the proposed survey would show interviewees a picture of the Defendants' ASOS sign and ask them questions about it.

The application was heard the day after the Court of Appeal's judgment in *Interflora* was handed down. Asplin J granted permission in the form sought, holding that both exercises would be valuable and justify their cost. In relation to the prize draw, Asplin J held that prize draw responses were, or may be, evidence of confusion in the real world (the spontaneous reaction referred to in *Interflora*), and may prove valuable for the purposes of trade mark

infringement (the Defendants denied there was a likelihood of confusion). The estimated cost of £7,000, being modest, was justified given the importance of the evidence. As regards the survey, this would be testing use of the Defendants' sign in context, since the sign to be shown was a clothes tag attached to clothing as sold by the Defendants. The survey was likely to be probative and valuable, provided it was conducted in accordance with the Whitford guidelines. The cost of £38,000 was proportionate to the probative nature, even once the Defendants' likely costs of dealing with the matter were added.



### What are the Whitford guidelines?

The Whitford guidelines were laid down by Whitford J in *Imperial Group plc and another v Philip Morris Limited and another* [1984] RPC 293 for the conduct of future surveys. They were summarised by Lewison LJ in *Interflora* as follows:

- ✓ if a survey is to have any validity at all, the way in which the interviewees are selected must be established as being done by a method such that a relevant cross-section of the public is interviewed;
- ✓ any survey must be of a size that is sufficient to produce some relevant result viewed on a statistical basis;
- ✓ the party relying on the survey must give the fullest possible disclosure of exactly how many surveys it has carried out, exactly how those surveys were conducted and the totality of the number of persons involved, because otherwise it is impossible to draw any reliable inference from answers given by a few respondents;
- ✓ the questions asked must not be leading and must not direct the person answering the question into a field of speculation on which that person would never have embarked had the question not been put;
- ✓ exact answers and not some sort of abbreviation or digest of the exact answer must be recorded;
- ✓ the totality of all answers given to all surveys should be disclosed; and
- ✓ the instructions given to interviewers must also be disclosed.

**‘The shift in emphasis resulting from the Interflora decision means applicants must meet a higher threshold when seeking permission for survey evidence. However, the Assos and Chobani decisions indicate that permission to conduct surveys may not be too difficult to obtain’**

### Fage v Chobani

The Claimants produce TOTAL Greek Yoghurt. They had sued Chobani under the extended form of passing off on the basis that the Chobani Greek Yoghurt should not be called Greek Yoghurt as it was not made in Greece with Greek milk.

The Defendants sought permission to carry out a survey further to a pilot already conducted. The survey was to test whether consumers of yoghurt believe Greek yoghurt is a badge that indicates that the product is made in Greece.

In a decision of 11 December 2012, Hildyard J gave the permission sought, though the survey was at the Defendants’ risk as to costs. The judge quoted Lewison LJ’s comment in *Interflora* that “there can be no doubt that a valid survey can be an accurate diagnostic or predictive tool”, and considered that this was especially so in passing-off cases. The judge considered that a full survey could assist in establishing whether a substantial proportion of relevant consumers would believe that the phrase “Greek yoghurt” indicates that the product is made in Greece. Hildyard J recognised that the estimated costs of £11,800 for the pilot and full survey would probably be substantially exceeded, but that did not prevent permission being granted. The questions of whether the survey results would be allowed and what evidence would in due course be permitted from respondents would be considered subsequently.

### Raised threshold

The shift in emphasis resulting from the *Interflora* decision means applicants must meet a higher threshold when seeking permission for survey evidence.

However, the *Assos* and *Chobani* decisions indicate that permission to conduct surveys (and no more – paragraph 151 of *Interflora*) may not be too difficult to obtain, provided the survey covers a key issue and complies with the *Whitford* guidelines. The latter point means applicants should take care to design a *Whitford*-compliant survey before applying.

What remains to be seen is how the courts will address applications to call witnesses who have responded to a survey or witness collection exercise (paragraph 152 of *Interflora*). The Court of Appeal’s judgment provides that, as a general rule, it will not be necessary for the judge to hear from consumers in trade mark cases. Nevertheless, different considerations apply in certain circumstances outlined in paragraph 137 of *Interflora*. One of these is where evidence consists of spontaneous reactions of the public to the allegedly infringing sign. The judge in the *Assos* case was clearly influenced by the fact that the evidence the Applicants were seeking to obtain was (or may have been) evidence of real-world confusion, which Lewison LJ had held should not be shut out.

Another relevant circumstance is where the cause of action is in passing off. While Asplin J found in *Assos* (with counsel in *Chobani* taking the same view) that the *Interflora* standard applies to passing-off cases as well as registered trade mark cases, as Hildyard J put it in *Chobani* when considering passing-off cases: “A survey and its product may be of real use in guiding the court as to the likely view of a substantial proportion of relevant consumers.” It may therefore be that

evidence from consumers collected by way of a survey is likely to be more valuable (and so admitted) in passing-off cases than in trade mark cases.

It also remains to be seen whether the *Interflora* decision will reduce costs in trade mark cases, given the requirement to conduct surveys and/or obtain witness statements before there is any indication of whether they will be admissible. However, the *Interflora* judgment does indicate that likelihood of confusion is a question for the judge, and this may lead to more trade mark summary judgment applications being brought on this issue. ■

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Nick has a broad practice that includes advising on both contentious and non-contentious issues concerning many aspects of IP law.

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