

# HAVE A BREAK and the changing demands of trade mark registration

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Keywords

Trade mark registration; slogans; public interest; Trade Mark Directive (2008/95/EC); *HAVE A BREAK Trade Mark* (1993)]; *Société des produits Nestlé v Mars UK Ltd* (Case C-353/03) (2005); *Specsavers International Healthcare Ltd v Asda Stores Ltd* (Case C-252/12) (2013)

## Abstract

This article explores, from the point of view of both law and linguistics, how far the application and effect of the law of registered trade marks is shaped not only by legislative initiative but also by changing consumer behaviour and the shifting linguistic currency of the particular signs used (or proposed for use) as marks. It does so by focusing on the thirty-year campaign to register HAVE A BREAK for a chocolate bar, marketed as 'KitKat'. It considers the changing approach of courts both to inherent distinctiveness and to distinctiveness acquired through use. It also considers the relationship between the average consumer test for distinctiveness and the public interest in leaving certain signs free. It suggests that while the present trade mark regime is open to the registration of slogans, it is not clear that courts have sufficiently considered the public interest implications of increasing trade mark protection in this way.

## **1. Introduction**

This article explores how far the application and effect of the law of registered trade marks is shaped not only by legislative initiative but also by changing consumer behaviour and the shifting currency of the particular signs used (or proposed for use) as marks. The article discusses these questions by looking closely at a thirty-year campaign of litigation, first by Rowntree, then the merged company Rowntree

Mackintosh, then later by the successor company Nestlé, to register the slogan HAVE A BREAK for its chocolate bar marketed as KitKat.<sup>1</sup> Through a longitudinal study of that campaign we show how the registration of slogans, which play an important role in modern marketing, has been approached by the courts both with regard to inherent distinctiveness and to distinctiveness acquired through use. We also consider how difficulties in assessing the essential function of a trade mark as an indicator of commercial origin have been addressed by reference to the legal standard of the average consumer supplemented by empirical survey evidence, and how far public interest considerations are taken account of in registration decisions. Our findings point to complications, as well as benefits, associated with the widely acknowledged increased receptiveness, following implementation of the EU Trade Mark Directive (TM Directive),<sup>2</sup> to registration of signs composed of popular words or phrases, of which slogans are the prime example.

Our analysis of the HAVE A BREAK litigation follows on from a previous study undertaken by the authors,<sup>3</sup> which examined how far short verbal expressions used in commerce (of several kinds including titles, headlines and slogans) are protectable as intellectual property, either under the law of copyright or the law of registered and unregistered trade marks, or both. Of particular interest in that earlier article were issues raised by multiple meanings conveyed by short verbal expressions, especially how such meanings might affect the status of such expressions as intellectual property. Discussion focused accordingly on how varying effects communicated by word marks are disentangled by the courts in applying legal provisions in respective areas of law. In this article we extend that earlier analysis, by examining how far the trade mark registration process is anchored in semiotic and market contexts in which any given application is made. Our discussion takes a different form from the approach we adopted in the earlier article. It concentrates solely on trade mark registration. And it

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<sup>1</sup> The bar generally known as 'KitKat' has also been marketed, sometimes simultaneously, under variant other marks including 'Kit Kat'. We discuss the brand's history and relation to multiple marks and slogans below (passim, but see in particular n6, n8, n9, n14). In this article we use variants where necessary for the argument but refer generically using the more common designation 'KitKat'. A full listing of registered (and deceased) UK and EU KitKat marks can be found on the trade mark register at: [www.ipo.gov.uk/tmtext/](http://www.ipo.gov.uk/tmtext/).

<sup>2</sup> First Council Directive of 21 December 1988 to approximate the laws of the Member States relating to trade marks (2008/95/EC; formerly EEC 89/04).

<sup>3</sup> J. Davis and A. Durant, 'To protect or not to protect? The eligibility of commercially-used short verbal texts for copyright and trade mark protection' (2012) 4 IPQ 345.

seeks to establish a different point: that changes in the legal protection of trade marks over time can be understood more fully if related to the social and linguistic contexts in which they are introduced. Such contexts, we suggest, impact on the signifying effects, and so commercial functioning, of the various signs that the law protects through its trade mark regime.

The article begins with an account of how the HAVE A BREAK slogan<sup>4</sup> was first used in promoting the KitKat chocolate bar. Our account describes how adoption of the HAVE A BREAK slogan reflected changing consumer habits as well as the brand owner's marketing strategy, although of course the two were (as they always are) closely interrelated. The article then presents a detailed narrative of the prolonged battle between Rowntree Mackintosh (and its successor Nestlé) to register the slogan HAVE A BREAK in the face of equally prolonged opposition from Mars Ltd, a rival confectionary company. It is argued that the narrative we present is shaped not only by relevant changes in the law governing trade mark protection,<sup>5</sup> but also by larger social changes and by changes in the overall effect of the contested expression ('have a break'). The article concludes with brief accounts of three more recent cases, *Specsavers International v Asda Stores*, *Colloseum Holding v Levi Strauss* and *Smart Technologies ULC v OHIM*<sup>6</sup>, which illustrate the continuing significance of issues probed in the HAVE A BREAK litigation; we also comment on the approach taken by the courts to the public interest and on wider processes of legislative change in trade mark law.

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<sup>4</sup> 'Slogan' is not a well-defined term of art either in trade mark law (where it is a concept developed by the case law) or in advertising regulation. Nor is slogan a technical term in marketing, a discipline less concerned than law with precise definition or strict authority (and some marketers use related terms almost interchangeably including 'tagline' and 'strapline', as well as, varying between countries, 'theme line', 'baseline' and 'signature'). Informally, slogans are a sub-genre among cognate forms including adages, maxims, aphorisms, proverbs and mottoes, or, spoken and combined with music, jingles. They share with those other genres the characteristic of being short, pithy, and conveying either a full proposition in a simple sentence, or an elliptical meaning elaborated by the reader through inference. What makes slogans distinctive is not merely that they encapsulate a commercial sales message or organisational mission or values statement; or that they are memorable. Slogans often simulate colloquial or idiomatic expressions as a kind of semantic grab of presumed wisdom or commonsense: they exploit overlap with related genres so as to present themselves as an apparent echo of what some unattributed class of people already think, rather than something an audience is being encouraged to think. For discussion from a marketer's perspective, see Nigel Rees, *Slogans* (Allen & Unwin, London, 1982). Because slogans are commonly used commercially in either graphically distinctive or variant fonts, for convenience we indicate in the text that a given phrase is a slogan by presenting it in upper case characters.

<sup>5</sup> Principally the TM Directive and the Council Regulation ((EC) No. 207/2009, formerly Council Regulation (EC) No. 40/94) (TM Regulation) as well as, in the UK, the Trade Marks Act 1994.

<sup>6</sup> Case C-252/12 *Specsavers International Healthcare Ltd v Asda Stores Ltd* [2013] ETMR 46, Case C-12/12 *Colloseum Holding AG v Levi Strauss & Co* [2013] ETMR 34 and Case C-311/11P *Smart Technologies ULC v OHIM* [2012] ETMR 49.

## 2.1 KitKat: the brand

What is now known as the KitKat chocolate bar was first put on the market in 1935 by Rowntree, a confectionary company based in York. It was, and still is, a milk chocolate bar composed of three layers of wafer covered with chocolate, conventionally called 'fingers'. The size and number of the fingers varies, depending on the particular product design (most KitKat bars have 2 or 4 fingers).

Although accounts differ in minor respects, the early history of the 'KitKat' bar illustrates the importance Rowntree already placed on its marketing. Originally, the bar was known as 'Rowntree's Chocolate Crisp' and was sold in red and white packaging.<sup>7</sup> It would appear that, in 1937, the bar was renamed and marketed as 'Kit Kat Chocolate Crisp'. At some point during the war, however, Rowntree was unable to source the milk traditionally used to make the Chocolate Crisp. Instead, it marketed a dark chocolate bar named only 'Kit Kat', which was sold in blue and white packaging. The new bar carried an explanation that this bar was in effect the Chocolate Crisp without the milk.<sup>8</sup> Understandably Rowntree wanted to differentiate this wartime bar from its popular, milk-chocolate 'Chocolate Crisp'. After the war (again accounts differ as to exactly when), Rowntree reverted to the bar's original recipe and its red and white packaging. At this time, the bar still carried both names, 'KitKat' and 'Chocolate Crisp', with the former in a more prominent position. By 1949, however, the words 'Chocolate Crisp' had been dropped entirely and the red and white packaging with the words 'KitKat' became the distinctive bar we are familiar with today. It is entirely possible that Rowntree had come to see the name 'KitKat' as having greater potential for

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<sup>7</sup> Rowntree registered the term 'KIT-KAT' as a trade mark in 1911, for goods in Class 30: [www.ipa.gov.uk/tmcase/Results/UK00000332454](http://www.ipa.gov.uk/tmcase/Results/UK00000332454) (last visited 14 November 2014). This mark appears not to have been used, however, and is shown by the UK Intellectual Property Office as 'renewal 2005', but 'dead'. In the 1920s, Rowntree launched a brand of boxed chocolates entitled 'Kit Cat', and registered KIT-CAT in 1927 (UK00000483896); 'Kit Cat' product remained on sale into the 1930s. According to the company's corporate narrative, Rowntree registered KIT-CAT at the same time the company shifted focus to its 'Black Magic' and 'Dairy Box' brands. The 'Kit Cat' brand shrank and was eventually discontinued. According to company mythology, the original four-finger bar was developed after a worker at the Rowntree York Factory put a suggestion into a recommendation box for a snack that 'a man could take to work in his pack'. [http://en.wikipedia.org/wiki/Kit\\_Kat](http://en.wikipedia.org/wiki/Kit_Kat) (last visited 17 June 2014).

<sup>8</sup> According to the packaging, 'Kit Kat' was the 'nearest possible product to the Chocolate Crisp at the present time'. Another said, 'Our standard Chocolate Crisp will be reintroduced as soon as milk is available.' <http://www.news.com.au/photos-e6frflwr-1225952593019?page=8> (last visited 17 June 2014).

distinctiveness, in a trade mark sense, if used on its own rather than conjoined with the descriptive name 'Chocolate Crisp'.

The name KIT-KAT had been registered by Rowntree as a mark in April 1911, in a later abandoned hyphenated form.<sup>9</sup> The present trade mark, KIT KAT,<sup>10</sup> was registered in 1962 for goods in class 30: cocoa, chocolate, chocolates, chocolate biscuits and non-medicated confectionery; other classes were added subsequently (09, 16, 21, 28, 41 and 43). In 1957, Rowntree introduced the slogan HAVE A BREAK, HAVE A KITKAT (a slogan coined by the London advertising agency JWT and widely attributed to copy-writer Donald Gillies)<sup>11</sup>; use was made of the slogan both in advertising and on packaging. Key to the advertising, which used the tagline HAVE A BREAK, was the concept of the consumer taking a break from some activity, whether work or leisure related, in order to eat a KitKat.<sup>12</sup> Related television adverts had been introduced in the mid-1950s, preceding the tagline itself, which nonetheless depicted characters taking time off to eat a KitKat. Those adverts included one featuring a housewife (for whom KitKat was her 'secret treasure') as well as others showing *inter alia* shop assistants, 'char' ladies, bicyclists and barristers all taking time out to savour a KitKat. The adoption of the tagline HAVE A BREAK was evidently intended to underline this theme. While between 1972 and 1976 Rowntree Mackintosh moved away from HAVE A BREAK, HAVE A KITKAT to a variety of alternative expressions in its advertising, in 1976 it reverted to using the slogan HAVE A BREAK, HAVE A KITKAT as the product's principal slogan.

The slogan HAVE A BREAK, HAVE A KITKAT is now well-known worldwide and regularly features in consumer lists of favourite commercial slogans.<sup>13</sup> As became significant in later stages of the HAVE A BREAK litigation,<sup>14</sup> the slogan has a number of

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<sup>9</sup> UK00000332454, now defunct. The alternative spelling KIT-CAT was registered in 1927.

<sup>10</sup> From 1939 onwards, variants of KIT-KAT had been registered in relation to various classes of goods and with different get-ups (e.g. in terms of font, red background, use of the oval shape around the name).

<sup>11</sup> The slogan was registered, also for Class 30 and with a hyphen between the two phrases, in 1978 (UK00001104711), and later with a full stop in the middle and an exclamation mark at the end in 1983 (UK00001196452). A range of more distant variants have been registered subsequently.

<sup>12</sup> During the war, by contrast, the tagline was, 'What active people need'.

<sup>13</sup> [http://www.nestleprofessional.com/uk/en/SiteArticles/Pages/History\\_of\\_KitKat.aspx?UrlReferrer=https%3a%2f%2fwww.google.co.uk%2f](http://www.nestleprofessional.com/uk/en/SiteArticles/Pages/History_of_KitKat.aspx?UrlReferrer=https%3a%2f%2fwww.google.co.uk%2f) (last visited 17 June 2014).

<sup>14</sup> See Rees, *Slogans*, or JJ.Gabay, *Gabay's Copywriting Compendium*, 3rd edition (Hodder, London, 2010).

<sup>15</sup> See comments of Sedley LJ, *Soci t  des produits Nestl  SA v Mars UK Ltd* [2003] EWCA Civ 1072 at [49].

features which presumably contribute to that success. Marketers typically argue, for example, that a slogan should consist of up to seven words, draw on idiomatic language as if reiterating an established viewpoint and evoke a situation or scenario (some also show verbal or figurative invention, such as alliteration or rhyme, metaphor, or understatement).<sup>15</sup> HAVE A BREAK, HAVE A KITKAT shows such characteristics.<sup>16</sup> It consists of two parallel short clauses such that a theme of taking a break from some form of activity creates superimposed on that motif an encouragement to buy and eat a KitKat, not least because the product name is made the final word. What gave the slogan particular impact when first introduced, however, was another aspect of its form: that the word 'break' is ambiguous between the meaning of an interlude away from an occupation and that of snapping the chocolate fingers of which the physical bar consists. This ambiguity was foregrounded especially when the slogan was used in conjunction with visual depictions of a KitKat bar (e.g. in TV advertisements), as well as in some of Nestlé's print advertising which laid out the slogan typographically with an image of a snapping chocolate finger in the position normally occupied by the word 'break'. At the time of earliest use of the HAVE A BREAK slogan, that double meaning further alluded conceptually to a convenient and innovative utility associated with KitKat design, which offered an easily breakable snack bar, while by the end of the litigation any such technical effect was devoid of novelty, having been adopted in many other products.

## **2.2 The litigation**

It was in 1976, when the company reverted to HAVE A BREAK, HAVE A KITKAT, that Rowntree Mackintosh (a company formed by merger in 1969) first applied to register HAVE A BREAK in Part B of the Trade Mark Register (under TMA 1938), against 'cocoa, chocolate, chocolates, chocolate biscuits (other than biscuits for animals), and non-medical confectionary', all goods in Class 30.

### ***2.2.1 The legal battle to register 'Have a Break' commences***

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<sup>15</sup> On creative use of words in slogans and straplines, see G. Myers, *Words in Ads* (Edward Arnold, London, 1994), or the classic (but now dated) study, G. Leech, *English in Advertising: a linguistic study of advertising in Great Britain* (Longman, London, 1966).

<sup>16</sup> Between the 1970s and 1990s, this slogan was also registered in variant forms: consistently in upper-case characters, but either with a hyphen or comma between the two clauses and with either no punctuation or with an exclamation mark at the end.

At the time of Rowntree Mackintosh's first application, in order to be registered in Part B of the Register a trade mark had to be capable of distinguishing the goods of the proprietor from other goods where no such connection existed. In determining whether a mark was capable of distinguishing in this way, the court had to have regard to whether it was inherently capable of distinguishing and, where it was not, whether it had become distinctive by virtue of the use made of it on the market.<sup>17</sup> In response, Mars Ltd initiated its equally lengthy opposition to Rowntree Mackintosh's application to register HAVE A BREAK.<sup>18</sup> Among its grounds for opposition, Mars argued that HAVE A BREAK did not constitute a trade mark within the meaning of the 1938 Act, as it was not a mark used or proposed to be used in relation to goods as a badge of origin, in effect because it was not a mark at all but a slogan.<sup>19</sup>

At the Registry, Mars also sought to argue that there had in recent years been an 'emergence' of an 'anytime food market', and that 'those who seek to supply it would want to have the freedom to use words such as 'snack' and 'break' in relation to their own goods'.<sup>20</sup> In reply, Rowntree noted that Kit Kats had been sold since 1939 and that over 600 million had been consumed. Further, they claimed to have spent about £641 million in advertising KitKats and that they had first used the phrase HAVE A BREAK, HAVE A KITKAT in 1957. Since then, that phrase had appeared on wrappers, packaging and posters, as well as in television advertisements. According to Mr. Reid, for Rowntree:<sup>21</sup>

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<sup>17</sup> Section 10(1) of the 1938 Act states that for a trade mark to be registrable in Part B of the register it must be capable of distinguishing the goods for which it is registered as connected with the proprietor of mark from goods of other traders. To determine whether it is distinctive, factors to consider under s10(2) are whether the trade mark is inherently capable of distinguishing and hence capable of distinguishing) by reason of the use made of the mark.

<sup>18</sup> *HAVE A BREAK Trade Mark* [1993] RPC 217. In fact it was not until the early 1980s that the application and its opposition were considered by the Registry and then by the High Court and Court of Appeal.

<sup>19</sup> *ibid*, 218.

<sup>20</sup> *ibid*, 219. Mars developed this argument in evidence from the Managing Director of their confectionery division: the 'break' concept, in short, should not be made proprietary because the word was part of an emerging semantic and commercial nexus. They contended that the new 'anytime food' market 'existed to satisfy the modern habit of eating or drinking instantly available consumables during "breaks", which occur naturally, or which people are encouraged to take, during periods of work, leisure, boredom, stress or whatever. This market is considered to have great potential, and those who seek to supply it are understandably jealous of their freedom to use words such as "snack" and "break" without hindrance in relation to their goods.'

<sup>21</sup> *ibid*, 219.

...identification by the public and the trade of the particular words “Have A Break” with the applicants' products has become so widespread that in recent years the applicants' posters have featured these words alone to advertise the product.

In the event, the Assistant Registrar held that in principle slogans were registrable as trade marks.<sup>22</sup> He also rejected the argument put forward by Mars that the mark did not connect the good with the proprietor because it was merely ‘an exhortation to buy the goods.’ Nor did he accept that the mark had, for the same reason, not been used as a trade mark. Finally, he did not believe that the registration of HAVE A BREAK would ‘erode’ - in effect restrict - the freedom of other manufacturers to use the term ‘break’.<sup>23</sup> According to the Assistant Registrar, the mark was inherently distinctive under s10. It was also factually distinctive. He based this finding of factual distinctiveness on evidence including a survey of 500 people conducted by Rowntree, of whom 88% made a connection between HAVE A BREAK and Kit Kat.<sup>24</sup> He concluded that registration could proceed, subject to two conditions: the applicants should file at the registry a form amending the application to limit specification of the goods to ‘chocolate biscuits (other than biscuits for animals)’; and they should incorporate the disclaimer, ‘Registration of this mark shall give no right to the exclusive use of the word “BREAK”’, an exclusion which reflected the argument made by Mars that other traders might wish to use the word (along with related words such as ‘snack’).<sup>25</sup>

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<sup>22</sup> In earlier periods, this finding might have been queried in that slogans were generally not registrable because the advertising messages they convey are laudatory (and hence descriptive of goods or services). By the time of the KitKat proceedings, however, slogans had come to be viewed as registrable in principle if the words display no direct reference to the character or quality of the goods and, if they do make such reference, potentially still registrable on proof of distinctiveness.

<sup>23</sup> *Nestlé*, n 17 above, 220.

<sup>24</sup> Indeed he was willing to extrapolate from that that up to 74% of the entire UK population would make such a connection (*ibid*, 222). Both parties had introduced survey evidence. The Assistant Registrar held that the relevant evidence had to relate to the period up to the application in 1976 rather than to the later date of the hearing (*ibid*, 225).

<sup>25</sup> *ibid*, 223. According to a Google books Ngram, the word ‘break’ was most widely used in English in the second half of the 17th century. But from the 1940s the noun form began to occur increasingly in combinations which denoted short periods of relaxation within a day of work or leisure: ‘coffee break’ or ‘tea break’ (phrases which therefore have the opposite relation to eating by comparison with an older food-related kind of break, ‘breakfast’). A meaning of general interruption is attested in the OED from late 17th century, in the sense of a sudden alteration from a level stride (either walking pace or steps taken by a horse) and gradually the word extended metaphorically: a ‘break in our lives’, a ‘break in the sequence of events’. The overtone that such a break involved relief or remission also existed from the 19th century, as in ‘the run is 5000 miles without a break’. This ‘relief’ sense began to be applied to the structure of the

### 2.2.2 Mars' appeal

Mars then appealed. In 1983 in the High Court (reported in 1993), Whitford J. came to a markedly different conclusion from that of the Assistant Registrar. Key to this divergence was Whitford J's interpretation of what constituted the public interest in the case.

Whitford, J began by considering the evidence. Unlike the Assistant Registrar he took the view that, although the public might associate the words HAVE A BREAK with KitKat, this was not the same as the words having acquired a distinctive secondary meaning. He was also less willing than the Assistant Registrar to accept that the term HAVE A BREAK had been widely used by KitKat, either on television, posters or wrappers prior to 1976. For related reasons, he discounted the survey evidence which had been presented. Whitford J did however agree that slogans might in principle be registered.<sup>26</sup>

He reached two conclusions. First, unlike the Assistant Registrar he took the view that the slogan had *not* been used as a trade mark prior to the application for registration. Rather, it had been used as an advertising slogan.<sup>27</sup> Accordingly, opposition should succeed under s68 (which identifies which signs may act as a trade mark). In case he should be wrong in making that judgment, however, he went on to consider the situation regarding registration in Part B of the Register. According to Whitford J, the words HAVE A BREAK were not inherently distinctive.<sup>28</sup> This was because, once 'break' was disclaimed, leaving 'have' and 'a', there was nothing distinctive left to protect. Furthermore, for Whitford J, the key question for registration in Part B was not 'whether there would be a significant erosion of another's freedom to describe its products', which would be a factual consequence of registration. Rather the question

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working or institutional day, for example in schools. Other meanings accreted more recently, including in 1940s media use of the term to indicate programming pauses for adverts as a so-called 'natural break'.

<sup>26</sup> *ibid*, 226-227.

<sup>27</sup> While Whitford, J agreed that slogans might in principle be registered despite their promotional function, deciding whether registration should be permitted in given circumstances was in effect a matter of judging between alternatives: between viewing an expression as merely a laudatory slogan, or viewing it as a badge of origin. We discuss the subsequent evolution of approaches to multiple meanings conveyed by slogans below, p.xx

<sup>28</sup> The Assistant Registrar in this context had also referred to the then recent House of Lords decision, *YORK Trade Mark* (1982) 1 WLR 195 for the principle that a mark cannot be inherently capable of distinguishing if others might wish to use it in the ordinary course of business without improper motive. Whitford J took the view that this was not an exhaustive principle (*Nestlé*, n 17 above, 229).

was this: were these words which another trader might ‘perfectly fairly’ wish to use. If this potential or freedom to choose the sign were likely to be restricted, the slogan should be debarred from registration as lacking inherent distinctiveness.<sup>29</sup>

In sum, Whitford J concluded that, whatever the survey evidence, such evidence did not show that the public understood the words HAVE A BREAK as a badge of origin rather than as a description of goods suitable for consumption at break times. Instead, for Whitford J, HAVE A BREAK remained a descriptive and ‘commonplace phrase’, which other traders might legitimately wish to use and should therefore not be registered.<sup>30</sup>

In reaching his decision, Whitford J chose to take account of the larger commercial context, including important economic and social changes which, it was argued by Mars, had shaped the market for KitKat and like products. Thus, he accepted Mars’ argument, also made before the Assistant Registrar, that one reason other traders might wish to use the phrase HAVE A BREAK arose from the fact that there was an increasing demand for a ‘snack product’ among consumers. Mars explained this development as deriving ‘in part out of increased affluence and in part out of increased mobility, coupled with changes in the role of women which had resulted in an increasing demand for snacks.’ According to Whitford, J, ‘these and other factors’ had led people to consume snacks in place of ‘formal’ meals during their breaks, ‘whether natural or unnatural in their day to day occupations’. It was for this reason, he concluded, that other traders, including Mars, were using the word ‘break’ in their own advertising and should be able to continue to do so.<sup>31</sup>

As we have seen, Rowntree’s own advertising sought to exploit such social change and its effect on the ‘snack’ market when it introduced its slogan ‘Have a Break’. But that adoption of the slogan had taken place some twenty years before the application to register it. Perhaps, given the example of the 1950s television advert

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<sup>29</sup>He also disagreed with the Assistant Registrar’s conclusion that allowing the registration of the phrase ‘would not bring about a significant erosion of a manufacturer’s freedom to point out the aptness of his product for consumption during breaks’, although he believed this was the wrong question to ask (ibid, 230).

<sup>30</sup>The evidence put forward, in the view of Whitford, J, did not overcome ‘the inherent descriptiveness and suitability of a commonplace phrase, if I may so describe it, such as this for the purposes of advertisement of this or indeed a vast variety of other goods..’ (ibid, 230-231). Whitford, J’s choice of the word ‘commonplace’ merges three characteristics whose absence is salient in discussion of, but not sufficient to preclude, distinctiveness: lack of verbal invention, frequency of use in descriptive rather than trade mark settings; and topicality linked to likely demand for use by others.

<sup>31</sup> ibid, 224.

featuring the housewife with her 'secret treasure', but also with her state-of-the-art kitchen and middle-class accent, the marketing intention at that time had been to present Kit Kat as aspirational rather than reflective of an already existing market for breaks with snacks. Certainly the historical moment was a transitional one: the TV commercial form was itself a novelty, coincidentally adding a new meaning to the word 'break' attested from around that time: not only some kind of pause in or remission from physical activity – a meaning no doubt heightened in affect by wartime - but now 'break' as an intermission for commercials while watching television. At that earlier, post-war historical moment, the slogan might have been calculated to allude to the notion that in peacetime it was legitimate to take a break, while in wartime Kit Kats were, according to Rowntree's slogan of that period, 'What active people need'. The imperative form of 'Have a break', in this context, was also on a historical cusp, as in many fields hierarchically directed permission to break began to coexist more with self-directed patterns of work allowing freedom to interrupt and relax not previously so widely possible either in wartime or in earlier and many persisting forms of employment. It may also be significant that, at the time the slogan was adopted, wartime rationing was just coming to an end; so eating a Kit Kat may well have constituted a special 'treat' to an extent that was no longer the case by the time the litigation concluded.<sup>32</sup>

Whatever the earlier connotations of the particular words HAVE A BREAK, which must inevitably have been heavily inflected by the experience of wartime society and its aftermath, it is in fact the case that 'snacking' during 'breaks' had been a commonplace activity in most affluent countries and among all classes, both at work and home, for many decades before the 1970s. Such snacking had of course involved varying foodstuffs chosen for reasons linked to income and class, regional identity, and social aspiration. The popularity of a variety of 'snack foods' from the early twentieth century attests to the existence of such behaviour, as do the high sales over a prolonged period of Kit Kats as well as of Mars bars (whose famous slogan also evokes a contrast between work and breaks: 'a Mars a day helps you work, rest and play'). It was precisely for that

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<sup>32</sup>On wartime rationing and on changing gender roles see, K. W. Rothschild, 'Rationing and the Consumer' (March, 1945) No. 7 *Oxford Economic Papers* 67-82; S. Bruley, 'A Very Happy Crowd': Women in Industry in South London in World War Two' (Autumn, 1997), *History Workshop Journal*, 58-76; A. Adolph, 'Austerity, Consumption, and Postwar Gender Disruption in Mollie Panter-Downes's 'One Fine day'' (Summer, 2008) Vol. 31, No. 4 *Journal of Modern Literature* 18-35.

reason that, by the 1970s, HAVE A BREAK was an exemplary marketing slogan. Of course, based on the same reasoning, it was important for Mars to establish that the same or closely related wording was something other traders would wish to employ. Furthermore, while the word 'break' had come into increased use during the 1950s, by the 1970s the word was being applied not only to time taken out to rest or consume food but increasingly to other planned interruptions to routine that had become more widely available, such as commercial holiday 'breaks'.<sup>33</sup> Perhaps it was the spread of these more substantial breaks, and their associated advertising, which drew particular attention to the increasing consumer affluence noted by the court, but also ratcheted up the question of under what conditions such a word should be permitted as a proprietary term.

### **2.2.3 Battle rejoined, 1995**

In 1995, although the longer slogan HAVE A BREAK, HAVE A KITKAT had been successfully registered by Rowntree Mackintosh since 1983, the company had not given up its desire to register HAVE A BREAK on its own, separate from any combined reference to the product name. A further application was lodged with the Registry. Mars renewed its opposition and an opposition hearing took place in 2002.<sup>34</sup> In the meantime, however, Rowntree Mackintosh had (in 1988) been acquired by Nestlé. So it was now Nestlé who were seeking to register HAVE A BREAK for the same goods. The bases of opposition submitted by Mars, now under the terms of the 1994 Trade Marks Act, were remarkably similar to those it had presented in 1982 for consideration under the earlier, 1938 Act.

As previously, Mars asserted that the slogan was incapable of distinguishing, that it lacked distinctiveness, was descriptive, and was an indication customary in the trade.<sup>35</sup> However, in this hearing there was a crucial difference. Unlike under the 1938

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<sup>33</sup> Use of the word 'break' to denote commercial holiday packages dates from the mid-1960s, in such combinations as 'city break', 'holiday break', 'weekend break', 'midwinter break', and 'bargain break'.

<sup>34</sup> IN THE MATTER OF Application No 2015684 by Société des Produits Nestlé S.A. to register a trade mark in Class 30. Although the application was made in 1995, opposition was not heard until 2002.

<sup>35</sup> TMA Sections 3(1)(a), (b), (c) and (d). Mr Ronald (Managing Director of the snack foods division of Mars) observed that 'the word BREAK is highly suitable and obvious for use in the snack market because it describes both when a snack food can be eaten and why it should be eaten.' Although the idea of a short interruption for relaxation within an otherwise busy task or occupation was not descriptive of the class of physical chocolate products, it appears both to describe – and in Mr Ronald's words, explain – their use, potential use, and function (ibid at [26]). This point had been identified in the earlier hearing by Whitford

Act, a sign could no longer be denied registration because it was one that other traders might legitimately wish to use.<sup>36</sup> Once a mark had acquired distinctiveness through use, it could be registered. Thus Mars also argued, contra Nestlé, that the slogan had not acquired distinctiveness through use.

As with the previous application, Nestlé tendered evidence that HAVE A BREAK had been widely used in advertising, although once again almost all of that use had been either as part of the slogan HAVE A BREAK, HAVE A KITKAT or in immediate juxtaposition with the word 'KitKat'. The strongest example of independent use of the phrase HAVE A BREAK was that, in 1995, Nestlé had run a television advertisement in which the phrase HAVE A BREAK, rather than the longer slogan, had been used at the top of the screen. Even then, however, the Kit Kat logo also appeared at the bottom of the screen.

Nestlé resubmitted some survey evidence from the earlier 1982 hearing intended to test public reaction to the use of HAVE A BREAK as a brand name for confectionery. That evidence had now been distilled into a smaller number of statutory declarations. However, the company also produced fresh survey evidence.<sup>37</sup> The Hearing Officer nevertheless found the surveys unconvincing. His view was that most respondents were only 'reminded' of a KitKat when presented with the phrase HAVE A BREAK by 'spontaneously associating' the term with KITKAT. None of the survey informants, for example, was recorded as having said that a product design shown to

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J, but not accepted, when he commented on the Assistant Registrar's view that the descriptive aspect of the phrase (whether it made direct reference to the character or quality of the goods) was not sufficient to interfere with its distinctive function. Evidence was also presented by a Mr Brand, a trade mark attorney, examining use of the phrase HAVE A BREAK, and the word BREAK, in press articles during the period 1990 to 1998. Nestlé also cited examples showing the word BREAK associated with other chocolate confections: Fox's Twin Breaks, St Michael's Break In, Nestlé's own Breakaway, Cadbury's Chocolate Break (drinking chocolate), Tesco Break 2, Waitrose's Wafer Break and T-Break, Caxton's Break Bars, Morrison's Break and Bobby Break 4. Some examples showed the word used in slogans on the packaging of products: one Cadbury's Time out confection was described as 'The wafer break with a layer of Flake'; and the opponent's own Twix chocolate biscuit carried the slogan, 'A break from the norm' (ibid at [30-31]).

<sup>36</sup> Art 3(3) TM Directive. See for example, the CJEU decision in *Windsurfing Chiemsee Produktions-und Vertriebs GmbH v Boots-und Segelzubehor Walter Huber* (Case C-108/97) [1999] ECR I-2779. Some exceptions exist, including functional shapes and signs which offend against public morality. See C. Geilen, 'European Community: trade marks - protection of geographical indication as a trade mark' (1999) EIPR N182. It is true that, in *Windsurfing* and later cases, the CJEU recognised that there might be a public interest in not registering signs which were descriptive so they might be used by other traders. See for example M. Blakeney, "The Registration of geographical trade marks in Europe" [2014] Int. T.L.R. 1. However, it was also made clear in *Windsurfing* that once such signs had acquired distinctiveness they could be registered.

<sup>37</sup>In the matter of Nestlé's Trade Mark Application, n 33 above at [18-20].

them bearing the slogan HAVE A BREAK actually *was* a KitKat. The surveys did not demonstrate that a significant number of respondents believed that a chocolate bar labeled HAVE A BREAK came from the makers of KitKat.<sup>38</sup>

For this and other reasons, the Hearing Officer refused the application. He did not find the mark customary in the trade (because it did not consist ‘exclusively’ of signs or indications which have become customary (under s3(1)(d)). Nor did he find it descriptive under s3(1)(c), as being no different from the usual way of designating the relevant goods or services or their characteristics. On applying the test of distinctiveness independently under s3(1)(b), however, he did find that the slogan lacked distinctiveness, affirming in paragraph 58 the principle that: ‘The fact that a phrase is not a normal means of designating the goods or their characteristics does not necessarily mean that the phrase has any inherent trade mark character.’

Despite difficulties in ascertaining precisely how the slogan could be shown to function as an indicator of origin, the Hearing Officer held that consumers would view HAVE A BREAK as ‘an origin neutral invitation to consume a snack when used in the course of promoting a snack food product.’ In much the same way, he suggested, an ‘exhortation to have a day in the country’ would be seen as a ‘promotional statement’ in the promotion of picnic hampers.<sup>39</sup> The Hearing Officer concluded that the expression HAVE A BREAK, insofar as it had been used on its own, had not in any case acquired distinctiveness through use: to the extent that consumers connected HAVE A BREAK to KitKat, this was only the case when the former was used *with* the latter.<sup>40</sup>

#### **2.2.4 Nestlé appeal to the High Court**

Nestlé appealed against this decision to the High Court.<sup>41</sup> At the hearing in December 2002, Rimer J held that the Hearing Officer had been correct to assess the distinctiveness of the slogan with reference to the reaction of the average consumer assuming normal and fair use in advertising the goods and on the packaging, and to find that the expression would be understood simply as a neutral invitation to consume a

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<sup>38</sup> Ibid at [74].

<sup>39</sup> Ibid at [74].

<sup>40</sup> Ibid at [84].

<sup>41</sup> *Nestlé SA’s Trade Mark Application* [2002] EWHC 2533 (Ch).

snack rather than fostering an expectation that the goods originated from a particular undertaking.<sup>42</sup>

At the trial, and in an echo of the previous dispute in the 1970s, Mars argued on the basis of survey evidence that the average consumer for KitKats was the general public, not all of whom would of course consume KitKats. This argument suggests that, for such a wider public, the slogan's imperative form served the purpose of encouraging them to consume. For its part, Nestlé took issue with the view that the average consumer for KitKats was the general public, as had been accepted by the Hearing Officer. Instead, counsel for Nestlé argued that some individuals did consume snacks, some were on a diet and ate nothing, some never took breaks and some were retired.<sup>43</sup> As a result, Nestlé submitted, the average consumer for the goods in question was a more limited category than the Hearing Officer had supposed, and that those who did snack would be more likely to see HAVE A BREAK as a badge of origin.<sup>44</sup> For Mars, the broader the category of the average consumer, the less likely such a consumer could be assumed to see the slogan as a badge of origin. For Nestlé, by contrast, if the category were confined to those who do take breaks, the more likely such a consumer would be to consume KitKats and so to differentiate products in that market sector. For Nestlé, however, it was still important to argue that the category was sufficiently numerous to ensure that HAVE A BREAK was functioning as a badge of origin and was not primarily descriptive.

In addition, Nestlé argued that recent case law of the CJEU, in particular the BABY-DRY decision, supported its position. That decision had confirmed that a mark which is held not to be descriptive so as to be disqualified under s3(1)(c) TMA 1994 would automatically be considered to be distinctive and hence not disqualified under s3(1)(b).<sup>45</sup> The BABY-DRY case concerned an attempt by Procter & Gamble to register the term for nappies. According to the CJEU, the word combination BABY-DRY was not descriptive of the product, and neither was it the usual way of referring to the function

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<sup>42</sup> *ibid* at [10].

<sup>43</sup> *ibid* at [11].

<sup>44</sup> See J. Davis, 'Locating the average consumer: his judicial origins, intellectual influences and current role in European trade mark law' (2005) 2 IPQ 183.

<sup>45</sup> *Nestlé SA's Trade Mark Application*, n 39 above at [44]. See *Procter & Gamble Co v OHIM* (C383/99P) 'Baby-Dry' [2002] ECR I-6251. 'Baby Dry' had not been decided at the time of the opposition hearing in the Registry.

of baby's nappies.<sup>46</sup> Rather, it was a 'lexical invention' which gave the mark distinctive power; so it could be registered.

Rimer J, however, distinguished the decision in *BABY-DRY* from the present dispute (as had the Hearing Officer). According to Rimer J, no issue relating to s3(1)(b), concerning lack of distinctiveness, had actually arisen in the *BABY-DRY* case. Rather, that case had been solely concerned with whether the words were descriptive. He also noted that in *BABY-DRY* the question of whether the mark was registrable was not difficult to answer, since the verbal device did involve a degree of verbal inventiveness.<sup>47</sup> Rimer J's conclusion following *BABY-DRY* was that first it was necessary to look to see whether *HAVE A BREAK* was referable to the relevant goods or representative of their essential characteristics. If the answer was in the negative, however, it did not follow that the mark had the necessary character of distinctiveness to be registrable. The second did not automatically follow from the first. Rimer J concluded on this basis that the Hearing Officer had been correct to query whether slogans should be treated differently from other marks and that he had also been right to conclude that it might be more difficult for the average consumer to view a slogan as a badge of origin, unlike for example logos and figurative marks. Finally, since the Hearing Officer had concluded that *HAVE A BREAK* was not sufficiently distinctive to be registered on the basis of the facts, this was not a conclusion which the court could overturn.<sup>48</sup>

Turning to acquired distinctiveness, Rimer J. went on to endorse the Hearing Officer's findings both in law and on the facts. He did not think that, through prior use, the sign had come to be seen by consumers as constituting a badge of origin.<sup>49</sup> This view was taken in large measure because the sign *HAVE A BREAK* had been used as an independent mark only to a minimal extent. He referred to the proviso in s3(1) concerned with acquired distinctiveness, especially the wording that registration of a

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<sup>46</sup> *Procter & Gamble v OHIM*, n 43 above at [39]-[42]. Googling the two words 'baby' and 'dry' for adjacent use (i.e. A followed immediately by B) results first in nominal, proprietary uses (*Baby Dry*, *Baby-Dry*) alongside sponsored and other modifying search-term uses including 'baby dry scalp', 'new-born baby dry skin', 'baby dry cough', and 'baby dry rash'. Other collocations only occur as resulting from particular grammatical constructions, as in 'keep your baby dry',

<sup>47</sup> *Nestlé SA's Trade Mark Application*, n 39 above at [20].

<sup>48</sup> *ibid* at [22].

<sup>49</sup> *ibid* at [32]. Rimer J also noted that it was true that consumers might associate the slogan with *Kit Kat* but mere association was not sufficient to demonstrate acquired distinctiveness.

submitted trade mark should not be refused 'if, before the date of application for registration it has in fact acquired a distinctive character as a result of the use made of it.' This wording, he stated, required that Nestlé show that the use of HAVE A BREAK had resulted in its acquisition of such character, even though the company had only made minimal independent use of that mark, generally using it as part of its trade mark HAVE A BREAK, HAVE A KITKAT. Consumers might associate HAVE A BREAK with KITKAT, but this was insufficient to show they viewed the phrase as a badge of origin.<sup>50</sup>

Relatedly, Rimer J also accepted the Hearing Officer's view that the survey evidence was flawed, commenting that he regarded 'the survey exercise as having been somewhat pointless'.<sup>51</sup> In particular, he suggested, interviewees were not being asked the relevant question: whether the company's use of the phrase HAVE A BREAK in connection with relevant products showed that they derive from a particular origin. Rather, they had in effect been asked a wider question: what the slogan HAVE A BREAK meant to them in connection with confectionery. While hearing the phrase HAVE A BREAK might have triggered for consumers 'an association between slogan and KitKat', possibly making them think that a HAVE A BREAK product, or picture of a product, presented to them came from the makers of KitKat, this was because the phrase was typically used as part of the phrase, HAVE A BREAK, HAVE A KITKAT, and that the latter phrase was a very familiar one. Conversely, there had been very little use of HAVE A BREAK on its own. Rimer J rejected the application.

### ***2.2.5 Nestlé's second appeal (Court of Appeal)***

With the permission of Aldous, LJ on the ground that it would be appropriate for the Court of Appeal to consider the issue of registrability of phrases such as HAVE A BREAK, Nestlé appealed again.<sup>52</sup> In the CA, the Vice Chancellor (Sir Andrew Morritt), Mummery, LJ and Sedley LJ confirmed that both the Hearing Officer and Rimer J had taken the correct approach to assessing whether the slogan was inherently distinctive *ab initio*.

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<sup>50</sup> *ibid* at [32]. Or other phrasings associated with the research, which were referenced in the judgment, included 'create the impression', 'make a connection between', 'attributed to', 'associated with', 'reminded of', 'unavoidably referring to', 'brings to mind'.

<sup>51</sup> *ibid* at [32].

<sup>52</sup> *Société des Produits Nestlé SA v Mars UK Ltd*, n 13 above.

In his detailed judgment, Sir Andrew Morritt VC began by setting out the arguments related to inherent distinctiveness. He referred to BABY-DRY, as well as to two other European decisions, *Daimler Chrysler v OHIM* (2003) and *Linde AG v Rado Uhren* (2003).<sup>53</sup> Both these latter cases concerned the requirements of Art. 3(1)(b) and had been decided after the High Court judgment. The V-C concluded that, as a general rule and in light of these decisions, the distinctiveness threshold for registration is that a sign identifies a product as originating from a particular undertaking, such that 'if the mark for which registration is sought is distinctive in the relevant sense to any extent then its registration is not precluded by s.3(1)(b).'<sup>54</sup> 'Not precluded', however, differed from being warranted by or necessarily leading to. Somewhat ambiguously, but appearing to emphasize that distinctiveness requires characteristics which go beyond the basic contrastive potential of linguistic signs, the V-C went on to observe that, 'Individual words and letters are used as inherently distinctive of other words or letters but this does not make them registrable as trade marks.'<sup>55</sup> Overall, the V-C took the view that both Rimer J and the Hearing Office had in their decisions 'correctly anticipated' the judgments in *Daimler Chrysler* and *Linde*; he agreed that the slogan should not be registered unless Nestlé could show acquired distinctiveness.<sup>56</sup>

On the topic of distinctiveness acquired through use, the V-C believed the law was unclear. In particular he addressed an issue which had originally been raised by the Hearing Officer, who had pointed out that Nestlé had been able to produce only minimal evidence to show that HAVE A BREAK had been used as an independent mark. Instead, the most Nestlé could establish was that HAVE A BREAK 'falls within the penumbra of the protection afforded to the (already registered) trade mark HAVE A BREAK, HAVE A KITKAT.' In making this point, the Hearing Officer was referring (at paras 102-103) to the fact that falling within a 'penumbra' of protection conferred by a registered sign has different consequences from being part of that sign's main 'umbra'. This is because, once a mark is registered, the proprietor receives an exclusive right to use it in respect of the goods for which it is registered. Specifically, he pointed out, 'in the case of an identical mark, the proprietor has an absolute right to prevent

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<sup>53</sup> *Daimler Chrysler Corp v Office for Harmonisation in the Internal Market (Case T-128/01)* [2003] ECR II-731 and *Linde AG v Deutsches Patent und Markenamt (Cases C-53/01 and C-54/01)* [2003] ECR I-3161.

<sup>54</sup> n 13 at [23].

<sup>55</sup> *ibid* at [23].

<sup>56</sup> *ibid* at [24].

unauthorised registration or use of the mark by third parties, without having to establish likelihood of confusion (s5 (1) and 10 (1)). This is the ‘umbra’ of protection afforded by registration’.<sup>57</sup> However, under ss5 (2), 5 (3), 10 (2) and 10 (3) a further penumbra of protection is defined, ‘which extends to use and registration of similar rather than identical marks and goods, but only where there exists a likelihood of confusion and in some situations extends also to dissimilar goods’.<sup>58</sup> The Hearing Officer did not believe that a penumbra effect conferred by the longer slogan provided sufficient basis to justify registering HAVE A BREAK on its own, since to do so would create a new umbra, and therefore a further, new penumbra, of protection for this second mark still in the absence of any real independent use of it.

For his part, the V-C noted that ‘dangers of the progressive umbrae and penumbra’ of protection had been raised in other English cases.<sup>59</sup> Nevertheless, according to Nestlé, to endorse the supposed dangers of the umbra/penumbra approach might itself be a dangerous route to take. For example, it might exclude shapes from possible registration, since shape marks are mostly used together with other marks such as words or images on products, and so arguably take their effect from that association.

Nestlé had further contended that the approach of preventing the danger of creating a chain of new umbrae and their related penumbrae by not registering a sign was not supported by any decision of any court of the European Union. Indeed, Nestlé argued that the Board of Appeal had taken the opposite approach in *Ringling Bros—Barnum & Bailey Combined Shows Inc*.<sup>60</sup> In that case, the applicant had sought to register THE GREATEST SHOW ON EARTH as a CTM, where previously it had been used together with the registered mark BARNUM & BAILEY. Although the Board of Appeal rejected the application, as the mark lacked distinctiveness, it nonetheless accepted that there was some support for the view that it had acquired distinctiveness through long use along with the applicant’s registered mark. In a key passage cited by counsel for Nestlé, the

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<sup>57</sup> Nestlé Trade Mark Application, n 33 above at [102].

<sup>58</sup> *ibid* at [103].

<sup>59</sup> *Société des Produits Nestlé SA v Mars UK Ltd* n 13 above at [28]. Most notably in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2002] EWCA Civ 1828 at [29] and *Société des Produits Nestlé SA v Unilever plc* [2002] EWHC 2709 (Ch) at [32].

<sup>60</sup> *Ringling Bros-Barnum & Bailey Combined Shows Inc* (Case R 111/200-2) 23 May 2001.

Board of Appeal stated that<sup>61</sup>:

The contention of the examiner that because the words THE GREATEST SHOW ON EARTH have always appeared alongside the appellant's registered trade mark, the sign is not likely to be considered as evidence of trade mark use is not in the Board's view a valid one. The Board can well understand that a slogan-like phrase associated with a trade mark, like in this case, might by repetition over time, create a separate and independent impression.

The V-C then summed up (at para 31-32) the arguments for both parties. For Nestlé, the contention was that use of the sign leading to acquired distinctiveness did not always mean that such use must be 'separate and distinct' from any other mark. Mars argued, on the contrary, that only use of the slogan on its own would be relevant to acquisition of distinctiveness, since only then would such use be genuinely use as a trade mark. For the V-C it was significant that, in the case of THE GREATEST SHOW ON EARTH, the slogan in question had apparently always been used in conjunction with the applicant's registered trade mark and yet the Board of Appeal had still suggested it could potentially acquire distinctiveness. Conversely, the Hearing Officer and Rimer J had both based their findings on an assumption that the mark for which registration was sought must be used separately from the registered mark to acquire distinctiveness.<sup>62</sup> The question therefore arose: which of these assumptions was correct. The Court of Appeal decided to submit the following question to the CJEU as a reference for a preliminary ruling:

Whether the distinctive character of a mark referred to in Art.3(3) of Council Directive 89/104 and Art.7(3) of Council Regulation 40/94 may be acquired following or in consequence of the use of that mark as part of or in conjunction with another mark?

In doing so, however, the court raised other issues. Mummery LJ noted his disagreement for example with Nestlé's suggestion that the 1994 Act, in implementing the Directive, had led to what Mummery LJ referred to as 'the alleged generous new

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<sup>61</sup>ibid at [19].

<sup>62</sup> *Société des Produits Nestlé SA v Mars*, n 13 above at [31]-[32].

policy of registering combinations of ordinary English words as long as they are not descriptive of the characteristics of the goods to which they are to be applied'.<sup>63</sup> The implication of this suggestion, for Nestlé, was that such a new policy would result in a different decision on the registrability of HAVE A BREAK than had been Whitford J's in 1983 (as well as, by implication, as regards other slogans in the future). While Mummery LJ agreed that it would be wrong, when interpreting and applying the 1994 Act, simply to follow decisions of the English courts based on the 1938 Act, he nonetheless believed that no such change of policy could be identified in the numerous preambles to the Directive. Rather, he stated that the only sure guide to legislative policy should be the structure and content of the Directive's detailed provisions.<sup>64</sup>

For Sedley LJ, concurring as regards referral of the question to the CJEU, whatever answer was given to that question he did not believe the slogan should be registered. He noted that, as we have described above, the whole phrase HAVE A BREAK, HAVE A KITKAT incorporates a pun on the word 'break', which is 'lost when the phrase is severed'. His response was unsympathetic:<sup>65</sup>

The endeavour to appropriate the use of the first three words seems to me to involve forfeiting the very element of combination and of double-entendre on which the claim to acquired distinctiveness is built. To use another colloquial English phrase, Nestlé want the penny and the bun.

Nor did Sedley LJ agree with the contention of counsel for Nestlé that, while the 1938 Act might have allowed the court to refuse registration to marks which would monopolise ordinary words and phrases, this was no longer the case under the Directive, or that, under the Directive, there was no bar to registering such marks because the Directive provided a defence of descriptive use under s11(2) (an argument which many commentators believed followed from the *Baby-Dry* decision).<sup>66</sup> Rather, Sedley LJ cited Advocate General Jacobs' reference to the much earlier dictum of Cozens-Hardy, MR in *Perfection: Joseph Crosfield and Sons' application*, that, 'Wealthy traders are habitually eager to enclose parts of the great common of the English language and to

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<sup>63</sup> *ibid* at [42].

<sup>64</sup> *ibid* at [42].

<sup>65</sup> *ibid* at [49].

<sup>66</sup> *ibid* at [47]. See for example, A. Griffiths, 'Modernising trade mark law and promoting economic efficiency: an evaluation of the Baby Dry judgment and its aftermath' (2003) 1 IPQ 1.

exclude the general public of the present day and of the future from access to the enclosure.<sup>67</sup> And he expressed the view, like Mummery LJ, that no such policy change had been recognized in the Directive and indeed 'that the metaphor remains relevant to the modern regime of European trade marks.'<sup>68</sup>

### **2.2.6 The CJEU judgment**

In the Court of Appeal, then, Sedley LJ took the view that by seeking to register HAVE A BREAK Nestlé had overreached itself. He also believed, with Mummery LJ, that Nestlé's success would involve a change of policy in relation to trade mark registration that had not been envisaged by the Directive. His views do not appear to have been shared either AG Kokott or by the CJEU in 2005, however, and indeed the CJEU made no allusion to policy in its judgment.<sup>69</sup>

In its relatively short judgment – which in its narrative of the proceedings truncates the application history so that it starts with the fresh application made in 1995, i.e. after changes brought about by TMA1994 – the Court first confirmed that distinctive character, whether inherent or acquired, must be assessed in relation to the goods or services in respect of which registration is applied for based on the presumed expectations of an average consumer for those goods.<sup>70</sup> Then, looking specifically at distinctiveness acquired through use, it held that such use refers 'solely to use of the mark for the purpose of identification, by the relevant class of consumers of the goods or services in question, as originating from a single undertaking'.<sup>71</sup> It went on to hold that 'acquisition of distinctive character may be as a result both of the use, as part of a registered trade mark, of a component thereof and of the use of a separate mark in conjunction with a registered trade mark.'<sup>72</sup>

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<sup>67</sup> *Perfection: Joseph Crosfield and Sons' application* (1909) 26 R.P.C. 837 at [854]. For a discussion of the attitude of successive trade mark regimes to the enclosure of the language common see, J. Davis, 'European Trade Mark Law and the Enclosure of the Commons' (2002) 4 IPQ 342.

<sup>68</sup> *Société des Produits Nestlé SA v Mars*, n 13 above at [47].

<sup>69</sup> Case C-353/03 *Société des produits Nestlé v Mars UK Ltd* [2005] ECR I-6135.

<sup>70</sup> *ibid* at [25]. The average consumer is assumed to be reasonably well-informed, observant and circumspect. See Davis, 'Locating the average consumer', p. 186. See for example, *Lloyd Schuhfabrik Meyer v Klijsen Handel BV* [1999] ECR I-3819 at para 26.

<sup>71</sup> *Société des produits Nestlé v Mars*, n 67 above at [29].

<sup>72</sup> *ibid* at [30].

Interestingly, the Advocate General had earlier taken a more detailed view of the arguments relating to the dangers of creating a penumbra of protection, which had been raised by the Court of Appeal. Referring to what he described as the United Kingdom government's 'fear' of the 'risk' of 'an unjustified extension of the protection of the principal mark', the AG argued that such fear is based on 'the consideration that parts of the mark do not acquire distinctive character on their own but derive it only from the distinctive character of the principal mark' as well as on a related concern that a 'process of extension' of the mark 'could therefore be continued ad infinitum.'<sup>73</sup> However, he considered such a fear illusory. While strong principal marks might transfer distinctive character to elements of a complex sign, the derivative marks would be less capable of transmitting the same degree of distinctiveness to further subsidiary derivative marks, since the derivative mark would itself be less well-known. The result of successive extensions of a mark, he suggested, would be marks at some point no longer showing any inherent distinctive character except as an element of the principal mark.<sup>74</sup> The AG went on that the full implications of this 'extension' argument, in relation to HAVE A BREAK, were not for the CJEU to determine. While use of a word sequence as part of a word mark could therefore, 'as a matter of principle' lead to that word sequence acquiring the requisite distinctive character sufficient to be registrable as a trade mark, it would be necessary to show that the relevant consumer groups understood it to be a badge of origin.<sup>75</sup>

Similarly, in its judgment, the CJEU emphasized that to prove that distinctive character had been acquired through use would require assessment of those matters demonstrating distinctiveness set out in *Windsurfing*.<sup>76</sup> Such factors include not only the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; and statements from Chambers of Commerce and Industry or other trade and professional associations. The *Windsurfing* criteria also include the

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<sup>73</sup> *ibid* at [AG34].

<sup>74</sup> *ibid* at [35]-[36].

<sup>75</sup> *ibid* at [46].

<sup>76</sup> *ibid* at [30]-[31].

proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking.<sup>77</sup>

### 3.1 The legacy of Nestlé's triumph over Mars

Following clarification by the CJEU in 2005 of the question referred to it by the Court of Appeal, opposition by Mars to registration of HAVE A BREAK was withdrawn in July 2006. In consequence, there was no further forum in which the acquired distinctiveness of HAVE A BREAK, used independently of the longer slogan, would be examined. In the absence of further opposition, HAVE A BREAK was registered in the UK (as UK00002015684). The phrase was also registered in August 2007 as a Community Trade Mark (CTM EU002726925). So in the end it was Nestlé (and its predecessor Rowntree Mackintosh) which had triumphed over Mars.<sup>78</sup> The long-term implications of aspects the Nestlé decision as regards registration of slogans are well illustrated by three more recent cases: *Specsavers International*, *Colloseum Holding* and *Smart Technologies*.

In *Specsavers*,<sup>79</sup> the question of use as a trade mark in relation to signs presented in combination was examined further. The marks at issue were the word mark 'Specsavers', a device of two intersecting shaded ellipses with the word 'Specsavers', and two marks of two intersecting ellipses without text, one with shading and one without. These marks had been registered by Specsavers, the largest chain of opticians in the UK, for, inter alia, optical appliances. In 2009, Asda, the supermarket chain and

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<sup>77</sup> See *Windsurfing*, n 81 at [49] and [51].

<sup>78</sup> It is worth noting, in relation to this narrative, that after another lengthy battle Nestlé succeeded in 2012 in retaining its registration for the shape of its chocolate bar as a CTM in the face of an application for its cancellation, this time from Cadbury (who had, like Mars, once objected to HAVE A BREAK but, unlike Mars, had withdrawn their opposition prior to the first registry hearing). Case R 513/2011-2 *Société des produits Nestlé S.A. v Cadbury Holdings Ltd* Second Board Of Appeal, OHIM [2013] E.T.M.R. 25. Nestlé had applied successfully to register the shape as a CTM in 2002. Cadbury sought to have the mark declared invalid. In its decision the Second Board of Appeal ruled that, although the mark initially lacked distinctiveness under art 7(1)(b) of the TM Regulations, the shape had acquired distinctiveness through use. Nestlé had another, albeit limited, victory over Cadbury in the same year when it was able to limit Cadbury's application to register the colour purple for milk chocolate, but not white and dark chocolate goods, on the basis that the colour mark lacked distinctiveness for the latter. *Société des produits Nestlé SA v Cadbury UK* [2012] EWHC 2637 (Ch.) Ironically, Nestlé was able successfully to contest an accusation that the joined-fingers shape of the KitKat was purely functional (providing a means of breaking off sections of the bar, as with squares of chocolate), and hence not registrable (under art 7(1)(e)(ii)). It managed this even though it could be argued that the meaning of its slogan HAVE A BREAK, which for Sedley, LJ appeared to depend on evoking not only an interruption of the working day but also a snapping of the chocolate sticks themselves, had been relied on in other settings to point in the opposite direction.

<sup>79</sup> See *Specsavers v Asda Stores* at n 6 above.

Specsavers' main competitor, launched an advertising campaign featuring the slogan, 'Be a real spec saver at Asda' and 'Spec savings at Asda' and two non-intersecting ellipses. Specsavers alleged trade mark infringement and Asda counterclaimed that the unshaded ellipse without the text should be revoked for non-use.

In the High Court, it was held that Asda had not infringed Specsavers' trade marks and the wordless logo should be revoked for non-use.<sup>80</sup> Specsavers appealed. The Court of Appeal found that Specsavers' marks and its logo had been infringed by Asda's slogan and use of the ellipses. However, it took the view that questions needed to be addressed to the EU regarding the wordless mark. Among these was the question whether, where a trader has separate CTM registrations for a graphic device and for a word mark and uses the two together, this amounts to use of the figurative mark when the figurative mark has not been used on its own? If so, how should the court assess such use? In particular, the CA asked if the answer depends on whether the average consumer perceives the two marks as being separate signs or, alternatively, perceives each as being distinctive in its own right and having a separate role.<sup>81</sup> In other words, the key issue for the CJEU in this case was whether the use of the ellipses together with the word 'Specsavers' constituted genuine use of the wordless CTM, on its own. While this case differed from Nestlé, in that both the slogan and the figurative mark had been registered, nonetheless the Court found its answer in the Nestlé decision. Thus the CJEU held:<sup>82</sup>

The distinctive character of a registered trade mark may be the result both of the use, as part of a registered trade mark, of a component thereof and of the use of a separate mark in conjunction with a registered trade mark. In both cases, it is sufficient that, in consequence of such use, the relevant class of persons actually perceive the product or service at issue as originating from a given undertaking (see, by analogy, *Nestlé (C-353/03) [2005] E.C.R. I-6135*, at [30]).

It went on to conclude that the use of the wordless logo mark with the superimposed word 'Specsavers', whether the latter is used as part of the registered mark or in

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<sup>80</sup>*Specsavers International Healthcare Ltd v Asda Stores Ltd* [2010] EWHC 2035 (Ch)

<sup>81</sup>*Specsavers International Healthcare Ltd v Asda Stores Ltd* [2012] EWCA Civ 24

<sup>82</sup>*Specsavers*, n. 6 above at [23].

conjunction with it, is genuine use for the purpose of Arts. 15(1)(a).<sup>83</sup>

The second case, *Colloseum* addressed similar concerns.<sup>84</sup> The claimant, Levi Strauss, had three trade marks registered for trousers. The first was the word 'LEVI'S'. The second (known as Mark No. 3) was a combination word and figurative mark, with the word 'LEVI'S' inside a rectangular red label which was placed on the rear pockets of its jeans. The third mark, known as mark No. 6, was a plain red rectangle also placed on the rear pocket. Levi claimed that this latter mark had acquired distinctiveness through use. *Colloseum* marketed jeans with a similar rectangular red label on its rear pockets but with a different word mark. Levi Strauss sued for trade mark infringement in the German courts and initially succeeded. However, *Colloseum* raised the issue of whether there had been genuine use of mark No. 6 under art 15(1) CTM Reg. It based this appeal on the fact that Levi had only used mark No. 6 in the form of mark No. 3. The German court put two questions concerning the interpretation of art 15(1) which the CJEU considered together. These were first whether 'when a trade mark which is part of a composite mark and has become distinctive only as a result of the use of the composite mark can be used in such a way as to preserve the rights attached to it if the composite mark alone is used?' And the second was whether, 'a trade mark is being used in such a way as to preserve the rights attached to it if it is used only together with another mark, the public sees independent signs in the two marks and, in addition, both marks are registered together as a trade mark?'<sup>85</sup>

Once again, the CJEU cited *Nestlé* to the effect that acquisition of a distinctive character can result both from use of one component of a registered mark and also from its use as a separate mark in conjunction with the registered mark, so long as the relevant consumers see the goods and services to which they attach originating from a particular undertaking.<sup>86</sup> It followed that the decision in *Nestlé* should also be applied to the question of whether a trade mark, once registered, has been put to genuine use for the purpose of preserving a trade mark registration.<sup>87</sup> Further, as in *Specsavers*, the CJEU summarized the *Nestlé* judgment as meaning that (at para 32): the 'use' of a mark,

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<sup>83</sup> *ibid* at [31]. Arts 15(1) and 51(1)(a) TM Regulation relate to what constitutes genuine use of a trade mark for the purpose of maintaining a registration.

<sup>84</sup> *Colloseum* above at n. 6.

<sup>85</sup> *ibid* at [24].

<sup>86</sup> *ibid* at [27].

<sup>87</sup> *ibid* at [30],

in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.<sup>88</sup>

The CJEU judgments in *Specsavers* and *Colloseum* make clear that when determining if a sign used with or in a registered mark has acquired distinctiveness, the prime consideration is whether from the viewpoint of the average consumer the sign is acting as a badge of origin on its own. This is so even if the sign at issue is either mundane or descriptive. It is therefore possible to conclude from both cases that the registration of any mark which contains an element which may not be distinctive on registration will still potentially provide a further penumbra of protection that goes beyond the mark as registered. In other words, non-distinctive signs might themselves acquire distinctiveness through their use with (as in *Nestlé*) or as part of (as in *Specsavers* and *Colloseum*) the registered mark. For the Advocate General in *Nestlé*, recognition of such a penumbra did not present a danger of over-protection, since it took the view that it was unlikely that the penumbra would expand indefinitely. That assumption, which was not considered in either *Specsavers* or *Colloseum*, where what was at issue were two separately registered marks, has of course yet to be tested.

*Specsavers* and *Colloseum* clarified the primary role played by the average consumer's perception in determining if a sign that is used with or in a registered mark has acquired distinctiveness. The related issue in *HAVE A BREAK*, of how a mark's alternative or multiple meanings are to be assessed as regards registrability (in particular, a slogan's potentially simultaneous promotional and 'badge of origin' meanings), was clarified in a series of other cases, notably *Smart Technologies*.<sup>89</sup> The case concerned an application in 2008 to register the word sign WIR MACHEN DAS BESONDERE EINFACH (German for 'We make special (things) simple') as a CTM in respect of a range of computerised systems, all in Class 9. The examiner refused the application on the ground that the mark lacked distinctive character. Appeals to the First Board of Appeal and the General Court were dismissed. *Smart Technologies* appealed to the CJEU, whose reasoning shows the extent to which, over the period in

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<sup>88</sup> *ibid* at [32]. It also recognized that such use would only be genuine if the mark is only used as part of, or as a composite mark, or in conjunction with another mark, 'and the combination of the two marks is itself registered as a trade mark.' (*ibid* at [35]). *Colloseum* was recently followed by the UK courts in *Londsdale Sports Ltd v Erol* [2013] EWHC 2956 (Pat).

<sup>89</sup> *Smart Technologies*, n 6 above..

which the KitKat litigation took place, the courts moved on from acknowledging that slogans were registrable in principle to the idea that a consumer may simultaneously perceive both rather than either one meaning (exhortation) or another (origin) which a slogan might have.

The Court's judgment summarised the case law related to establishing whether a mark, including one used as a slogan, has distinctive character.<sup>90</sup> First, it emphasised (at para 39-43) that there is no subcategory of marks specifically for slogans; registration is not excluded by use in advertising as persuasion to purchase goods or services. As regards the threshold of distinctiveness required, the Court confirmed (as had been established in *Erpo* and in *Audi*), that it was inappropriate to apply to slogans criteria stricter than those applicable to other types of sign.<sup>91</sup> Nevertheless, the possibility could not be excluded that, in applying general criteria, the relevant public's perception might differ with the result that it might prove more difficult to establish distinctiveness. In accordance with what we have described as a shift away from a public interest test following the TM Directive, the court also affirmed that, simply because a mark is perceived by the relevant public as a promotional formula (and so, because of its laudatory nature, would lend itself readily to use by other undertakings), that is not sufficient in itself to support a conclusion that that mark is devoid of distinctive character.<sup>92</sup>

For any given sign, a promotional and a 'badge of origin' meaning might in principle function together. Such a mark would be perceived by the relevant public as both a promotional formula and as an indication of the commercial origin of the goods or services concerned. It was not sufficient, therefore, in analysing distinctive character, merely to highlight the fact that a mark consisted of and was understood as a promotional formula. Rather, the mark's overall impression has to be assessed. From this it follows that, insofar as the public perceives the mark as an indication of that origin, the fact that the mark is at the same time understood—perhaps even primarily understood—as a promotional formula has no bearing on its distinctive character. As

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<sup>90</sup> Reference was made in particular to C-64/02 P *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Erpo Möbelwerk (DAS PRINZIP DER BEQUEMLICHKEIT)* [2004] E.C.R. I-10031; C-398/08 P *Audi AG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* [2010] ECR I-000535.

<sup>91</sup> *Audi v OHIM* at [36].

<sup>92</sup> *Smart Technologies*, n 6 above at [29].

applied by the Court to WIR MACHEN DAS BESONDERE EINFACH, these general principles resulted in an assessment that the contested mark was not distinctive. The applicants submitted, *inter alia*, that the General Court had created a special category of 'slogans' and had therefore applied an incorrect standard.<sup>93</sup> The CJEU held, however, that the lower court had merely referred to the word mark as a slogan, a concept developed by the case law, which did not create a special subcategory or even a separate category from that used in relation to other word marks. Such description, it was held, only asserted that the mark under consideration extolled the qualities of the goods covered by the trade mark application.<sup>94</sup>

The CJEU held that the General Court had also been correct in its examination of whether WIR MACHEN DAS BESONDERE EINFACH had distinctive character. Even though an advertising slogan cannot be required to display 'imaginativeness' or even 'conceptual tension which would create surprise and so make a striking impression' in order to show the minimal level of distinctiveness required,<sup>95</sup> the relevant public would view WIR MACHEN DAS BESONDERE EINFACH (a combination of five standard German words) as containing no unusual variations in regard to German rules of syntax and grammar. The concise nature and terms of the slogan did not introduce any word play or elements of conceptual intrigue or surprise such as to confer distinctive character on the mark applied for in the minds of the relevant public, as had been argued in relation to VORSPRUNG DURCH TECHNIK in *Audi*. Nor did the mark applied for possess any particular originality or resonance to trigger in the minds of the relevant public a cognitive process or interpretative effort such as to make that mark, in the perception of that public, anything other than a mere advertising message.

Dismissing the appeal, the CJEU held (at paras 47-54) that the General Court had reached its conclusion that the mark was devoid of distinctive character not on the ground that it was a promotional formula but on the ground that it was not perceived by the relevant public as an indication of commercial origin. The General Court, the CJEU confirmed, had not used different or more stringent criteria to assess the slogan's distinctive character from those used for other word signs. Rather it had focused on whether, irrespective of any promotional function, the mark possessed any distinctive

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<sup>93</sup> *ibid* at [37].

<sup>94</sup> *ibid* at [40].

<sup>95</sup> Under art.7(1)(b) of TM Regulation ; *ibid* at paras [28]-[30].

character, since – now a considerable distance from arguments submitted in the early stages of the KitKkat litigation - a mark consisting of an advertising slogan must be recognised as having distinctiveness if it may be perceived immediately as an indication of the commercial origin of the goods or services in question.<sup>96</sup>

### 3.2. Conclusion

There are a number of reasons why the contrasting fates which successive attempts to register the slogan HAVE A BREAK met under the 1938 Act and the Trade Mark Directive remain of general interest. Perhaps most importantly, different stages of the HAVE A BREAK litigation extend through a period in which, we have argued, the courts and registering authorities moved from a wider public interest test for determining whether a mark is capable of registration to an average consumer test.

Under the 1938 Act, as we have seen, a mark could be found not to be inherently distinctive if it were one that other traders might legitimately wish to use. As a result it might still not be registered, even if it were in fact acting in the prototypical trade mark way: as a badge of origin on the market. By the time of its decision in *Nestlé*, by contrast, the CJEU had made clear in a number of cases<sup>97</sup> that there was no such exception under the Directive. No mark which had acquired distinctiveness in the eyes of the average consumer, it had held, could be refused registration. This was true even if, as clearly in the case of geographical designations, the mark was one that other traders might wish to use.<sup>98</sup> In this article we have suggested that, under both the tests as applied to HAVE A BREAK, the social, linguistic and economic contexts in which the slogan was used were relevant to such an assessment.

Both before and after the passage of the 1994 TMA, for example, Mars presented evidence that the average consumer would be likely to take a break and consume a snack. But while in the 1970s the purpose of such evidence was to underpin an argument that the slogan was one which should not be monopolized by a single trader, in 2003 the purpose was different: to show that the average consumer did not associate

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<sup>96</sup> *ibid* at [47]-54].

<sup>97</sup> Most notably, Case C-299/99 *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd.* [2002] ECR I-5475.

<sup>98</sup> See for example, *Windsurfing*; also Case C-51/10P *Koninklijke Philips Electronics and Agencja Wydawnicza Technopol sp. z.o.o. v OHIM* [2011] ECR I-154. See also, M. Blakeney, “The registration of geographical trade marks”.

taking a break with any particular chocolate bar, hence that the slogan lacked the distinctiveness required for registration. It now appears ironic that, in countering Mars' latter argument, Nestlé insisted that the category of the average consumer who took a snack break was a more limited category than that of the average consumer, unrestricted, despite the peculiar selling point of its HAVE A BREAK slogan from the 1950s onwards having been in effect the opposite. The relevant advertising campaigns had, in fact, begun with and played on a democratization of the snack break claimed to be taking place at that time, for which use and resonance of the particular word 'break' was especially appropriate.

The mark in question did not consist of the single word 'break', however, but of the three-word phrase HAVE A BREAK. Arguably it was the multiple possible meanings of that phrase which proved difficult to assess. Thus, when proceedings started it was not straightforward to establish a sign's 'badge of origin' effect for an imperative phrase which potentially communicated some combination of alternative meanings. Each of those meanings was contested at some point, as was the likely relationship between them, with different interpretations leading potentially to different registration outcomes. Four main messages could be identified. Firstly, and minimally, the slogan offers general lifestyle advice: to relax by taking a 'break'. This message foregrounds the slogan's imperative force but has no connection with any particular product. In context, however, a more likely interpretation of the slogan involves implied encouragement to fill such a break by eating a chocolate bar (after choosing and buying one in order to do so). That contextually inferred message involves a presumption as to the relevance of communicating an apparently non-commercial message in a commercial setting: its invitation to view a break as a timely opportunity to snack on a chocolate bar, conveniently illustrated by the branded bar shown in accompanying advertising or whose name is juxtaposed on the packaging. An equivalent promotional message is conveyed in parallel by a different route: through the allusion contained in the three-word slogan to the more familiar, longer version, HAVE A BREAK, HAVE A KITKAT, which directly states the already registered product name. Finally, there is a further, associative meaning achieved largely independently of the slogan's particular words. Any combination of words taken together may potentially function through familiarity in the manner of a graphic, shape mark, sound, or numerical identifier, calling to mind a

situation, in this case a commercial setting, with which it becomes conventionally connected. This fourth kind of message may be conveyed independently of the content of other messages or in some combination with them. Or it might not exist at all, if the familiarity of the association has not been sufficiently established. It was presumably because the phrase HAVE A BREAK was capable of bearing any or all of these messages, which differ in their degree of obviousness and do not all serve the same (or in one case necessarily any) commercial function, that the slogan ran up against the registration problems we have described in this article.

Each meaning, we have seen, was contested at some stage of the proceedings. Disentangling and assessing them, we have shown, depended on a sometimes subtly changing framework of tests and terminology both in statute and in judicial reasoning, even if the essential question to be addressed (whether in assessing submitted survey evidence or in determining the presumed expectations of an average consumer) remained the same: whether the slogan distinguished the goods as originating from one commercial undertaking rather than another. The way in which that essential question was formulated early in the litigation queried whether the words HAVE A BREAK functioned as an origin-neutral invitation to buy an associated product (i.e. as an advertisement), *or* alternatively as a trade mark, but by implication *not both*. That formulation of the question gave way in later proceedings, however, to acknowledgement that such a question had been settled as not an either/or issue. More recently, we have seen, even the relative prominence of different meanings, where they can be shown to exist simultaneously, has been held not to be decisive. Rather, the requirement is only that one of the available meanings should be a source-identifying 'badge of origin' use. During the period we have been discussing, establishing the existence of different meanings, and explicating interaction or possible tension between them, required the courts adjudicating HAVE A BREAK to sift in an exploratory way through communicative complexities which were considered at the time the analysis was taking place potentially to obscure or nullify the source-indicator function that alone would make the slogan distinctive.

In the event, of course, the English court was never called on to make a judgment as to the distinctiveness of the HAVE A BREAK slogan, since Mars withdrew its opposition. We have seen that the CJEU had held that such a judgment, were it to be

made, might be based on the *Windsurfing* criteria for assessing distinctiveness. Of interest in this respect is the fact that Nestlé, under this approach, would have had to prove a positive rather than Mars being required to prove a negative. But it is also possible to argue that, unlike in the earlier Rowntree Mackintosh hearings, the court could not have made its own decision without the benefit of actual evidence. In the phase of litigation pitting Rowntree Mackintosh against Mars, Whitford J had ignored the survey evidence and instead presumably followed his own judgment in determining what the phrase HAVE A BREAK conveyed and that it was merely ‘commonplace’. Such an approach should not, in principle at least, be possible if the case were decided today. In a line of cases starting from *Windsurfing*, the CJEU has made it clear that when assessing acquired distinctiveness it is necessary to consider evidence of use.<sup>99</sup> In *Borco v OHIM* (2011)<sup>100</sup>, the CJEU has stressed that this is also true when the application is to register a trade mark which has not previously been used. Certainly, at the present time, there is ongoing debate as to the utility of survey evidence in trade mark cases, with a recent Court of Appeal decision suggesting that such evidence is seldom probative and emphasizing that the average consumer may be understood as a legal construct, allowing the court to take its own view.<sup>101</sup> However, it is submitted that this approach is relevant only to cases of confusion and that in any new struggle between Nestlé and Mars, evidence of acquired distinctiveness, which might include survey evidence, would indeed need to be adduced.

This brings us, finally, to another point of interest in the HAVE A BREAK narrative: the light it sheds on how the CJEU makes law. When the HAVE A BREAK case came before the Court of Appeal in 2003, both Mummery LJ and Sedley LJ suggested that if this slogan were registered, such registration would represent a change of ‘policy’, and not a change that had been envisaged under the Directive. In particular, they were concerned that allowing registration of HAVE A BREAK would be wrong if it

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<sup>99</sup> Indeed, when the *Specsavers* case recently returned to the Court of Appeal, the Court held that on the evidence, the wordless logos had acquired independent distinctiveness through use. *Specsavers v Asda Stores* [2014] EWCA 1294.

<sup>100</sup> *Borco-Marken-Import Matthiesen GmbH & Co KG v OHIM* (Case C-265/09P) [2011] ECR I-8265.

<sup>101</sup> See, for example, *Interflora Inc v Marks & Spencer Plc* [2013] EWCA Civ 319; *Interflora Inc v Marks & Spencer Plc* [2013] EWHC 936 (Ch); *Interflora Inc v Marks & Spencer Plc* [2014] EWHC 1683 Ch; *Interflora Inc v Marks & Spencer Plc* [2014] EWHC 1291 (Ch). More recently see *Interflora v Marks & Spencer* [2014] EWCA Civ 1403. See also, *J.W. Spear & Sons Ltd v Zynga Inc* [2014] EWHC 3348 (Ch). For comment, see J. Smith and S. Burke, ‘Court of Appeal says no to survey evidence again: *Interflora plc v Marks & Spencer Plc*’ (2013) EIPR 420.

prevented other traders from using a commonplace phrase applied to their own goods. It is striking that, although in contemporary society breaks and snacks are an unremarkable fact of everyday life, any public interest in therefore leaving a three-word slogan consisting of the high-frequency but semantically bleached words 'Have a' and the phrasal head-word 'break' free for all traders to use in relation to their goods or services was not even accorded a mention in the CJEU's Nestlé decision.

The comments of Mummery, LJ and Sedley, LJ tell only half the story, however. While the Directive does not explicitly say there is no public interest exception that would protect phrases which other traders may wish to use, neither does it say that there is one. Rather, the CJEU has simply established definitively, in a succession of cases, that any sign which is distinctive as a badge of origin may be registered.<sup>102</sup> What the comments of both Mummery LJ and Sedley LJ therefore underline is the extent to which a radical change in the direction of trade mark law, following the passage of the Directive, occurred without any extended discussion taking place either before or after its implementation about what the implications were for defining and then protecting the public interest. It seems fair to suggest, as a result, that when the courts allude to the public interest in trade mark cases their concern is more likely prompted by some local *ad hoc* need to interpret specific wording in the Directive, as in the case of the registration of descriptive signs, rather than from any overarching view as to what that public interest might be.

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<sup>102</sup> Apart from particular exceptions under arts 3(1)(e) and (f) CTM. The leading decision here is undoubtedly *Koninklijke Philips*, n 95 above. See also Case C-51/10P *Agencja Wydawnicza Technopol sp. z.o.o. v OHIM* [2011] ECR I-01541; 'Case Comment: European Union: Council Regulation (EC) 40/94 of 20 December 1993 on the Community trade mark, art.7(1)(c) - '1000''' (2011) IIC 270.