

O-424-13

TRADE MARKS ACT 1994

**IN THE MATTER OF INTERNATIONAL REGISTRATION NO 1059750
IN THE NAME OF JAPAN TOBACCO INC
OF THE TRADE MARK**

CURVE

IN CLASS 34

**AND
THE APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO 16196
BY
CURVES INTERNATIONAL, INC**

Background and the pleadings

1. On 11 November 2010, Japan Tobacco Inc (“the registered proprietor”) requested protection of international registration number 1059750 (the ‘IR’) in the United Kingdom, claiming a Swiss priority date of 7 July 2010. The particulars of the IR were published in the *Trade Marks Journal* on 6 May 2011 with the following specifications in classes 16 and 34:

Packaging material made from cardboard, paper or plastic materials included in this class, namely packaging for cigarettes.

Raw or manufactured tobacco; smoking tobacco, pipe tobacco, rolling tobacco, chewing tobacco; snus; cigarettes, cigars, cigarillos; substances for smoking sold separately or mixed with tobacco for non-medical and non-therapeutic purposes; snuff; smokers' articles included in this class; cigarette paper, cigarette tubes and matches.

2. No opposition was received and the mark became protected in the UK on 7 July 2011. On 7 August 2012, Curves International, Inc (“the applicant”) filed an application to have the protection of the IR in the UK declared invalid, relying upon section 47(2) of the Trade Marks Act 1994 (“the Act”). Section 47(2) states:

“47.—

.....

(2) The registration of a trade mark may be declared invalid on the ground—

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied, unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

3. The applicant claims that the IR was protected in contravention of sections 5(2)(b), 5(3) and 5(4)(a) of the Act. Section 5(2)(b) states that:

“(2) A trade mark shall not be registered if because –

....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

4. To support its grounds under sections 5(2)(b) and 5(3), the applicant relies upon all the goods and services of nine earlier registered trade marks to attack all the goods of the IR. When the registered proprietor filed its defence and counterstatement, it deleted the class 16 goods from its IR. A reference was made to this in the first paragraph of its counterstatement. The deletion resulted in no change to the pleaded case.

5. I have set out the full details of the earlier marks in the annex to this decision, but a summary of the registrations is as follows:

Mark	Number	Territory	Reg date ¹ & if subject to proof of use	Class(es)
CURVES	2689099	CTM	26.05.05 Y	16, 25, 41
CURVES	4687893	CTM	23.10.06 Y	5, 29, 32, 44
CURVES	4945937	CTM	11.04.07 Y	29, 30, 32
CURVES	1190008	UK	11.09.85 ² Y	25
CURVES	2299971	UK	11.10.02 Y	41
CURVES WORKOUT	5349949	CTM	10.07.07 Y	16, 25, 41, 44
CURVES SMART	5692405	CTM	14.12.07 N	10, 28, 41
FITCURVES	6477418	CTM	18.09.08 N	16, 25, 41
CURVES COMMUNITY	5629852	CTM	3.12.07 N	38, 41, 42

6. The applicant also claims that its trade marks are entitled to protection as well-known trade marks under the provisions of section 56 of the Act:

“Further, and in the alternative, Curves International’s earlier trade mark CURVES and its family of CURVES trade marks are well-known within the meaning of Article 6 *bis* of the Paris Convention (as defined under Sections 55 and 56 of the Trade Marks Act 1994). Because of the similarity of the Registration to the Earlier Marks, the use of the Registration for [sic] is liable to cause confusion on the part of the public. Therefore, the Registration offends the provisions of the Paris Convention and may be prevented in accordance with Section 6(1)(c) of the Trade Marks Act 1994”.

7. The applicant’s claims under sections 5(2)(b), 5(3) and 5(4)(a) are, in summary, that:

- There is a likelihood of confusion under section 5(2)(b) between the IR and the applicant’s registered marks because the marks are very similar and the registration covers class 16 goods (at least it did when the application for invalidity was filed), which are similar to the goods of CTMs 2689099, 5349949 and 6477418
- The applicant’s marks enjoy an outstanding reputation in the field of health and fitness. The registered proprietor would benefit unjustly from the substantial reputation and use of the registration would be detrimental to the applicant and would dilute the distinctive character of the applicant’s marks (section 5(3) of the Act). In particular, use of the registration on the class 34 goods would tarnish the applicant’s marks because they have a known link to ill health. The applicant claims detriment would arise because of the

¹ The date of completion of the registration procedure.

² As per the notice in *Trade Marks Journal* 5725, which confirmed that, prior to June 1986, the date of the *Journal* in which the fact of registration was recorded in the list of trade marks registered was the actual date of registration; see the decision of Geoffrey Hobbs Q.C., as the appointed person, in *WISI* [2006] RPC 17. UK trade mark number 1190008 was recorded as registered in *Journal* 5583, published on 11 September 1985.

diametrically conflicting image of such goods to the image attached to the earlier marks.

- Under section 5(4)(a) of the Act, the applicant has goodwill and a substantial reputation in the earlier sign CURVES, which it states it has used in the UK since 2002 (first used in Banbury in 2002) in the field of health and fitness. The lengthy list of goods and services in relation to which it claims it has used the sign corresponds to the lists of goods and services in its earlier trade mark registrations (set out in the annex).
- The applicant claims that its earlier trade marks have been put to genuine use.

8. The registered proprietor filed a counterstatement in which it stated it had deleted its class 16 goods, thereby removing any cause for the applicant to claim a likelihood of confusion under section 5(2)(b), which it denies. In relation to section 5(3), the registered proprietor denies the claims made and puts the applicant to proof of the alleged reputation. It denies that the marks are well-known within the meaning of Article 6 *bis* of the Paris Convention and that there would be any cause for confusion. The registered proprietor claims that there are differences between the marks, particularly conceptually, and that they are not similar. It denies that the applicant has significant goodwill in all of the goods and services claimed and denies misrepresentation and therefore damage. The registered proprietor requests proof of use of all the marks relied upon which were in excess of five years old at the date on which the application for a declaration of invalidity was filed.

9. The applicant filed evidence and I heard oral submissions at a hearing on 9 September 2013, at which the registered proprietor was represented by Mr Guy Hollingworth of Counsel, instructed by Marks & Clerk LLP. The applicant did not attend and was not represented at the hearing; however, its professional representatives, Field Fisher Waterhouse LLP, filed written submissions in lieu of the hearing.

Material dates

10. The material dates for proof of genuine use of the applicant's earlier marks is one issue; the other is to decide the material dates relating to the invalidation action itself. The relevant part of Section 47 of the Act states:

“47.—
.....

(2) The registration of a trade mark may be declared invalid on the ground—

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied, unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless—

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if—

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes—

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a Community trade mark, any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community.

2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

.....

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed.”

11. The earlier marks which I have marked with a “Y” in the table above all completed their registration/protection procedures over five years before the applicant applied to have the IR declared invalid in the UK. They are subject to the

proof of use provisions set out in sub-sections 2A to 2E of section 47. The registration/protection procedures for the other registrations relied upon were completed within the five year period preceding the application for a declaration of invalidity and so are not subject to the proof of use provisions. The material dates for considering proof of use of marks span the five year period ending on the date of the application for a declaration of invalidity: 8 August 2007 to 7 August 2012.

12. The date of the registered proprietor's request for protection in the UK (claiming priority from 7 July 2010) is the relevant date for assessing the grounds for invalidity under sections 5(2)(b) and 5(3) of the Act. This is also the relevant date in relation to section 5(4)(a): (see the comments of Mr Daniel Alexander QC, sitting as the Appointed Person in *MULTISYS O/410/11*). In these proceedings, the registered proprietor has not filed evidence, so I do not need to consider whether any use of the IR impacts upon the passing off ground.³ The relevant date for section 5(4)(a) is also, therefore, 7 July 2010.

Evidence

13. The applicant's evidence comes from Jeff Burchfield, who is Company Secretary and General Counsel of the applicant, which he states is a corporation organised and existing under the law of Texas, USA. Mr Burchfield states that he has knowledge of the applicant's activities in the UK, Europe and globally, and that he is aware of the applicant's marketing, financial, sales and revenue figures conducted under its trade marks.

14. The first Curves fitness centre for women was opened in Texas in 1992. Exhibited at JB1 are press releases from 2004 and 2006 which it is stated attest to the applicant's enormous success prior to the filing of the IR. The pages in the exhibit come from a publication called "The Franchise Mall", which is a US publication; this can be determined from the text. Of the three pages in the exhibit, only one refers to the UK. The page, dated in 2006, refers to Curves as having major market share in the US and Canada, where it accounts for 27% of all health clubs, and that:

"It is also the largest fitness franchise in Australia, Brazil, Cyprus, Costa Rica, Chile, Ecuador, Ireland, Mexico, New Zealand, Spain and the UK."

Mr Burchfield refers to the applicant as being the fastest growing franchise, as indicated in *Entrepreneur* magazine in 2005 (exhibit JB2). However, this is a US publication. There is no indication that it is read in the UK, and there is no mention of the UK within the text of the pages exhibited.

15. Mr Burchfield states that Curves is the Guinness Book of World Records holder for the world's largest number of fitness centre franchises. He exhibits details in JB3. However, the exhibit refers only to how many fitness centre locations there are in the USA. The Guinness World Records certificate exhibited says "The largest fitness franchise in the world is Curves International Inc., with over 1,700 locations

³ See, for instance: *Croom's Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42.

throughout the United States.” The Wikipedia entry exhibited at JB4 is US-centric and where other countries are mentioned, the UK is not one of them.

16. Mr Burchfield states that the applicant’s aim is to provide women’s health and fitness clubs all over the world, including in the EU and the UK. He states that the applicant has been present in the UK since it opened its first club, in Banbury, in 2002. At the time of making his witness statement (18 February 2013), Mr Burchfield states that there were over 240 clubs throughout the UK. Exhibit JB12, from the applicant’s website, comprises print-outs showing the UK locations of about 200 clubs. The print-outs were made on 28 November 2012. On this date there were clubs listed the length and breadth of Britain, from Aberdeen to Arbroath; from Maesteg to Maidenhead; from Co. Down to Castlereagh; from Bodmin to Brentwood and from Wrexham to Worthing etc: club locations include all major UK cities and a good many towns in between. Exhibit JB5 is an extract from The Franchise Magazine.net which refers to 147 Curves clubs in the UK. It is not dated, but given that it says that 147 franchises have come on board within three years, the article must date from about 2005. The article states than break-even point for a club is 200 members and that some franchisees have over 1000 members.

17. Mr Burchfield states that the applicant has produced books on fitness and weight reduction, has its own CURVES vitamins, and a CURVES fashion line. He states that the books and clothing have become popular with members and the general public. Curves websites give what Mr Burchfield terms as round-the-clock access to services provided by the applicant and that each country, the UK included, has its own website (curves.co.uk). Mr Burchfield goes on to state that vitamins were sold in the UK from January 2007 to April 2008 through Curves clubs. During this period, UK sales of vitamins amounted to US\$112,460. He exhibits⁴ a single invoice, dated 3 October 2008, which is after the period in which he states that vitamins were sold, to a club in Devon. The invoice is for ten bottles of multivitamins and ten bottles of calcium with multiminerals.

18. In relation to books and other printed materials, Mr Burchfield refers to two books listed as New York bestsellers called “CURVES: Permanent Results without Permanent Dieting” and “Curves on the Go”. At Exhibit JB14, Mr Burchfield shows an extract from the second-hand book section of Waterstones' website where used copies of these books were listed for sale on the date the exhibit was printed, 14 February 2013. A similar exhibit showing details from Amazon.co.uk and bookstore.co.uk is shown in Exhibit JB15.

19. Mr Burchfield refers to a Curves quarterly magazine launched in 2004, called “Diane, The Curves Magazine”, covering nutrition, health and fitness issues. He states that the magazines were available to purchase in UK Curves clubs until January 2012 (they have been available online since that date). The invoice already referred to shows an order for a case of magazines in 2008; the invoice is duplicated in exhibit JB21. Further invoices in JB21 show orders for the magazine in 2008 and 2009 for amounts such as US\$23, US\$80, US\$160 and US\$400. Although the applicant submits that the magazine covers all prominently show the CURVES mark, the magazine cover/title is dominated by the word Diane; the word Curves appears

⁴ JB13

above it in much smaller letters. The applicant states that copies of the magazine were placed in doctors' waiting rooms, to reach non-members.

20. Mr Burchfield states that the applicant has its own line of leisurewear for use during members' 30-minute workouts at the clubs. He states that the clothing can be "freely purchased by the general public in Curves clubs". Examples of clothing, such as t-shirts and shorts, showing the CURVES mark are shown in exhibits JB17 and JB21.

21. Photographs of the inside and outside of Curves UK clubs are shown in Exhibits JB19 and 20. The quality of JB19 (the outside of a club) is very poor, but it is possible to make out the CURVES signage and some women standing beneath it. Exhibit JB24 is a copy of a certificate referring to the nomination of the Wokingham Curves club in the UK National Fitness Awards in 2012 for Ladies Only Gym of the Year.

22. Mr Burchfield states:

"19. Exercise and physical fitness training services as well as gym services are Curves' core area of business and where its main reputation lies."

He provides a table which he states relates to revenue from UK Curves clubs since 2006:

Year	2006	2007	2008	2009	2010	2011
£	15,272,633	19,392,873	21,495,794	20,751,423	20,434,427	19,564,475

23. A further table is provided which Mr Burchfield states shows total product sales figures for various CURVES branded products sold in the UK between 1 January 2004 to 31 December 2011.⁵ The table is shown below:

Sum of Total Sales	USD	USD	USD	USD	USD	USD	GBP	GBP
	2004	2005	2006	2007	2008	2009	2010	2011
CD		7	227	136	248	145	39	607
Clothing		7,384	151,695	239,172	214,672	210,017	147,231	110,237
Equipment		1,304	122,348	189,507	128,176	55,854	68,041	38,411
CurvesSmart Equipment					352,696	373,419	141,628	40,186
Magazine	7	240	53,080	49,839	45,318	18,802	11,600	
Other		6,138	119,120	130,401	200,280	81,838	65,234	58,295
Printed Material		453	101,803	87,367	55,747	58,574	38,130	26,295
Supplement				72,753	38,707	(352)	-	
Year Total	7	15,814	548,287	713,175	1,031,813	708,590	471,104	283,034
Grand Total							USD 3,105,485*	GBP 754,138*

⁵ He states that after control of UK franchising activities was purchased by a Master Franchisee, the later amounts are shown in sterling.

24. Mr Burchfield particularly picks out the UK-specific figures in relation to CURVES clothing. Mr Burchfield states that one item of clothing was sold in 2004 (US\$7); 930 items in 2005 (US\$7,384); 19,231 items in 2006 (US\$151,693); 29,521 items in 2007 (US\$233,172) and 26,506 items in 2008 (US\$214,672). He goes no further than 2008, although the table shown above includes figures for clothing after 2008.

25. Mr Burchfield states that the applicant's CURVES services have been advertised through various media, including television, the internet and magazines. Figures attributable to the UK, in US\$, are as follows:

2004 - \$36,667
2005 - \$75,151
2006 - \$374,892
2007 - \$1,054,734
2008 - \$636,980
2009 - \$808,778
2010 - \$797,171

26. Exhibit JB22 includes samples of advertising of CURVES in the UK in the form of extracts from Age UK Magazine, Healthy Magazine, Prima Look Good Feel Great magazine, and The Sun newspaper. The Age UK extract is undated. It is an article featuring various people talking about how they exercise, one of which concerns a member of a CURVES gym in Tyne and Weir, who found out about the gym from her hairdresser. The Healthy Magazine extract is dated in August 2012, and is so poorly reproduced that it is impossible to read the text. The Prima magazine extract is dated Summer 2012. It is an advertisement for Curves, showing the CURVES mark and women exercising on equipment with the mark shown on the wall behind them. The Sun extract is from May 2012. It features an article about a woman who lost weight by joining a Curves gym sometime prior to April 2010. Exhibit JB25 shows an extract from The Salvation Army's "The War Cry" magazine, featuring an article about the applicant's founder. It appears to date from 2000 because it refers to the start of the applicant's business in 1992 and what it has achieved in eighteen years.

27. Evidence supporting Mr Burchfield's general narrative concerning the applicant's healthy living ethos is provided in exhibits JB26 to JB31. These relate to the UK. Some examples are as follows:

- In September 2009, the Go Curves initiative was launched to link Curves clubs with schools to engage teenage girls in physical activity and encourage a healthy lifestyle.
- In 2009, the Timperley (Manchester) Curves club members and staff took part in the Race for Life in Wythenshawe Park.
- In 2010, the same club supported the Salvation Army by waiving its joining fee in exchange for food donations.

- Support/partnership with Breast Cancer Care; in April 2010, the Olympic athlete Denise Lewis thanked Curves for its support, having raised £285,000 for the charity since 2005.
- In July and August 2010, all Curves clubs took part in the Government initiative Change4Life. ‘Curves’ (presumably the collective body of the UK clubs) was an official partner in the campaign. This was the second year running in which ‘Curves’ had “led the way” as part of the campaign to get the public to take more exercise.

Decision

Sections 5(2)(b) and 5(4)(a) of the Act

28. The applicant’s statement of case refers explicitly to similarity between its own class 16 goods in CTMs 2689099, 5349949 and 6477418 and the registered proprietor’s class 16 goods. The registered proprietor deleted class 16 from its IR when it filed its counterstatement. The applicant’s pleadings also indicate (by ticking boxes on the statutory opposition form TM7) that it considers there to be a likelihood of confusion between all the goods of the IR and all of its its own goods and services, but does not explain why. With the deletion of class 16, the only goods left in the IR are those in class 34:

Raw or manufactured tobacco; smoking tobacco, pipe tobacco, rolling tobacco, chewing tobacco; snus; cigarettes, cigars, cigarillos; substances for smoking sold separately or mixed with tobacco for non-medical and non-therapeutic purposes; snuff; smokers' articles included in this class; cigarette paper, cigarette tubes and matches.

29. In comparing goods and services, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

30. ‘Complementary’ was defined by the General Court (“GC”) in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (“OHIM”) Case T-325/06:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking...”

31. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited* (“*Treat*”) [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

32. In *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 Jacob J held that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12] Floyd J said:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

33. Apart from its pleadings, referred to above, and its submissions in lieu of the hearing, the applicant has been silent throughout the proceedings as to why it considers there to be a likelihood of confusion. It made no change to its case following the deletion of class 16 from the IR. The applicant’s submissions in lieu of the hearing say:

“The Applicant holds registrations for the CURVES Marks in respect of a variety of goods and services which include food and beverages in Classes 29, 30 and 32.

The Applicant submits that even if the goods in respect of which the Respondent Mark is registered in Class 34, namely tobacco products, are not identical, they are at the very least to a degree similar on account that such goods are targeted at and used by the same consumers, namely the general public and reach the ultimate consumer through the same trade channels such as supermarkets and convenience stores which, given the significant reputation the Applicant holds in the CURVES Marks as detailed above, results in an increased level of risk of consumer confusion.

The Applicant would add that the Respondent, while primarily an international cigarette manufacturing company, also operates in foods, pharmaceuticals, and agribusinesses falling directly within the goods offered by the Applicant

under the CURVES Marks and in respect of which the Applicant holds registered rights.”

34. These are the only submissions made in relation to similarity between the parties’ goods and services. The submissions appear to relate only to goods and appear to limit the comparison to the applicant’s goods in classes 29, 30 and 32. The applicant did not attend the hearing and was not represented at the hearing, although the Tribunal had recommended to both parties that a hearing would be appropriate, as it would assist the hearing officer, prior to the decision being made on the substantive grounds⁶. At the hearing I could not, therefore, ask the applicant why it considers similarity to lie between the parties’ goods and services. The applicant must bear the consequences of that approach.

35. It is irrelevant what business areas the registered proprietor operates in; what must be considered are the goods for which its IR is protected. The marks which are registered in classes 29, 30 and 32 are subject to proof of use, but there is no evidence of any use of the marks for the goods registered in these three classes. Even if I were to assume the best possible case for the applicant and to find that it had proved genuine use in relation to all the goods and services it relies upon, I cannot see any similarity between any of its goods and services, including those goods which are in classes 29, 30 and 32, and the goods of the IR. There is no basis for concluding similarity of any degree within the parameters of the caselaw which I have set out above. Reputation does not come into a comparison between goods (it is part of the global assessment as to whether there is a likelihood of confusion). The fact that disparate goods are sold in supermarkets does not, of itself, make them similar; a bag of potatoes is not similar to babies’ nappies simply because they are both sold in supermarkets and convenience stores. In addition, the applicant’s main argument under section 5(3) is that the parties’ goods and services are “diametrically opposed”. This particular claim sits ill with a claim that the goods and services are similar.

36. The CJEU said in *Waterford Wedgwood plc v OHIM* Case C-398/07:

“35 It must be noted that the Court of First Instance, in paragraphs 30 to 35 of the judgment under appeal, carried out a detailed assessment of the similarity of the goods in question on the basis of the factors mentioned in paragraph 23 of the judgment in *Canon*. However, it cannot be alleged that the Court of First Instance did not take into account the distinctiveness of the earlier trade mark when carrying out that assessment, since the strong reputation of that trade mark relied on by *Waterford Wedgwood* can only offset a low degree of similarity of goods for the purpose of assessing the likelihood of confusion, and cannot make up for the total absence of similarity. Since the Court of First Instance found, in paragraph 35 of the judgment under appeal, that the goods in question were not similar, one of the conditions necessary in order to establish a likelihood of confusion was lacking (see, to that effect, *Canon*, paragraph 22) and therefore, the Court of First Instance was right to hold that there was no such likelihood.”

⁶ Letter dated 24 June 2013 to the parties from the Tribunal.

Regardless of how similar the marks are, and regardless of whether the earlier marks' distinctive character has been enhanced through use, since there is no similarity between the parties' goods and services, there is no likelihood of confusion. **The section 5(2)(b) ground fails.**

Section 5(4)(a)

37. The applicant's section 5(4)(a) ground is founded on CURVES, for the same lengthy list of goods and services as for the 5(2)(b) ground. The requirements to succeed in a passing off action are well established and are summarised in *Halsbury's Laws of England* 4th Ed. as being that:

i) the claimant's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

ii) there is a misrepresentation by the defendant (whether or not intentional) which is likely to deceive the public into believing that the defendant's goods or services are those of the claimant;

and iii) the claimant has suffered or is likely to suffer damage as a result of the erroneous belief created by the defendant's misrepresentation.

38. At the relevant date, the applicant had a protectable goodwill in relation to CURVES for women's gyms, health and fitness services and in leisure clothing. Whether it also had a modest level of goodwill in the health and fitness magazine is more arguable because of the prominence of the word Diane. For the vast majority of the goods and services in which it claims goodwill, there is little or no evidence of any trade within the UK. The vitamins were not sold after 2008, a cessation in trade of two years prior to the protection of the IR. Since they were only sold for two years prior to 2008, and at a low level of turnover, there would be no residual goodwill. The other items in the table shown earlier (CDs, equipment and 'other') are either trivial in terms of sales (CDs), unexplained ('other') or unsupported in the evidence ('equipment'). The applicant submits:

"It is clearly established under English law that non-trading entities are entitled to protection under the law of passing-off, provided that it can be demonstrated they possess a sufficient reputation. This comes from the English case of *Dr. Barnardo's Homes v Barnardo Amalgamated Industries* (1949) 66 RPC 103. Flowing from this, even if the Applicant could demonstrate no trade and had provided no services in the UK it would still be possible to be successful in a passing-off action if the Applicant enjoyed sufficient reputation in the CURVES Marks.

It is submitted that the evidence referred to above is proof that the Curves Marks have a substantial reputation and goodwill in the UK, which is sufficient to found a passing-off action against the Respondent."

39. The case referred to by the applicant concerned the continuance of an injunction obtained by the claimant, a charity. In *The Law of Passing-Off* 4th Edition, Professor

Christopher Wadlow writes under the heading “Other Non-Trading Organisations”, specifically charities (at 3-051):

“In contrast to trade and professional associations, charities do not necessarily or typically provide their members, subscribers, or supporters with tangible benefits so as to be said to enjoy any goodwill in the provision of services to their members for value. However charities, and other non-profit or non-trading organisations such as churches, political parties and interest groups, do depend on the financial contributions of their members and the general public, and to that extent they may be said to have something corresponding sufficiently closely to the goodwill of trading organisations in so far as they are able to attract money (or money’s worth) which would otherwise have been kept, spent, or bestowed elsewhere. It has now been decided that even a non-trading charity may maintain a passing-off action against another similar charity¹⁶⁴, and it is much more certain that it would be protected against exploitation of its reputation by a non-charitable commercial organisation. Although the claimant in that case was principally a self-help charity (analogous in some ways to a members’ club or even a motoring organisation) the implications of the decision extend to every kind of charity, regardless of the extent to which selflessness is combined with self-interest. What is true for charities may be applied with suitable caution to other non-trading organisations dependant on public financial support.

It is common for charities to raise money by trading as well as by seeking donations. The activities for which a charity exists may also involve carrying on a trade or business even though it makes no profit on them. Many public schools, for instance, are run by charities and a charity might charge the public for admission to an historic building it was responsible for preserving. There is no doubt that in its capacity as a trading concern a charity, whether incorporated or not, has as much locus standi in a passing-off action as any other business.

¹⁶⁴ *British Diabetic Association [1996] F.S.R. 1 (Robert Walker J.)*.”

40. The applicant has conflated the activities of a charity which correspond, as quasi-trade, to the goodwill of trading organisations because the charity is able to attract money, with a commercial organisation, the purpose of which is to trade. Without trade, there is no protectable goodwill, whatever the reputation of the sign, inside or outside of the UK. Goodwill is an item of legal property, as distinct from reputation which is non-proprietary, as a matter of law. Goodwill must be owned, as per Oliver L.J. in *Anheuser-Busch Inc v Budejovicky Budvar NP* [1984] F.S.R. 413:

“[T]hat, as it seems to me, is to confuse goodwill, which cannot exist in a vacuum, with mere reputation which may, no doubt, and frequently does, exist without any supporting local business, but which does not by itself constitute a property which the law protects”.⁷

⁷ Referring to this case in *Hotel Cipriani v Cipriani (Grosvenor Street) Ltd* [2010] RPC 16, Lloyd LJ said: “It seems to me that, given the agreement between Oliver and Dillon LJJ, the case is authority for the proposition that an undertaking which seeks to establish goodwill in relation to a mark for goods cannot do so, however great may be the reputation of his mark in the UK, unless it has

41. In *Lego System Aktieselskab and Another v Lego M Lemelstrich Ltd* [1983] FSR 155, the distance between the fields of activity, toys and irrigation equipment, was bridged by an enormous reputation, Lego being classed as a household word. The applicant does not have what could be termed as an enormous reputation. In *Harrods Limited v Harrodian School Limited* [1996] R.P.C. 697, Millet LJ said:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business... What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

“...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant”:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the Lego case Falconer J. likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage

customers among the general public in the UK for those products. To that extent the case is binding on us.”

to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

42. As will be apparent from my earlier comments regarding the dissimilarities between the parties’ goods and services, the respective fields of activity are very different. This is an important and highly relevant consideration. It is one which is not in the applicant’s favour.

43. In *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd* [2007] RPC 5, Court of Appeal, Jacob LJ said:

“16 The next point of passing off law to consider is misrepresentation. Sometimes a distinction is drawn between "mere confusion" which is not enough, and "deception," which is. I described the difference as "elusive" in *Reed Executive Plc v Reed Business Information Ltd* [2004] R.P.C. 40. I said this, [111]:

"Once the position strays into misleading a substantial number of people (going from 'I wonder if there is a connection' to 'I assume there is a connection') there will be passing off, whether the use is as a business name or a trade mark on goods."

17 This of course is a question of degree—there will be some mere wonderers and some assumers—there will normally (see below) be passing off if there is a substantial number of the latter even if there is also a substantial number of the former.

18 The current (2005) edition of *Kerly* contains a discussion of the distinction at paras 15–043 to 15–045. It is suggested that:

"The real distinction between mere confusion and deception lies in their causative effects. Mere confusion has no causative effect (other than to confuse lawyers and their clients) whereas, if in answer to the question: 'what moves the public to buy?', the insignia complained of is identified, then it is a case of deception."

19 Although correct as far as it goes, I do not endorse that as a complete statement of the position. Clearly if the public are induced to buy by mistaking the insignia of B for that which they know to be that of A, there is deception. But there are other cases too—for instance those in the *Buttercup* case. A more complete test would be whether what is said to be deception rather than mere confusion is really likely to be damaging to the claimant's goodwill or divert trade from him. I emphasise the word "really."

44. Even assuming the best case for the applicant; i.e. goodwill to some degree in all or any of the goods and services pleaded under section 5(4)(a) and, in relation to women’s health clubs or gyms, a not insignificant level of goodwill (but not an enormous level), I think it highly unlikely that the public would even wonder whether there was a connection, let alone a substantial number of the public assume that there is a connection between the applicant’s sign and the IR. The gap between

tobacco products and women's health and fitness services is about as wide as it is possible to imagine; indeed, the applicant claims under section 5(3) that these goods and services are "diametrically opposed". In relation to any of the applicant's goods and services there is no misrepresentation "really likely to be damaging to the claimant's goodwill or divert trade from him". **The section 5(4)(a) ground fails.**

45. The grounds under section 5(2)(b) and 5(4)(a) both fail.

Section 5(3) of the Act

46. Although in its counterstatement the registered proprietor put the applicant to proof of genuine use for all the goods and services relied upon, Mr Hollingworth's skeleton argument said:

"42. JTI [the registered proprietor] accepts that CII [the applicant] has used the mark CURVES (almost always in script logo form) in respect of its 'core' women's fitness clubs such as to constitute genuine use in respect of such services, albeit the scale and extent of its use is significantly less than its evidence asserts.

43. However, JTI submits that CII has failed to discharge the burden of proving use in respect of any other goods or services relied upon..."

(Mr Hollingworth also conceded at the hearing that the applicant has carried on a genuine business in the UK in its women's gym franchise business.)

47. The applicant's evidence and its pleadings show that its women's fitness services present its best case for its section 5(3) ground, the entire thrust of which (after its initial pleadings) is its claim of tarnishing. If the applicant can't succeed on the basis of these services, it will be in no better a position in relation to any of its other claimed goods and services. Furthermore, no other of its claimed goods and services has the requisite reputation (see below) to support a section 5(3) ground, even if genuine use had been made on all or any of them. Other than CURVES, the other marks relied upon do not, or hardly, feature in the evidence. The applicant's CURVES marks are also the closest marks to the IR. Given these factors and that the registered proprietor accepts that the applicant has made genuine use of its CURVES mark(s) on women's fitness services, it would not be profitable for me to examine whether there is genuine use in relation to the very lengthy list of goods and services for which the applicant claims use. I will base my assessment of the section 5(3) ground on the earlier CURVES marks which cover *exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training*: CTM 2689099 and UK 2299971.

48. Although genuine use is accepted in relation to *exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training*, the registered proprietor denies that the applicant enjoys a level of reputation in these services which is sufficient to support its section 5(3) ground. The assessment is to be made as stated in *General Motors Corporation v Yplon SA* [1999] E.T.M.R. 950:

“23. ... In so far as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

49. In *PAGO International GmbH v Tirolmilch registrierte Genossenschaft mbH*, case C-301/07, the CJEU stated:

“Article 9(1)(c) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the European Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

One of the earlier marks is a CTM, but the same services are covered by the applicant’s UK registration 2299971, which does not require a *Pago*-type assessment (i.e. whether a significant part of the public in a substantial part of the EU knows of the mark). In either case, though, the applicant must satisfy the reputation requirement in the UK (in the case of the CTM, in order to show that the mark has a reputation in the Community).

50. Mr Hollingworth submitted, with reference to paragraph 27 of *General Motors*, that the applicant had not met the evidential burden because it had not shown its level of market share. The General Court, in *Farmeco AE Dermokallyntika v OHIM*,

Case T-131/09, stated, in relation to the factors listed in paragraph 27 of *General Motors*:

“59 That finding is not called into question by the applicant’s argument that the turnover figures for sales and the amount spent on promoting the goods covered by the earlier marks, which are referred to in the opposing party’s observations of 5 September 2005, have not been proved. It should be pointed out that the absence of figures is not, in itself, capable of calling into question the finding as to reputation. First, the list of factors to be taken into consideration in order to ascertain the reputation of an earlier mark only serve as examples, as all the relevant evidence in the case must be taken into consideration and, second, the other detailed and verifiable evidence produced by the opposing party is already sufficient in itself to prove the reputation of its mark for the purposes of Article 8(5) of Regulation No 40/94 (see, to that effect, judgment of 10 May 2007 in Case T-47/06 *Antartica v OHIM – Nasdaq Stock Market (nasdaq)*, not published in the ECR, paragraph 52).”

51. It is, therefore, not necessarily fatal that market share (one of the factors listed in *General Motors*) does not form part of the applicant’s evidence; it depends on what else the applicant has been able to prove. As will be seen from my evidence summary, the early part of the evidence is US-centric. Such evidence does not assist in proving whether there is a reputation in the UK. The later part of the evidence looks more closely at the UK position. Some of it is after the relevant date for section 5(3) (7 July 2010), such as the figure of 240 clubs (at the time of Mr Burchfield’s witness statement in 2013) and the press reports (2012 or undated).

52. A working approximation can be made that there were 200 clubs in 2010: there were 147 in 2005 and 240 in 2013. However, even if the 147 figure remained static until 2010, Mr Burchfield has given turnover and advertising figures in his evidence. In 2009 and 2010, club turnover in the UK totalled £41,185,850. This figure may relate to services and goods, but a subtraction of the goods turnover still leaves over £40 million. This is not an insignificant sum. UK advertising expenditure peaked in 2007 at over a million dollars, but was still around \$0.8, in the UK, in 2009 and 2010. Although it is not shown in the evidence how many clubs equal what percentage of market share (and there is a question as to whether the market consists of ladies-only clubs or fitness clubs in general), the evidence does show that the geographical spread of clubs is nationwide. In spite of the fact that the print-out of club locations was made in 2013, there is no reason to suppose that before that date the lesser number of clubs was any less evenly spread across the UK. Curves clubs exist in all major UK towns and cities, and in some smaller places too. As for membership numbers, assuming 200 clubs at the relevant date with an average of 400 members (break-even point being 200), this amounts to 80,000 members at any one time. It is unlikely that the same women have all consistently been members since 2002, so the number of women who have at one time or another been members, and know of the mark, must be greater than 80,000. In any event, it is knowledge of the mark which is required, rather than membership numbers. The level of geographical saturation is an important point in considering whether the mark will be known by a significant part of the relevant public. So, too, is the length of time in which the clubs

have been present on the ground (8 years before the relevant date, with 147 clubs by 2005). The clubs display their signage externally as well as internally.

53. Another aspect of the applicant's evidence is its charity work. In the context of these proceedings (i.e. in no way do I belittle it), the applicant's charity work could be described as indirect advertising for the applicant, in the sense that it is another avenue by which the general public knows of the CURVES mark in relation to women's gyms, health and fitness services. Being a partner in the Breast Cancer Care campaign and the Government initiative, Change4Life, would have brought the mark to the attention of the wider public. My conclusion is that although the first part of the evidence does not support a claim to the requisite reputation, the UK-centred evidence is sufficient to find that the mark was known to a significant part of the public for the services. The applicant has met the burden of proving the necessary level of reputation for the next stage of the assessment: whether a link will be made between the parties' marks. However, the level of reputation is not that of a household name. Strength of reputation is one of the factors to be assessed in relation to the existence of a link.

54. In *Adidas-Salomon AG, Adidas Benelux BV v Fitnessworld Trading Ltd* [2004] E.T.M.R. 10, the CJEU stated:

“29 The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).

30 The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, *SABEL*, paragraph 22, and *Marca Mode*, paragraph 40).”

55. In *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07), the CJEU provided further guidance on the factors to consider. It stated:

“31 In the absence of such a link in the mind of the public, the use of the alter mark is not likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark.

...

41 The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...

42 Those factors include:

- the degree of similarity between the conflicting marks;

- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.

44 As regards the degree of similarity between the conflicting marks, the more similar they are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public. That is particularly the case where those marks are identical.

45 However, the fact that the conflicting marks are identical, and even more so if they are merely similar, is not sufficient for it to be concluded that there is a link between those marks.

46 It is possible that the conflicting marks are registered for goods or services in respect of which the relevant sections of the public do not overlap.

47 The reputation of a trade mark must be assessed in relation to the relevant section of the public as regards the goods or services for which that mark was registered. That may be either the public at large or a more specialised public (see *General Motors*, paragraph 24).

48 It is therefore conceivable that the relevant section of the public as regards the goods or services for which the earlier mark was registered is completely distinct from the relevant section of the public as regards the goods or services for which the later mark was registered and that the earlier mark, although it has a reputation, is not known to the public targeted by the later mark. In such a case, the public targeted by each of the two marks may never be confronted with the other mark, so that it will not establish any link between those marks.

49 Furthermore, even if the relevant section of the public as regards the goods or services for which the conflicting marks are registered is the same or overlaps to some extent, those goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public.

50 Accordingly, the nature of the goods or services for which the conflicting marks are registered must be taken into consideration for the purposes of assessing whether there is a link between those marks.

51 It must also be pointed out that certain marks may have acquired such a reputation that it goes beyond the relevant public as regards the goods or services for which those marks were registered.

52 In such a case, it is possible that the relevant section of the public as regards the goods or services for which the later mark is registered will make a connection between the conflicting marks, even though that public is wholly distinct from the relevant section of the public as regards goods or services for which the earlier mark was registered.

53 For the purposes of assessing where there is a link between the conflicting marks, it may therefore be necessary to take into account the strength of the earlier mark's reputation in order to determine whether that reputation extends beyond the public targeted by that mark.

54 Likewise, the stronger the distinctive character of the earlier mark, whether inherent or acquired through the use which has been made of it, the more likely it is that, confronted with a later identical or similar mark, the relevant public will call that earlier mark to mind.

55 Accordingly, for the purposes of assessing whether there is a link between the conflicting marks, the degree of the earlier mark's distinctive character must be taken into consideration.

56 In that regard, in so far as the ability of a trade mark to identify the goods or services for which it is registered and used as coming from the proprietor of that mark and, therefore, its distinctive character are all the stronger if that mark is unique – that is to say, as regards a word mark such as INTEL, if the word of which it consists has not been used by anyone for any goods or services other than by the proprietor of the mark for the goods and services it markets – it must be ascertained whether the earlier mark is unique or essentially unique.

57 Finally, a link between the conflicting marks is necessarily established when there is a likelihood of confusion, that is to say, when the relevant public believes or might believe that the goods or services marketed under the earlier mark and those marketed under the later mark come from the same undertaking or from economically-linked undertakings (see to that effect, *inter alia*, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 17, and Case C-533/06 *O2 Holdings and O2 (UK)* [2008] ECR I-0000, paragraph 59).

58 However, as is apparent from paragraphs 27 to 31 of the judgment in *Adidas-Salomon and Adidas Benelux*, implementation of the protection introduced by Article 4(4)(a) of the Directive does not require the existence of a likelihood of confusion.

59 The national court asks, in particular, whether the circumstances set out in points (a) to (d) of Question 1 referred for a preliminary ruling are sufficient to establish a link between the conflicting marks.

60 As regards the circumstance referred to in point (d) of that question, the fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark would call the earlier mark to mind is tantamount to the existence of such a link.

61 As regards the circumstances referred to in paragraphs (a) to (c) of that question, as is apparent from paragraph 41 to 58 of this judgment, they do not necessarily imply the existence of a link between the conflicting marks, but they do not exclude one either. It is for the national court to base its analysis on all the facts of the case in the main proceedings.

62 The answer to point (i) of Question 1 and to Question 2 must therefore be that Article 4(4)(a) of the Directive must be interpreted as meaning that whether there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case.

63 The fact that for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.

64 The fact that:

- the earlier mark has a huge reputation for certain specific types of goods or services, and
- those goods or services and the goods or services for which the later mark is registered are dissimilar or dissimilar to a substantial degree, and
- the earlier mark is unique in respect of any goods or services,

does not necessarily imply that there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.”

56. In *Ella Valley Vineyards (Adulam) Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-32/10, the General Court stated:

“37. In that connection, it should be recalled, as a preliminary point that, in order to satisfy the condition concerning similarity of the marks laid down by Article 8(5) of Regulation No 207/2009, it is not necessary to prove that there exists, on the part of the relevant section of the public, a likelihood of confusion between the earlier mark with a reputation and the mark applied for. It is sufficient for the degree of similarity between those marks to have the effect that the relevant section of the public establishes a link between them (see, by analogy, Case C 408/01 *Adidas-Salomon and Adidas Benelux* [2003] ECR I-12537, paragraphs 27 and 31, and Case C-487/07 *L’Oréal and Others v Bellure and Others* [2009] ECR I-5185, paragraph 36; see also Case T-181/05 *Citigroup and Citibank v OHIM – Citi (CITI)* [2008] ECR II-669, paragraphs 64 and 65). In that regard, the more similar the conflicting marks are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public.

38. The global assessment seeking to establish the existence of a link between the marks at issue must, in so far as the visual, phonetic or conceptual similarity of the signs at issue is concerned, be based on the overall impression given by the signs, account being taken, inter alia, of their distinctive and dominant elements (judgment of 16 May 2007 in Case T-137/05 *La Perla v OHIM Worldgem Brands (NIMEI LA PERLA MODERN CLASSIC)*, not published in the ECR, paragraph 35, and judgment of 25 March 2009 in Case T-21/07 *L'Oréal v OHIM – Spa Monopole (SPALINE)*, not published in the ECR, paragraph 18).”

57. There is a high degree of visual and aural similarity between the marks, the only difference being the ‘s’ at the end of the applicant’s mark. They are not conceptually identical, although they are close. A curve is a smooth, regularly bent or rounded line. Mr Hollingworth submitted that there is a conceptual difference because the applicant’s mark describes the shape of something (it has curves), whereas the registered proprietor’s mark signifies a straightforward geometric form (a curve). I think they are conceptually closer than that. The concept created by the applicant’s mark is that of the plural of a curve; the concept of the registered proprietor’s mark is a single curve. Both marks consist of single elements, which are their only distinctive components. As a matter of overall impression, the parties’ marks are similar to a high degree.

58. The applicant’s mark appears to be unique in the field in which it has a reputation; there is no evidence that CURVES is used as a trade mark either in the UK or the EU as a trade mark, except by the applicant. CURVES is not an invented word so does not have the very highest level of distinctive character. In relation to gyms and fitness services, CURVES is allusive, but no more than that, to a body-shape characteristic to which the applicant’s female customers might aspire. Inherently, CURVES has a reasonable level of distinctive character, which is further enhanced by its use.

59. In *Antartica Srl v OHIM* Case C-320/07 P, the CJEU found that NASDAQ was omnipresent both in the financial press and the general press and that its reputation had reached further than the professional public specialising in finance. More recently, the CJEU said, in *You-Q BV v Apple Corps Ltd* C-294/12 P, that:

“68 It must also be pointed out that certain marks may have acquired such a reputation that it goes beyond the relevant public as regards the goods or services for which they were registered and that, in such a case, the relevant section of the public as regards the goods or services for which the later mark is registered may make a connection between the marks at issue, even though that public is wholly distinct from the relevant section of the public as regards the goods or services for which the earlier mark was registered.”

In this case, there is likely to be a degree of overlap between users of tobacco and gyms; inevitably, some female smokers exercise, but many women who exercise do not smoke. Although the evidence of use supports a finding of sufficient reputation for a section 5(3) claim, without, e.g. proper club and membership figures, and a definitive evaluation of market share, it is not possible to come to a conclusion that the level of reputation is huge. It has not permeated the consciousness of the wider

general public (both men and women). CURVES has a respectable level of reputation, but it is not a household name.

60. Looking at the *Intel* factors, there is an enormous gap between the goods and services. This led me to find no likelihood of confusion. Despite the goods and services notionally both sharing an overlapping relevant public, and although the applicant's mark is distinctive and it has a reputation, the strength of that reputation is not great enough to counter the enormous gap between the goods and services, even taking into account the similarities between the marks. The goods and services are so dissimilar that the registered proprietor's mark is unlikely to bring the applicant's mark to the mind of the relevant public. Whether there is a link is not a mathematical test, but I find that when considering all the factors of the case, including the five *Intel* factors, the applicant's case fails to establish a link. **The section 5(3) ground fails.**

Section 56

61. This section of the Act states:

"56.—(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who—

(a) is a national of a Convention country, or

(b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

(2) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion. This right is subject to section 48 (effect of acquiescence by proprietor of earlier trade mark).

(3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section."

62. The relevant parts of sections 6 and 55 of the Act read:

"6.—(1) In this Act an "earlier trade mark" means—

...

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.”

“55.—(1) In this Act-

(a) “the Paris Convention” means the Paris Convention for the Protection of Industrial Property of March 20th 1883, as revised or amended from time to time,

(aa) “the WTO agreement” means the Agreement establishing the World Trade Organisation signed at Marrakesh on 15th April 1994, and

(b) a “Convention country” means a country, other than the United Kingdom, which is a party to that Convention or to that Agreement.”

63. The applicant’s written submissions in lieu of attending the hearing did not address this pleading. As the applicant has relied upon trade marks registered in the UK, I am unable to see how section 56 assists it, especially given my comments regarding lack of use in relation to many of the goods and services, and the level of reputation which has been established. The applicant’s evidence does not support a claim to well-known mark status and so its claim based upon section 56 is dismissed.

Outcome

64. The applicant’s application for a declaration of invalidity fails on all grounds. The IR remains protected.

Costs

65. Mr Hollingworth highlighted that the statement of grounds ran to 78 pages and that the unfair advantage and detriment to distinctive character claims, as well as the section 56 claim, had been dropped. There is no statement in correspondence to that effect, but it is true that the applicant’s written submissions in lieu of the hearing did not address these points at all. He submitted that even if the applicant were to be successful, it should not be awarded costs. Of course, it has not been successful, which means that a cost award to the registered proprietor is appropriate.

66. Mr Hollingworth also submitted that the pleadings were far too wide, including an indiscriminate reliance upon a large number of earlier marks for far too many goods and services, when there was clearly no need to do so. I agree. Statements of use were made for lengthy lists of goods and services in relation to which there was no attempt to show proof of use, let alone reputation. According to the applicant’s statement of case, the focus of its section 5(2)(b) ground was the class 16 goods of the IR; however, upon the early deletion of these goods from the IR, the applicant made no attempt to delete or refine its section 5(2)(b) ground. Its representative’s

written submissions (in lieu of the hearing) about similarity of goods were wholly unrealistic and caused unnecessary work for the registered proprietor. Mr Hollingworth used the term “blunderbuss attack”. I agree. Parties before the Tribunal have a duty to assist the Tribunal in dealing with the case both justly and at proportionate cost. This means that pleadings must be focussed and must be refined if circumstances require them to be looked at again. The deletion of Class 16 was such a circumstance. Relying on a vast range of goods and services and then failing on a large scale to prove use of them is disproportionate and inefficient. Relying upon the same list of goods and services to support a 5(4)(a) ground is similarly disproportionate and inefficient. It has caused unnecessary effort and therefore cost.

67. This is not a case where a party has decided to concentrate its efforts at the hearing upon its best case, which is not unusual. It is clear from Mr Burchfield’s statement that its real objection to the IR is its claim of tarnishing. However, the kitchen sink was pleaded; the pleadings were contradictory between the different grounds; the pleadings were not reconsidered when class 16 was deleted; and wide, indiscriminate, and unsustainable claims to genuine use, reputation and goodwill were made. In *Demon Ale* [2000] RPC 345, Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“Considerations of justice, fairness, efficiency and economy combine to make it necessary for the pleadings of the parties in Registry proceedings to provide a focused statement of the grounds upon which they intend to maintain that the tribunal should or should not do what it has been asked to do.”

68. The Registrar normally awards costs on a contribution basis within the limits set out in the published scale in Tribunal Practice Notice (“TPN”) 4/2007. As per the TPN, the Registrar has the power, under rule 67 of the Trade Mark Rules 2008, to depart from the scale where there is justification. In *Rizla Ltd’s Application* [1993] RPC 365, Anthony Watson QC, sitting as a Deputy Judge of the High Court, referred to the “very wide discretion” as long as it is exercised judicially. He also said this:

“As a matter of jurisdiction, I entertain no doubt that if the Comptroller were of the view that a case had been brought without any *bona fide* belief that it was soundly based or if in any other way he were justified that his jurisdiction was being used other than for the purpose of resolving genuine disputes, he has the power to order compensatory costs.”

69. The applicant has persisted with grounds which were not soundly based and which it did not attempt to persuade me were soundly based. It has run its case at disproportionate cost to the registered proprietor. I consider this to be unreasonable behaviour. There has been no application for costs above the scale. Bearing this in mind, and taking into account the registered proprietor’s comments about the applicant’s behaviour, I will make an award towards the top end of the scale, as follows:

Consideration of the 78 page statement of case and filing a 14 page counterstatement	£600
Consideration of evidence, including examination as to genuine use, reputation and goodwill for all the goods and services for which such a statement was made	£2000
Preparing for and attending hearing	£1500
Total	£4100

70. I order Curves International, Inc to pay Japan Tobacco Inc the sum of £4100. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 28th day of October 2013

**Judi Pike
For the Registrar,
the Comptroller-General**

Annex: the applicant's nine earlier trade mark registrations

(i) CTM 2689099

CURVES

Filing date: 8 May 2002; registration procedure completed: 26 May 2005

Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers' type; printing blocks.

Class 25: Clothing, footwear, headgear; sports and fitness wear.

Class 14: Education; entertainment; exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training.

(ii) CTM 4687893

CURVES

Filing date: 17 October 2005; registration procedure completed: 23 October 2006

Class 5: Pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use; vitamins, vitamin preparations and vitamin supplements; vitamin drinks; food supplements; vitamin and mineral food supplements; vitamins and minerals for medical purposes; mineral supplements; mineral nutritional supplements; dietary and nutritional supplements; dietary food supplements; herbal supplements; meal replacement and dietary supplement drink mixes; dietary preparations for slimming purposes (medical); dietetic drinks adapted for medical purposes; dietetic food for medical purposes; dietetic food supplements adapted for medical purposes; health food supplements; powdered dietary food concentrates for use in a weight reduction programme for medical purposes; medicated cosmetics; dietary preparations for slimming purposes; dietary supplements, other than for medical use; preparations for use as dietetic additives for food for human consumption.

Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats; prepared meals for use as an aid in a weight loss program; protein foods for dietetic purposes (other than adapted for medical purposes); milk powder for nutritional purposes; nutritionally balanced prepared meals; nutritional food bars.

Class 32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages;

carbonated and non-carbonated drinks, including isotonic non-alcoholic drinks containing caffeine; energy drinks; isotonic beverages.

Class 44: Weight reduction diet planning and supervision; advisory, information and consultancy services relating to health, diet and nutrition; providing counselling services and health advice and information in the fields of health, diet and nutrition; hygienic and beauty care for human beings; beauty treatment; beauty treatment services; consultation services relating to skin care; consultation services relating to beauty care; advisory services relating to beauty treatment.

(iii) CTM 4945937

CURVES

Filing date: 27 October 2005⁸; registration procedure completed: 11 April 2007

Class 29: Fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk products; edible oils and fats; prepared meals for use as an aid in a weight loss program; protein foods for dietetic purposes (other than adapted for medical purposes); nutritionally balanced prepared meals; nutritional food bars; canned cooked meat; food package combinations consisting primarily of cheese, meat and/or processed fruit; frankfurters; fried meat; hamburgers; hot dogs; luncheon meats; meat; meat substitutes; meat, frozen; meat-based spreads; milk; milk based beverages containing fruit juice; milk beverages containing fruits; milk beverages with high milk content; milk drinks containing fruits; milk powder; milk powder for nutritional purposes; milk products excluding ice cream, ice milk and frozen yoghurt; milk proteins; milk-based beverage containing coffee; powdered milk for food purposes; soy-based food beverage used as a milk substitute; soybean milk; frozen meals consisting primarily of meat, fish, poultry or vegetables; frozen entrees consisting primarily of meat, fish, poultry or vegetables; candied fruit snacks; dehydrated fruit snacks; fruit and soy based snack food; fruit-based snack food; potato-based snack foods; protein based, nutrient-dense snack bars; snack dips; snack food dips; snack mix consisting primarily of processed fruits, processed nuts and/or raisins; soy-based snack foods; vegetable protein bits having a bacon flavour; vegetable-based snack foods.

Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals; pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; bases for making milk shakes; bread; bread and buns; cocoa beverages with milk; coffee-based beverage containing milk; food package combinations consisting primarily of bread, crackers and/or cookies; frozen entrees consisting primarily of pasta or rice; frozen meals consisting primarily of pasta or rice; cereal based snack food; cheese flavored puffed corn snacks; cheese flavored snacks, namely, cheese balls; cheese flavored snacks, namely, cheese curls; extruded corn snacks; extruded wheat snacks; granola-based snack bars; puffed corn snacks; rice-based snack foods; snack mix consisting primarily of crackers, pretzels, candied nuts and/or popped popcorn; wheat-based snack foods.

⁸ USA priority date.

Class 32: *Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks; syrups and other preparations for making beverages; carbonated and non-carbonated drinks, including isotonic non-alcoholic drinks containing caffeine; energy drinks; isotonic beverages; fruit juices; non-alcoholic fruit juice beverages; vegetable juice; vegetable juices.*

(iv) UK 1190008

CURVES

Filing date: 7 February 1983; registration procedure completed: 11 September 1985

Class 25: *Articles of clothing for women.*

(v) UK 2299971

CURVES

Filing date: 8 May 2002; registration procedure completed: 11 October 2002

Class 41: *Education; entertainment; exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training.*

(vi) CTM 5349949

CURVES WORKOUT

Filing date: 2 October 2006; registration procedure completed: 10 July 2007

Class 16: *Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.*

Class 25: *Clothing, footwear, headgear; sports and fitness wear.*

Class 41: *Education; entertainment; exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training.*

Class 44: *Weight reduction diet planning and supervision; advisory, information and consultancy services relating to health, diet and nutrition; providing counseling services and health advice and information in the fields of health, diet and nutrition; hygienic and beauty care for human beings; beauty treatment; beauty treatment services; consultation services relating to skin care; consultation services relating to beauty care; advisory services relating to beauty treatment.*

(vii) CTM 5692405

CURVES SMART

Filing date: 14 February 2007⁹; registration procedure completed: 14 December 2007

Class 10: Physical exercise apparatus, for medical and health purposes; pulse rate monitors; heart monitors to be worn during exercise; devices for measuring, estimating and/or recording physiological conditions, namely heart rate, pulse rate and/or caloric energy expenditure; body-fat monitors; supportive bandages.

Class 28: Gymnastic and sporting articles not included in other classes; machines for physical exercise; manually-operated exercise equipment; stationary exercise bicycles; elliptical trainers; rowing machines; treadmills; weight machines; weight benches; step machines; wrist, leg and ankle weights for exercise; exercise equipment, namely strength training equipment, aerobic fitness equipment and/or cardiovascular exercise equipment, all with devices and components for measuring, estimating and/or recording physiological conditions, sold as a unit.

Class 41: Education; entertainment; exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training; providing fitness and exercise facilities; providing instruction and equipment in the field of physical exercise; rental of sports or exercise equipment.

(viii) CTM 6477418

FITCURVES

Filing date: 9 November 2007¹⁰; registration procedure completed: 18 September 2008

Class 16: Paper, cardboard and goods made from these materials, not included in other classes; printed matter; printed publications, magazines and periodicals; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.

Class 25: Clothing, footwear, headgear; sports and fitness wear.

Class 41: Education; entertainment; exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training.

⁹ USA priority date.

¹⁰ Ukrainian priority date.

(ix) CTM 5629852

CURVES COMMUNITY

Filing date: 19 January 2007; registration procedure completed: 3 December 2007

Class 38: Telecommunication services; communication services; communications via a global computer network or the Internet; provision of access to web pages; transmission and distribution of data, audio-visual images, images, pictures, photographs and text via a global computer network or the Internet; delivery of digital music, images, pictures, photographs and text by telecommunications; electronic transmission of streamed and downloadable audio and video files, images, pictures, photographs and text via electronic and communications networks; streaming of audio and video content, images, pictures, photographs and text via a global computer network; electronic mail, message sending and receiving services; provision of online forums; providing and operating on-line chat rooms and bulletin boards for transmission of messages among computer users; web casting services; broadcasting services; providing electronic bulletin boards; transmission of messages among users concerning music, news, current events, entertainment, arts, leisure, health and diet; transmission of peer-to-peer networking and file sharing information via communications networks; electronic transmission of data, images, pictures, photographs, text, audio, video and documents; delivery of messages by electronic transmission; provision of connectivity services and access to electronic communications networks, for transmission or reception of data, audio, video, images, pictures, photographs, text or multimedia content; arranging access to a computer database containing images, pictures, photographs, text and other multimedia content; arranging access to databases containing images, pictures, photographs, text and other multimedia content on the Internet; providing telecommunications connections to a global computer network or databases containing images, pictures, photographs, text and other multimedia content; information, advisory and consultancy services relating to all the aforesaid.

Class 41: Entertainment and educational services; provision of electronic publications (not downloadable); providing on-line electronic publications; publication of electronic books and journals on-line; providing publications from a global computer network or the Internet which may be browsed; computer assisted education services; computer assisted teaching services; computer assisted training services; computer based educational services; radio entertainment; information services, printed reports and on-line information services in the fields of music, video, film, books, television, concerts, radio, news, cultural events and entertainment, games and sports; on-line broadcasting; providing databases and directories in the fields of music, video, radio, television, film, news, sports, games, cultural events, entertainment, and arts and leisure via communications networks; providing audio, video, graphics, text and other multimedia content in the fields of music, video, radio, television, film, entertainment news, sports, games, cultural events, entertainment and arts and leisure via communications networks; publishing of images, pictures, photographs, text, graphic, audio and video works via communications networks; providing educational symposia via communications networks in the fields of music, video, entertainment, news and arts and leisure; providing databases and directories via communications networks for obtaining data,

images, pictures, photographs, text and other multimedia content in the fields of music, video, film, books, television, games and sports; providing computer databases in the nature of a bulletin board in the fields of music, video, film, books, television, games and sports; electronic library services for the supply of electronic information, including archive information, in the form of electronic images, pictures, photographs, text audio and/or video information and multimedia content via an on-line computer network; exercise and physical fitness training services; gym services; educational and advisory services for physical fitness training; information, advisory and consultancy services relating to all the aforesaid.

Class 42: Providing search engines for obtaining data via communications networks; providing search engines for obtaining data on a global computer network; designing, creating, hosting and maintaining Internet web sites; computer services, namely, hosting online web facilities for others for organizing and conducting online meetings, gatherings, and interactive discussions; designing, managing and monitoring online forums for discussion.