

**O/0354/23**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. UK00003607709**

**BY SPECIALIST HEALTH SOLUTIONS LIMITED**

**TO REGISTER THE TRADE MARK:**



**IN CLASSES 36, 42 AND 43**

**AND**

**IN THE MATTER OF OPPOSITION THERETO**

**UNDER NO. 427115 BY**

**HEALTHSPACE STUDIOS LIMITED**

## BACKGROUND AND PLEADINGS

1. On 10 March 2021, Specialist Health Solutions Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 25 June 2021 and registration is sought for the following services:

Class 36 Real estate consultations; real estate services including administration, consultation and management; consultation services relating to real estate; real estate acquisition [for others]; rental of real estate and property.

Class 42 Design services relating to real estate.

Class 43 Accommodation services; provision of temporary furnished accommodation; arranging and providing temporary accommodation.<sup>1</sup>

2. On 24 September 2021, Healthspace Studios Limited (“the opponent”) opposed the application based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under sections 5(2)(b) and 5(3) of the Act, the opponent relies upon the following trade mark registration:

**H E A L T H**  
**\_ S P A C E**

HealthSpace

(series of 2)

UKTM no. 3290203

Filing date 14 February 2018; registration date 25 May 2018

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<sup>1</sup> The application also originally covered services in class 44, but this class was deleted from the applicant’s specification following the filing of a Form TM21B on 21 January 2022.

3. The opponent relies upon all goods and services for which the earlier registration is registered as set out in the Annex to this decision. Under section 5(2)(b), the opponent claims that the marks are similar and the goods and services are similar resulting in a likelihood of confusion.

4. Under section 5(3), the opponent claims that use of applicant's mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the earlier mark.

5. Under section 5(4)(a), the opponent claims to have used signs identical to those shown in paragraph 2 above throughout the UK since 2015 in relation to "various goods and services including clinical services, healthcare and the provision of various health, cosmetic and beauty treatments, therapy, counselling, massage, physiotherapy, acupuncture, sports therapy, osteopathy, nutrition, dietary, nutrition coaching, coaching, functional medicine, reflexology, exercise, beauty, facials, medical aesthetics, wellbeing sessions, hypnotherapy and studio classes and the provision and rental of areas and rooms within which practitioners can carry out any of the foregoing."

6. The applicant filed a counterstatement denying the claims made.

7. Both parties filed evidence in chief. The opponent did not file evidence in reply. A hearing took place before me on 21 February 2023, by video conference. The opponent was represented by Mr Aaron Wood of Brandsmiths, on behalf of IP Consult. The applicant was represented by Mr Sam Carter of Counsel, instructed by Gill Jennings & Every LLP.

## **EVIDENCE**

8. The opponent filed evidence in the form of the witness statement of Robert Symes dated 20 June 2022. Mr Symes is the Manager of the opponent, a position he has held (as well as being a director) since June 2015. Mr Symes' evidence is accompanied by 13 exhibits.

9. The applicant filed evidence in the form of the witness statement of Warrick Fentiman dated 22 August 2022. Mr Fentiman is the Chief Executive Officer of the applicant. Mr Fentiman’s evidence is accompanied by 8 exhibits.

10. I have taken the evidence into account in reaching my decision.

## **RELEVANCE OF EU LAW**

11. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

## **DECISION**

### **Section 5(2)(b)**

12. Section 5(2)(b) of the Act reads as follows:

“5(2) A trade mark shall not be registered if because –

(a)...

(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.”

13. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

14. By virtue of its earlier filing date, the registration upon which the opponent relies qualifies as an earlier right pursuant to section 6 of the Act. As the earlier registration had not completed its registration process more than 5 years before the application date of the mark in issue, it is not subject to the use conditions under section 6A of the Act. The opponent can, therefore, rely upon all of the goods and services identified.

15. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing

in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings to mind the earlier mark, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of services**

16. In his skeleton argument and at the hearing, Mr Wood relied upon the opponent's class 44 services as its best case. Consequently, I have reproduced only those

services in the table below, alongside the applicant's services. For the avoidance of doubt, I agree that these represent the opponent's best case:

<b>Opponent's services</b>	<b>Applicant's services</b>
<p><u>Class 44</u> Health Clinics, Spas, Counselling services, Massage services, Sports Therapy, Sports Massage, Physiotherapy, Meditation, Hypnotherapy, Chiropractic services, Acupuncture, Traditional Acupuncture, Cosmetic Acupuncture, Reflexology, Aromatherapy, Mindfulness, Psychotherapy, Nutritional advice, Nutritional Therapy, Osteopathy, Aesthetics, Medical Aesthetics, instruction in Alexander Technique, Functional Medicine, Private GP services; providing fitness instruction services in the field of yoga and Pilates.</p>	<p><u>Class 36</u> Real estate consultations; real estate services including administration, consultation and management; consultation services relating to real estate; real estate acquisition [for others]; rental of real estate and property.</p> <p><u>Class 42</u> Design services relating to real estate.</p> <p><u>Class 43</u> Accommodation services; provision of temporary furnished accommodation; arranging and providing temporary accommodation.</p>

17. When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“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.”

18. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and, in particular, whether they are or are likely to be found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance, whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

19. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut for Lernsysteme v OHIM – Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”



20. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"... 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."

21. As a preliminary point, I have considered Mr Wood's submissions that it is "highly common" for service providers to develop their business to provide consultations in relation to how to run similar businesses. As Mr Carter noted, I have no evidence of this, and I can see no reason to find that this would be common practice. Indeed, it seems to me that it would be counterintuitive for a business specialising in a particular area to offer assistance to their competitors trading in the same area. Consequently, I do not consider that this line of argument assists the opponent.

### Class 36

22. In relation to the applicant's class 36 services, Mr Wood submitted that the applicant's specification would cover rental of rooms in a healthcare setting and that there would be an overlap in trade channels because businesses that provide this service may also provide the health care services themselves. Indeed, Mr Wood points to the evidence of Mr Symes, who states that the opponent offers room facilities for self-employed individuals who pay a fee for using the space, but also employs its own staff who provide medical and related services. I am not convinced by this line of argument. I accept that there is some (albeit limited) evidence in support of the

proposition that the opponent offers both healthcare services (that you can purchase from the opponent directly and which are offered by its direct employees) and that it rents rooms to healthcare professionals who can then provide services to members of the public themselves. However, as Mr Carter noted, there is no evidence before me that this is in anyway common practice, and it seems unlikely to me that this is anything other than a one-off example of these services coinciding. Ordinarily, it seems to me that these services would be offered through different trade channels. The nature, purpose and method of use of the services will clearly differ. I do not consider them to be in competition or complementary. I accept that there may be some overlap in users, but I do not consider this alone sufficient for a finding of similarity. Consequently, I find the services to be dissimilar. I can see no other point of similarity which puts the opponent in a stronger position.

#### Class 42

23. I can see even less support for the suggestion that there is any overlap in trade channels between the applicant's class 42 services and the services of the opponent. I do not consider there to be any overlap in trade channels, method of use, purpose or nature. There is no competition or complementarity. Any overlap in user is, in my view, insufficient to result in a finding of similarity. Consequently, I find the services to be dissimilar.

#### Class 43

24. The highpoint of the opponent's case in relation to the class 43 services, as Mr Wood put it, is that there is an overlap in trade channels and users between "spas" in the opponent's specification and the applicant's accommodation services. This, Mr Wood submitted, is because the applicant's specification would include hotels and hotels commonly have spas. Consequently, it is argued that the services reach the same public through the same channels. Mr Carter noted that there is no evidence that hotels typically offer spa services. I am prepared to take judicial notice of the fact that there are some hotels which provide spa services, but I also agree with Mr Carter that I do not consider this to be typical. However, to that extent, I am bound to accept that there is some limited overlap in trade channels and user. However, the nature,

purpose and method of use of the services differ. Mr Carter submitted that there is no complementarity because the services are not important or indispensable for each other. I agree. They are not in competition. In my view, there is a low degree of similarity between the services.

25. As I have found the applicant's class 36 and 42 services to be dissimilar to the opponent's services, there can be no likelihood of confusion in relation to those services. I will, therefore, consider the section 5(2)(b) ground of opposition in relation to the applicant's class 43 services only.

### **The average consumer and the nature of the purchasing act**

26. As the above case law indicates, it is necessary for me to determine who the average consumer is for the respective parties' services. I must then determine the manner in which the services are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

27. The average consumer for the services will be a member of the general public. The cost of the services is likely to vary, but they are likely to be a reasonably infrequent purchase. The average consumer is likely to take various factors into consideration such as comfort, range of services offered and location when considering the accommodation services and range of treatments, skills of staff members and presentation when considering the spa services. Consequently, I consider that the level of attention paid is likely to be medium.

28. The services are likely to be selected following perusal of signage at physical premises, on advertisements or on websites. Consequently, the purchasing process will be predominantly visual. However, given that word-of-mouth recommendations will also play a part, I do not discount an aural component.


### **Comparison of trade marks**

29. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“... it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

30. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

31. The respective trade marks are shown below:

Opponent's trade marks	Applicant's trade mark
<p data-bbox="277 315 759 495"> <b>H E A L T H</b>  <b>_ S P A C E</b> </p> <p data-bbox="426 613 608 723">           HealthSpace            (series of 2)         </p>	

32. The opponent's registration consists of two marks. Both consist of the words HEALTH SPACE. In the first mark in the series they appear one on top of the other and separated by an underscore, presented in an unremarkable grey font. In the second mark in the series they are conjoined. The overall impression of both marks in the series is dominated by the words HEALTH SPACE, with the underscore and stylisation in the first mark in the series playing a lesser role. The applicant's mark consists of a large H device on a (very) dark green background presented above the stylised words HEALTH SPACES. Although the eye is naturally drawn to the word element of the mark, given the size of the H device, it plays a roughly equal role in the overall impression of the mark.

33. Visually, the marks overlap in the words HEALTH SPACE. However, the addition of the letter S and the device in the applicant's mark act as points of visual difference, as do the underscore in the first mark in the opponent's registration. I consider all three marks to be visually similar to between a medium and high degree.

34. Mr Carter submitted that the device element of the applicant's mark is likely to be pronounced. I disagree. In my view, it is far more likely that only the words HEALTH SPACE/HEALTH SPACES that will be articulated. As a result, I consider the marks to be aurally highly similar. However, even if the H device in the applicant's mark is

articulated, it will result in no less than between a medium and high degree of aural similarity.

35. Conceptually, both registrations share the common meaning of a space (or spaces) used for health in some way. I do not think that the underscore or device contribute to the conceptual message conveyed. The marks are conceptually highly similar, if not identical.

### **Distinctive character of the earlier registration**

36. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; 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; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

37. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use that has been made of it.

38. Mr Carter submitted that the opponent should not be entitled to rely upon enhanced distinctive character because it was not specifically pleaded. That question has been considered previously by this Tribunal in *YS Garments, LLC v Next Retail Limited*.<sup>2</sup> The Hearing Officer stated:

“21....whilst I accept the general point that pleadings should be as full as possible so as to set out the scope of the dispute, the absence of any specific reference in the pleadings to enhanced distinctiveness is not fatal to the opponent’s case. This is because the assessment of distinctiveness is one of the fundamental factors that needs to be assessed in every case and, as is clear from the case-law, this can come from either the inherent nature of the mark, its use, or indeed a combination of both. Therefore, if evidence has been filed, which it has in the case before me, it is incumbent upon me to factor that evidence into the assessment to decide upon the overall distinctiveness of the earlier mark. It would be perverse to do otherwise, as it would require a pretence as to the true level of distinctiveness on the part of the average consumer, based on a technicality.”

39. I agree. Consequently, I will begin by assessing the opponent’s evidence to determine whether the distinctiveness of its registration has been enhanced through use. I note the following from the opponent’s evidence:

- a) The opponent opened its premises in Bishops Waltham in September 2015.
- b) Reviews have been provided from 2017 to 2020.<sup>3</sup>

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<sup>2</sup> BL O/379/19

<sup>3</sup> Exhibits RX1 and RX9

- c) Invoices have been provided which show small amounts paid for advertising.<sup>4</sup>
- d) The opponent advertised in the Meon Valley Forum Magazine in 2015, which it states is hand delivered monthly to various villages in the area, as well as high footfall places such as pubs, cafes, bars, public venues and shopping centres.
- e) Invoices have been provided which show charges for room rental by the day. Those dated prior to the relevant date amount to less than £2,000.<sup>5</sup>
- f) I note that there is also an invoice for “practitioner ad hoc hour”, although it is not clear to me what this means.
- g) There have been limited examples of references to the opponent’s mark in third party publications.
- h) Turnover figures provided are as follows:  
  
Year ending September 2016 - £80,266  
Year ending September 2017 - £138,000  
Year ending September 2018 - £170,737  
Year ending September 2019 - £183,860  
Year ending September 2020 - £116,535  
Year ending September 2021 - £143,177
- i) The opponent advertises its services on third party websites such as whatclinic.co.uk and uktherapyrooms.co.uk and promotes its brand through social media.<sup>6</sup>

40. I do not consider this evidence to be sufficient to establish enhanced distinctive character. There are no overall advertising expenditure figures provided, and the

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<sup>4</sup> Exhibit RXS1

<sup>5</sup> Exhibit RXS2

<sup>6</sup> Exhibits RX10 and RX11



amounts that have been evidenced are low. The geographical spread appears to be limited, with services only being provided from one clinic, and the turnover figures provided represent, in my view, a relatively small market share in what will undoubtedly be a significant market. I have, therefore, only the inherent position to consider.

41. Mr Wood submitted that the earlier registration is of “average” distinctiveness. I do not consider the earlier registration to directly describe the services provided. However, given the connection between spa services and the user’s physical wellbeing, I consider the earlier registration to be allusive. It is inherently distinctive to between a low and medium degree.

### **Likelihood of confusion**

42. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between them down to the responsible undertaking being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier registration, the average consumer for the services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

43. I have found as follows:

- a) The applicant’s services in class 43 are similar to a low degree to the opponent’s services;

- b) The average consumer is a member of the general public who will pay a medium degree of attention when selecting the services;
- c) The purchasing process will be predominantly visual, although I do not discount an aural component to the purchase;
- d) The marks are visually similar to between a medium and high degree, aurally similar to a high degree or between medium and high degree (depending upon whether the device in the applicant's mark is articulated) and conceptually similar to a high degree (if not identical);
- e) The earlier registration is inherently distinctive to between a low and medium degree.

44. Bearing in mind the interdependency principle, I do not consider that the marks are likely to be mistakenly recalled or misremembered as each other when applied to services that are similar only to a low degree. Taking into account all of the above factors, particularly the visual differences between the marks, taken with the core differences between the services and the relatively low distinctive character of the earlier mark, I do not consider there to be a likelihood of direct confusion. Having recognised the differences between the marks, I can see no reason why the average consumer would conclude that the services originate from the same or economically linked undertakings. Bearing in mind the fact that the earlier registration is distinctive to between a low and medium degree for the services, the fact that both parties are using the words HEALTH SPACE/S is far more likely to be viewed as a coincidence rather than indicating a common undertaking. I do not consider there to be a likelihood of indirect confusion.

45. For the avoidance of doubt, I have borne in mind the evidence put forward by the opponent to demonstrate actual confusion. This evidence consists of images of the applicant's flyers (bearing the applied-for mark) which have been returned to sender to the opponent.<sup>7</sup> However, I agree with Mr Carter that this is not evidence of

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<sup>7</sup> Exhibit RXS1

confusion. Ultimately, this was not confusion on the part of the average consumer encountering the marks during the purchasing process for the relevant services, this is simply an error in a process carried out by Royal Mail. I do not, therefore, consider that this evidence assists the opponent.

46. The opposition based upon section 5(2)(b) is dismissed.

### **Section 5(3)**

47. Section 5(3) of the Act states:

“5(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 and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

48. Section 5(3A) of the Act states:

“Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

49. The relevant case law can be found in the following judgments of the CJEU: *Case C-375/97, General Motors, Case 252/07, Intel, Case C-408/01, Adidas-Salomon, Case C-487/07, L’Oreal v Bellure and Case C-323/09, Marks and Spencer v Interflora and Case C383/12P, Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29 and Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77 and Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such

a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

50. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the earlier registration and the applicant's mark are similar. Secondly, the opponent must show that the earlier registration has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them in the sense of the earlier registration being brought to mind by the later mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

51. I do not consider the evidence to be sufficient to establish the requisite reputation. There are no overall advertising expenditure figures provided, geographical spread appears to be limited, with services only being provided from one clinic, and the turnover figures provided represent, in my view, a relatively small market share in what will undoubtedly be a significant market. I do not accept that the earlier registration is

known by a significant part of the relevant public. The opposition based upon section 5(3), therefore, falls at the first hurdle.

52. The opposition based upon section 5(3) is dismissed.

### **Section 5(4)(a)**

53. Section 5(4)(a) of the Act states as follows:

“5(4) 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, where the condition in subsection (4A) is met,

aa)...

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”.

54. Subsection (4A) of section 5 of the Act states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

55. I can deal with this ground relatively swiftly. The evidence filed is thin. Whilst there are turnover figures provided which could be sufficient to demonstrate a protectable goodwill, no breakdown is given to enable me to identify what proportion of those relates to the rental of rooms in a healthcare setting and what proportion relates to the

spa/wellbeing services. I am unable, therefore, to assess whether there is protectable goodwill for the different services relied upon.

56. The opposition based upon section 5(4)(a) is dismissed.

## **CONCLUSION**

57. The opposition is unsuccessful, and the application may proceed to registration.

## **COSTS**

58. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£1,900**, calculated as follows:

Filing a counterstatement and considering the Notice of opposition	£400
Filing evidence and considering the opponent's evidence	£650
Preparing for and attending the hearing	£850
<b>Total</b>	<b>£1,900</b>

59. I therefore order Healthspace Studios Limited to pay Specialist Health Solutions Limited the sum of £1,900. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

**Dated this 12<sup>th</sup> day of April 2023**

**S WILSON**  
**For the Registrar**

## ANNEX

The opponent's specification is as follows:

### Class 5

Balms and creams.

### Class 9

Software and storage systems holding medical information, medical records, medical database, treatment information, personal information in electronic records, medical information held in cloud based systems.

### Class 35

Advertising and business services for medical information, medical records, medical database, treatment information, electronic records, patient statistical information and analytics, medical information held in cloud based systems.

### Class 38

Communication systems for medical information, medical records, medical database, treatment information, personal information, electronic records and medical information held in cloud based systems and between computer systems.

### Class 42

System software and maintenance systems relating to medical information, medical records, medical database, treatment information, electronic records, medical information held and transmitted to and from cloud based systems.

### Class 44

Health Clinics, Spas, Counselling services, Massage services, Sports Therapy, Sports Massage, Physiotherapy, Meditation, Hypnotherapy, Chiropractic services, Acupuncture, Traditional Acupuncture, Cosmetic Acupuncture, Reflexology, Aromatherapy, Mindfulness, Psychotherapy, Nutritional advice, Nutritional Therapy, Osteopathy, Aesthetics, Medical Aesthetics, instruction in Alexander Technique,



Functional Medicine, Private GP services; providing fitness instruction services in the field of yoga and Pilates.