

O/0583/24

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NUMBER 3809844
IN THE NAME OF ANYTIME PRO LTD
FOR THE SERIES OF TWO TRADE MARKS**

ANYTIME PRO

Anytime Pro

IN CLASSES 9, 41 AND 42

AND

**THE OPPOSITION THERETO UNDER NUMBER 437200
BY ANYTIME FITNESS FRANCHISOR LLC**

Background and pleadings

1. Anytime Pro Ltd (“the applicant”) filed an application for the series of two trade marks, ANYTIME PRO and Anytime Pro, (number 3809844) on 15 July 2022, for goods and services in classes 9, 41 and 42.

2. Anytime Fitness Franchisor LLC (“the opponent”) opposes the application under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon the following earlier trade mark registrations for its section 5(2)(b) and 5(3) grounds, as follows:

(i) 800937323

ANYTIME FITNESS

Filing date: 11 September 2007; registration date: 1 September 2008

“FITNESS” is disclaimed.

Class 41: *Health and fitness club services.*

(ii) International registration (“IR”) 1644171



International registration date: 21 December 2021; US priority date: 14 December 2021; protected in the UK: 26 April 2022

“The mark consists of the stylized term "ANYTIME" above the stylized term "FITNESS." To the left of those terms is a stylized running person.”

Class 41: *Health club services, namely, providing instruction and equipment in the field of physical exercise; providing fitness and exercise facilities; personal fitness training services and consultancy; physical fitness instruction services; online physical fitness instruction services; virtual physical fitness instruction; yoga instruction; pilates instruction; providing information in the field of exercise and physical fitness; providing online non-downloadable electronic publications in the nature of articles in the fields of health, wellness, fitness, nutrition, and weight management; personal coaching services in the field of health, wellness, fitness, nutrition, and weight management.*

Class 44: *Tanning salon services; providing information in the fields of health, wellness, mental fitness, nutrition, and weight management.*

(iii) 801020569

ANYTIME HEALTH

Filing date: 11 November 2009; US priority date: 13 May 2009; registration date: 15 October 2010

Class 41: *Providing information in the field of physical fitness.*

Class 44: *Providing information in the fields of health, mental fitness, nutrition, and weight management.*

(iv) 912956959



Filing date: 10 June 2014; registration date: 3 November 2014

Class 35: *Advertising; business management; business administration; business advice; business consultation; office functions; business services, namely providing*

assistance, fitness evaluation and consultation to corporate clients to help their employees make health, wellness and nutritional changes in their daily living to increase productivity and lower health care costs; organisation of exhibitions for commercial or advertising purposes; advisory services relating to establishment and operation of franchises; provision of assistance in the establishment and operation of franchises; retail services connected with the sale of clothing, headwear, playthings, gymnastic and sporting articles, and indoor fitness apparatus and equipment.

Class 41: Education; providing of training; sporting activities; health and fitness club services; gymnasium services; provision of recreational, leisure and sports facilities; provision of teaching, instruction and coaching facilities for sports, exercise and recreational activities; sports training; organisation of sporting competitions; personal trainer services; providing education and training in the fields of health, fitness and fitness centre management; provision of educational health and fitness information.

Class 44: Health advice, information and consultation; fitness advice, information and consultation; nutritional/dietary advice, information and consultation; mental health advice, information and consultation; consultation services in the fields of weight reduction, weight management and weight control; provision of advice and information in the fields of weight reduction, weight management and weight control; massage.

3. Under section 5(2)(b) of the Act, the opponent claims that the parties' goods and services are identical, highly similar or similar and that the marks are highly similar, leading to a likelihood of confusion.

4. Under section 5(3) of the Act, the opponent claims a reputation in its marks for the services relied upon, such that the relevant public will believe that the applicant's goods and services come from the opponent or an undertaking linked to the opponent. In respect of earlier mark (iv), the reputation claimed is for the class 41 and 44 services, not the class 35 services.

5. Under section 5(4)(a) of the Act, the applicant claims that it has used the signs ANYTIME FITNESS, ANYTIME HEALTH and a sign corresponding to earlier mark (iv)

in the UK since 2012. The opponent claims it has goodwill attached to all three signs in relation to:

Education; providing of training; sporting activities; health and fitness club services; gymnasium services; provision of recreational, leisure and sports facilities; provision of teaching, instruction and coaching facilities for sports, exercise and recreational activities; sports training; organisation of sporting competitions; personal trainer services; providing education and training in the fields of health, fitness and fitness centre management; provision of educational health and fitness information; providing information in the field of physical fitness; health club services, namely, providing instruction and equipment in the field of physical exercise; providing fitness and exercise facilities; personal fitness training services and consultancy; physical fitness instruction services; online physical fitness instruction services; virtual physical fitness instruction; yoga instruction; pilates instruction; providing information in the field of exercise and physical fitness; providing online non-downloadable electronic publications in the nature of articles in the fields of health, wellness, fitness, nutrition, and weight management; personal coaching services in the field of health, wellness, fitness, nutrition, and weight management.

Health advice, information and consultation; fitness advice, information and consultation; nutritional/dietary advice, information and consultation; mental health advice, information and consultation; consultation services in the fields of weight reduction, weight management and weight control; provision of advice and information in the fields of weight reduction, weight management and weight control; massage; providing information in the fields of health, mental fitness, nutrition, and weight management.

6. The opponent claims that its goodwill entitles it to prevent the use of the application under the law of passing off because the marks, signs, goods and services are so similar that the use of the mark would cause damage to the opponent, including:

“a) the consumer believing the parties are economically linked when this is not the case; and/or

b) dilution and blurring of the Opponent's substantial goodwill and reputation in its mark[s]."

7. The applicant filed a defence and counterstatement, denying the grounds of opposition and putting the opponent to proof that it has used earlier marks (i), (iii) and (iv). It claims the common element, ANYTIME, would be seen by the average consumer as descriptive and of no trade mark significance. It admits some similarities in relation to the parties' class 41 services, but does not elaborate.

8. The opponent is represented by Barker Brettell LLP and the applicant by Briffa. Both parties filed evidence. Neither party chose to be heard and only the opponent filed written submissions in lieu of a hearing. I make this decision after careful consideration of all the papers on file, referring to the evidence and submissions as necessary.

Evidence

9. The opponent's evidence comes from James Goniea, its Secretary and General Counsel and from Craig Beaumont, its trade mark attorney. Mr Goniea has provided a witness statement and exhibits about the opponent's use of its marks.¹ Mr Beaumont has provided a witness statement and exhibits aimed at showing there are other gyms and health clubs which provide mobile phone apps and sports coaching to their customers.² Matt Ovington, the applicant's owner, has provided evidence for the applicant, to refute the opponent's claims to proof of use, reputation and goodwill and to provide some information about the applicant's business. Some of the witness statement consists of legal submission, not facts.³

¹ Witness statement dated 25 April 2023.

² Witness statement dated 28 April 2023.

³ Witness statement dated 26 June 2023 and exhibits.

Proof of use

10. Section 6A of the Act states:

“(1) This section applies where

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

- (a) within the relevant period 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) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

- (a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade

mark in the variant form is also registered in the name of the proprietor),
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.

(5)-(5A) [Repealed]

(6) 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.”

11. As the earlier marks subject to the proof of use provisions are comparable marks, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant.⁴ It reads:

“7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

⁴ On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all right holders with an existing EUTM or International Registration designating the EU (“IR(EU)”). Earlier marks (i) and (iii) were originally protected in the UK as IR(EU)s and earlier mark (iv) as an EUTM. They are now comparable marks which are recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and retain their original registration, protection, filing and priority dates.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A to the United Kingdom include the European Union.”

12. The first task is to assess whether the evidence supports the opponent’s statement that it has made genuine use of earlier marks (i), (iii) and (iv) in relation to the services upon which it relies in its pleadings. The relevant period for this purpose is the five years ending on the filing date of the contested application: 16 July 2017 to 15 July 2022.

13. The onus is on the opponent, as the proprietor of the earlier marks, to show genuine use because Section 100 of the Act states:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

14. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:⁵

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and*

⁵ The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK’s withdrawal from the EU.

Designs) [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundersvereinigug Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other

goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

15. Mr Goniea states that the evidence is in respect of marks (i), (ii) and (iv), as regards proof of use, reputation (all three marks) and the pleaded unregistered signs.

There is no evidence in respect of earlier mark (iii) ANYTIME HEALTH. Since this earlier mark is subject to proof of use and none has been provided, the opponent may not rely upon this earlier mark; nor this sign in relation to its passing off ground.

16. Mr Goniea states that the opponent is a global franchise of 24-hour health and fitness clubs. It entered the UK market in 2010 and at the relevant date (15 July 2022) had over 180 clubs, with locations across the UK. According to an independent fitness industry report produced in 2021, the opponent was third in the list of the top 20 UK private gym operators.⁶ Membership figures are as follows:

2017: 114,448

2018: 139,602

2019: 164,955

2020: 164,688

2021: 161,026

2022: 184,408

17. Estimated UK turnover is:

2017: not less than £36.4 million

2018: not less than £68.7 million

2019: not less than £77.2 million

2020: not less than £46.4 million

2021: not less than £59.2 million

2022: not less than £83.1 million⁷

18. Exhibit JG4 comprises a sample of redacted membership statements for the UK, showing monthly payments being charged by the UK ANYTIME FITNESS clubs in, for example, Fleet, Southampton, Gosport, Luton, Belfast and Telford at around £30 per month. Exhibit JG5 comprises a sample of redacted membership agreements being

⁶ The report was produced by the Leisure Database Company, shown at Exhibit JG7.

⁷ I will take only half this figure into account as the relevant date falls halfway through 2022.

set up with the initial payment taken in, for example, London, Droitwich and Kenilworth. All of the above fall within the relevant period.

19. Exhibit JG2 comprises screenshots from the opponent's UK website from the internet archive, the Wayback Machine, from prior to the relevant date. There were nearly 4 million page views in 2021 (down from over 9 million in 2019); over 3 million unique page views in 2021 and over 1.2 million unique users in 2021 (down from over 2.25 million in 2019). I note the use of earlier marks (i) and (iv) on the screenshots. The website gives information about finding a gym, joining, fitness support as a member, member benefits, nutritional advice, a free workout app, studio and virtual classes. A screenshot dated 9 October 2018 refers to corporate membership and programmes for employers to increase the wellness of employees. The workout app is called ANYTIME WORKOUTS, available to Anytime Fitness members. A screenshot dated 19 October 2020 refers to remote coaching services. This is available by downloading the ANYTIME FITNESS app and by selecting the workout icon in the ANYTIME FITNESS app, according to page 59 of Exhibit JG3. The download figures in 2021 were over 28,000. This is not relevant to the question of proof of use, reputation or enhanced distinctiveness because the opponent does not rely upon apps for its opposition under section 5(2)(b) or 5(3).

20. Mr Goniea states that the opponent offers a comprehensive support structure and training programme to its franchisees, including a franchise performance coach, holistic support, online support and an operations manual. Exhibit JG1 includes an Anytime Fitness Information Pack from 2018 for new and existing franchisees and examples of promotional activities to recruit new UK franchisees and connect with existing UK franchisees. The exhibit also includes details of independent UK franchise directory websites which provide information about the opponent's franchises. I note from an entry dated 24 September 2021 on the website of the British Franchise Association that the opponent was described as the UK's largest fitness franchise.

21. Mr Goniea states that the opponent's franchisees have responsibility for promoting their own clubs and that most have social media pages for this purpose. Screenshots are shown at Exhibit JG6, showing earlier marks (i) and (iv) in use on social media pages within the relevant period, in the UK at individual locations such as Kensington

and Liverpool. Mr Goniea states that the opponent also has UK social media platforms, as follows: Facebook – 11400 followers in February 2022; Instagram - 4700 followers in May 2020 and Twitter – 6200 followers in May 2020. Example screenshots, some of which fall within the relevant period, are included in Exhibit JG11, which show earlier marks (i) and (iv). Additionally, the opponent sponsors events, companies and charities, such as those connected to the Special Olympics, free gym access to care professionals for a month just prior to the end of the relevant period, and sponsoring a 10k run in Telford in April 2022.⁸

22. Mr Goniea provides details of awards (also at Exhibit JG9), such as:

- winner of Gold Business Resilience award at the “bfa HSBC British Franchise Awards 2021”;
- ranked in the top 3 of the “Top 100 Franchises in the UK 2020” by Franchise Direct;
- the Kilburn franchise won the “Best Franchise Gym” award at the UK Fitness Awards 2019.

23. Mr Goniea states that the opponent provides round-the-clock assistance to its franchisees, as set out in the documents contained within Exhibit JG1. These include an information pack from 2018 for franchisees which shows earlier mark (iv) on the cover. Support offered includes locating a property, training, opening the club, and business performance advice.

24. In his witness statement, Mr Ovington criticises Mr Goniea’s evidence. Mr Ovington says that no evidence has been provided to support Mr Goniea’s statement as to the turnover figures or the number of franchises. I bear in mind that the opponent did not file evidence in reply to meet the criticisms, although it did address them in written submissions in lieu:⁹

⁸ Exhibit JG8.

⁹ At paragraph 19.

“...the Applicant claims that no evidence of the number of UK franchisees or estimated UK turnover or UK membership numbers or UK website statistics has been provided. The Opponent strongly refutes the same. An authorised representative of the Opponent (i.e., James Goniea) attested to all these figures in the subject witness statement. As the UKIPO will be aware, this is a sworn statement from the witness about the accuracy of the contents. The Applicant had not explained why these figures do not constitute evidence. In any case, the UK franchisee figures are corroborated by the independent market research reports (see both Paragraph 18 of the Witness Statement of James Goniea and Exhibit JG7).”

25. The opponent may have misunderstood the nature of the applicant’s criticisms because it appears from the submissions that it took the criticism to be a lack of any of this evidence appearing. However, it seems to me that the applicant was drawing attention to the lack of documents to support the figures given by Mr Goniea in his witness statement. Whether that is an attack on the veracity or the sufficiency of the opponent’s evidence, the lack of documents supporting the figures, which could have been filed as evidence in reply, is not necessarily fatal, despite the challenge from the applicant. There is a difference between statements that amount to evidence and those which are bare assertion. Mr Goniea has given a sufficient level of detail about the annual turnover figures such that his statement is more than bare assertion. Mr Goniea is the opponent’s Secretary and General Counsel and he states in his evidence that the information in his witness statement comes from his personal knowledge in that professional role. He can be expected to give first-hand and accurate figures from the opponent’s records. It is common before this Tribunal for such figures to be given in a witness statement without also being supported by detailed accounting figures. Further, the annual membership figures, and the fact that the opponent has won UK franchise awards for UK franchises and has been found to be third in the rankings of private gym operators in the UK, corroborate the turnover figures.

26. Mr Ovington says that the turnover figures are unattributed: he asks whether they were all from memberships. The opponent’s statement and exhibits must be looked at in the round: the whole thrust of the evidence is that it runs gyms at which people

are members, and it provides franchising opportunities to those who wish to run the gyms. As to the report about the rankings of operators in the leisure industry, Mr Ovington says that he has not heard of the report and it appears to be expert evidence. I disagree. Market share is a factor in the assessment of distinctive character and reputation. Although this report refers to rankings, it gives an idea of market share. It is not uncommon for parties to file industry reports giving details of the major players in a given market sector.

27. Mr Ovington points out that the opponent says that the membership agreements and the payment statements corroborate each other, but that only one gym is common to both and that does not show the membership price in both exhibits JG4 and JG5. It is important to remember that an assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each piece of evidence shows use by itself.¹⁰ Deficiencies in some of the exhibited material can be compensated for by other aspects of the evidence. The onus is on the opponent to show use of the marks, but in civil proceedings the threshold for discharging that burden is the balance of probabilities. Accordingly, it is sufficient if the evidence (as a whole) shows that, on the balance of probabilities, earlier marks (i) and (iv) were put to genuine use during the relevant period. I consider that they were. There is clear use of the marks as registered, often in both forms registered as marks (i) and (iv) in the same exhibit. As for the applicant's complaint that the invoices show use of Anytime Fitness Fleet, Anytime Fitness Gosport and so on, not the marks relied upon, this is use of earlier mark (i) in accordance with the judgment of the Court of Justice of the European Union ("CJEU") in *Colloseum Holdings AG v Levi Strauss & Co.*¹¹ Since these are financial statements printed by individual clubs, it is not fatal that mark (iv) does not appear on the printouts. Mr Goniea explains in his witness statement that the opponent does not invoice its members: they pay membership fees by automatic withdrawal on the same day each month (franchisees can provide a statement to the members if they request one). As said earlier, other aspects of the evidence make it clear that these prints relate to individuals paying to be members of clubs which, elsewhere in the evidence, use both earlier marks on their websites and

¹⁰ *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, General Court of the European Union, Case T-415/09.

¹¹ Case C-12/12.

social media accounts. Furthermore, both earlier marks appear on the membership agreements in Exhibit JG5. Finally, it is clear that the marks are used by the opponent's franchisees with its consent, as the franchisor, and this is confirmed by Mr Goniea at paragraph 8 of his witness statement.

28. Having found that earlier marks (i) and (iv) were put to genuine use in the UK in the relevant period, I am required to determine in relation to which services the marks have been used and, if that use is not on everything relied upon (in the registered specifications), or a reasonable range of services within the terms in the specifications, to decide upon reduced, fair specifications represented by the use. In so doing, I am guided by *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*, in which Mr Justice Carr summed up the law relating to partial revocation as follows:¹²

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

¹² [2016] EWHC 3103 (Ch).

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

29. Taking earlier mark (i) firstly, it is clear to me that the evidence supports a claim to genuine use for all the services of that registration: class 41, *health and fitness club services*.

30. Turning to earlier mark (iv), the list of services relied upon is set out at paragraph 2 of this decision. I will begin with the class 41 services. Some of the terms are wide, such as *education*. The opponent does not provide training or facilities for sports at large. The evidence it has provided is confined to gyms and health club services, such as gym equipment and fitness classes, and management thereof. Accordingly, I find that a fair specification for class 41 is:

Health and fitness club services; gymnasium services; provision of teaching, instruction and coaching facilities for exercise; personal trainer services;

*providing education and training in the fields of health, fitness and fitness centre management; provision of educational health and fitness information.*¹³

31. In relation to class 44, I find that these services are all part and parcel of the services of gyms and health clubs such as are provided by the opponent under earlier mark (iv). The opponent may rely upon all the services of earlier mark (iv) in class 44 which are specified in paragraph 2 of this decision.

32. That leaves the class 35 services. There is no evidence that the opponent provides advertising services for others (as opposed to its own business). The only real business advice is that given to franchisees for gyms and health clubs. I am not convinced that *business services, namely providing assistance, fitness evaluation and consultation to corporate clients to help their employees make health, wellness and nutritional changes in their daily living to increase productivity and lower health care costs* is proper to class 35: these do not appear to be business services such as would fall in that class, but more akin to class 41 services. I agree that the evidence shows that these services have been provided. To that extent, they remain in the fair specification for class 35. There is no evidence of retail services. I find a fair specification for class 35 to be:

Business management, business administration, business advice and business consultation; all relating to the establishment and operation of gym and health clubs; business services, namely providing assistance, fitness evaluation and consultation to corporate clients to help their employees make health, wellness and nutritional changes in their daily living to increase productivity and lower health care costs; advisory services relating to establishment and operation of gym and health club franchises; provision of assistance in the establishment and operation of gym and health club franchises.

33. The opponent may rely upon these services for its section 5(2)(b) ground and for the section 5(3) ground, dependent upon the existence of a qualifying reputation in the

¹³ I note that the opponent's earlier mark (ii) covers a range of services in classes 41 and 44 and is not subject to proof of use, for a mark which is highly similar, if not near-identical, to earlier mark (iv).

case of the latter ground. It may rely upon all the services of earlier mark (ii) which is not subject to proof of use.

Section 5(2)(b) of the Act

34. Section 5(2)(b) states:

“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.”

35. Section 5A states:

“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

36. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are taken from the decisions of the CJEU 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*

¹⁴ This section also applies to the grounds raised under sections 5(3) and 5(4)(a) of the Act.

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.

The principles

(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 great 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 the earlier mark to mind, 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

37. In its counterstatement, the applicant states:

“The Applicant intends to provide 1-2-1 coaching lessons for sports solely online, in comparison with the Opponent who does not offer any such service and instead provides physical gym facilities, for the personal benefit of individuals.”¹⁵

38. Mr Ovington states in his evidence:

“9. Our core focus has always been and will always be to provide one to one online coaching lessons for specific sports, the first of which will be golf. The objective is that it will not matter where our customers are or even what time it is, the Applicant will have a coach available around the globe to fulfil the lesson request.”

¹⁵ At paragraph 31.

39. This has no relevance to the comparison of goods and services as required for section 5(2)(b) of the Act because the comparison is not confined to the opponent's, or the applicant's, current or intended mode of business. A trade mark application (and registration) is a claim to a piece of legal property. The level of protection provided is normally based on a notional assessment of the likelihood of confusion between the marks. In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited* (Case C-533/06), the CJEU stated at paragraph 66 of its judgment that when assessing the likelihood of confusion in the context of registering a new trade mark it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. As a result, even though the applicant has given certain assurances about the goods and services upon which the marks will be used, my assessment must take into account only the applied-for marks and the applicant's specification and any potential conflict with the earlier trade marks. The opponent's earlier marks are entitled to protection against a likelihood of confusion with the contested marks based on the 'notional' use of the earlier marks for the services in relation to which I have found genuine use. The comparison is to be made on the basis of notional use of the goods and services in both parties' specifications.

40. The parties' respective goods and services to be compared are:

Earlier marks	Application
(i) Class 41: <i>Health and fitness club services.</i>	Class 9: <i>Computer application software for smart phones and mobile devices, namely, software for social networking,</i>
(ii) Class 41: <i>Health club services, namely, providing instruction and equipment in the field of physical exercise; providing fitness and exercise facilities; personal fitness training services and consultancy; physical fitness instruction services; online physical fitness instruction services; virtual physical fitness instruction; yoga</i>	<i>receipt and transmission of data, shopping and sports goals namely for golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, American football, baseball, basketball, skiing, snowboarding, skateboarding and BMX; Online computer software for social networking, receipt and transmission of data, shopping; Online</i>

instruction; pilates instruction; providing information in the field of exercise and physical fitness; providing online non-downloadable electronic publications in the nature of articles in the fields of health, wellness, fitness, nutrition, and weight management; personal coaching services in the field of health, wellness, fitness, nutrition, and weight management.

Class 44: Tanning salon services; providing information in the fields of health, wellness, mental fitness, nutrition, and weight management.

(iv) *Class 35: Business management, business administration, business advice and business consultation; all relating to the establishment and operation of gym and health clubs; business services, namely providing assistance, fitness evaluation and consultation to corporate clients to help their employees make health, wellness and nutritional changes in their daily living to increase productivity and lower health care costs; advisory services relating to establishment and operation of gym and health club franchises; provision of assistance in the establishment and operation of gym and health club franchises.*

computer software for sports goals in relation to golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, American football, baseball, basketball, skiing, snowboarding, skateboarding and BMX; Computer software for sporting technical ability and skills assessments; Downloadable media content [relating to sports and sports coaching]; Downloadable podcasts; Virtual reality software; Virtual reality software for education; Virtual reality game software; virtual reality sports coaching software.

Class 41: Sport Coaching services; Sporting skill development; Workshops relating to sports training, namely for golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, american football, baseball, basketball, skiing, snowboarding, skateboarding, and BMX; Pre-recorded athletic and individual skill sessions; Coaching in the field of sports; Sports coaching; Sports performance; Organisation of seminars relating to sports, sports coaching, sports performance; Conducting of instructional seminars on sports, sports coaching, sports performance; Planning of sports, sports coaching, sports performance; Seminars for educational purposes; Development of educational

Class 41: Health and fitness club services; gymnasium services; provision of teaching, instruction and coaching facilities for exercise; personal trainer services; providing education and training in the fields of health, fitness and fitness centre management; provision of educational health and fitness information.

Class 44: Health advice, information and consultation; fitness advice, information and consultation; nutritional/dietary advice, information and consultation; mental health advice, information and consultation; consultation services in the fields of weight reduction, weight management and weight control; provision of advice and information in the fields of weight reduction, weight management and weight control; massage.

course materials for others in the field of sports, sports coaching, sports performance; Providing coaching services in the field of sports, sports coaching, sports performance; Personal sports tuition; Personal sports instruction; Online journals, namely blogs featuring commentary, advice and information in the fields of sports, sports coaching, sports performance; Providing non-downloadable live and recorded audio-visual content featuring sports coaching, sports performance; Providing online videos; Organising sporting events namely in the field of golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, american football, baseball, basketball, skiing, snowboarding, skateboarding, and BMX; Provision of information, education material and entertainment by means of an online computer network, telephone or Internet all relating to the sports of golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, american football, baseball, basketball, skiing, snowboarding, skateboarding, and BMX.

Class 42: Hosting an online website featuring tools for viewing, tracking, storing, managing, and sharing sports activity data; Providing temporary use of

	<p><i>online non-downloadable computer application software to facilitate communication in the field of sports¹⁶, sports coaching, sports performance; Providing temporary use of online non-downloadable computer application software to facilitate support and sharing of information in the fields of sports, sports coaching, sports performance; Providing temporary use of online non-downloadable computer application software to provide coaching services in the field of sports, sports coaching, sports performance; Providing temporary use of online non-downloadable computer application software to access information in the form of text, data, video, audio files relating to sports coaching, tuition, sports performance; Providing temporary use of online non-downloadable computer application software to facilitate user enrolment and registration services; Non downloadable software for providing sports training services; Application service provider, featuring application programming interface (API) software for allowing data retrieval, upload, access, management, tracking, and analysing of user data; Software as a Service (SaaS) that enables users to manage members</i></p>
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¹⁶ This word appears on the register and is, presumably, meant to read 'sports'.

	<i>accounts, schedule and track members participation, and facilitate and manage sports programs; Software as a Service (SaaS) for use in designing, creating and analysing data, metrics and reports.</i>
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41. The applicant concedes in its counterstatement that “there are some similarities within class 41”, but does not say which services are similar, nor how similar. The extent to which goods or services are similar is relevant to the assessment of a likelihood of confusion because 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. I will therefore make a comparison between the goods and services to determine which are similar and how similar they are.

42. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the 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.”

43. 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.

44. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, the GC stated that complementary means:¹⁷

¹⁷ Case T-325/06, the General Court of the European Union.

“82 ... there is a close connection between [the goods], 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...”.¹⁸

45. In *Avnet Incorporated v Isoact Ltd* [1998] FSR 16 Jacob J said:

“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.”

46. 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.”

¹⁸ In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is capable of being the sole basis for the existence of similarity between goods and services.

Class 41

47. I do not consider any of the services to be identical on the basis that the applicant's services are connected with sports, the natural meaning of which are competitive games or individual pursuits, and the opponent's services are, broadly, physical fitness and exercise services. However, physical fitness is important to sports performance and coaching.

Sport Coaching services; Sporting skill development; Workshops relating to sports training, namely for golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, american football, baseball, basketball, skiing, snowboarding, skateboarding, and BMX; Coaching in the field of sports; Sports coaching; Sports performance; Planning of sports, sports coaching, sports performance; Providing coaching services in the field of sports, sports coaching, sports performance; Personal sports tuition; Personal sports instruction

48. These services share the same nature and purpose as, for example, the opponent's *personal fitness training services and consultancy; physical fitness instruction services* in earlier mark (ii) and *personal trainer services* in earlier mark (iv) because they all involve coaching and training in the pursuit of physical recreation. Sports coaching services involve not only technical skill enhancement but also all-round physical fitness coaching (such as for those playing rugby, tennis and football), which makes the services complementary. The purpose is shared, and there may be shared channels of trade: Mr Beaumont has provided evidence at Exhibit CB2 which suggests that it is not uncommon for gyms and health clubs to offer training in sports. For example, there is a tennis academy at Hull Fitness & Wellbeing gym; a chain of gyms in the UK called UFC Gym provides martial arts training; and a programme called Everyone Active available at UK gyms and health centres offers swimming, tennis, ice skating, climbing, trampolining, skiing, gymnastics and diving lessons.¹⁹ The users will be the same. However, the services are not in competition. They are similar to a reasonably high degree.

¹⁹ The prints are from the Wayback Machine and are dated prior to the relevant date.

Seminars for educational purposes

49. These services do not share the same nature as the opponent's services. However, the term is broad and not limited in any way. The term could cover the subject matter of the opponent's services, i.e. physical fitness and health instruction, and running businesses. The purpose would be the same as the opponent's *virtual physical fitness instruction; yoga instruction; pilates instruction and providing information in the fields of health, wellness, mental fitness, nutrition, and weight management* (earlier mark (ii)) and *education and training in the fields of health, fitness and fitness centre management* (earlier mark (iv)). They may share trade channels and the users will be the same. There is a medium degree of similarity.

Organisation of seminars relating to sports, sports coaching, sports performance; Conducting of instructional seminars on sports, sports coaching, sports performance; Development of educational course materials for others in the field of sports, sports coaching, sports performance; Online journals, namely blogs featuring commentary, advice and information in the fields of sports, sports coaching, sports performance

50. There is a medium degree of similarity with the opponent's *personal fitness training services and consultancy; physical fitness instruction services; providing information in the field of exercise and physical fitness; providing online non-downloadable electronic publications in the nature of articles in the fields of health, wellness, fitness, nutrition, and weight management* (earlier mark (ii)) and *provision of educational health and fitness information* (earlier mark (iv)). The subject matter of both parties' services are sports and physical recreation activities and may be accessed through the same trade channels by the same users who require education and information about the subjects of sports and physical fitness.

Pre-recorded athletic and individual skill sessions; Providing non-downloadable live and recorded audio-visual content featuring sports coaching, sports performance; Providing online videos; Provision of information, education material and entertainment by means of an online computer network, telephone or Internet all relating to the sports of golf, football, rugby, cricket, tennis, table tennis, cycling,

athletics, hockey, american football, baseball, basketball, skiing, snowboarding, skateboarding, and BMX.

51. These services provide remote versions of the physical coaching and training services compared above. They are also in competition: users may choose to access training and coaching services remotely or in pre-recorded versions for convenience rather than visit a physical premises to receive a physical version of the service. The services are similar to a high degree.

Organising sporting events namely in the field of golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, american football, baseball, basketball, skiing, snowboarding, skateboarding, and BMX;

52. The services are not similar in nature, purpose, methods of use, are not complementary and are not in competition. However, they may share channels of trade: as shown in Exhibit CB2, referred to above, health clubs and gyms may also provide, for example, tennis lessons. It would seem likely that organising tournaments and competitions would form part of that offering. There is a low degree of similarity with the opponent's class 41 services.

53. The opponent submits that the applicant's class 9 and 42 goods and services are highly similar to its own in class 41:²⁰

"In the current digital age (and especially, since the beginning of the COVID pandemic) the average consumer expects their gym and health club to offer both downloadable and non-downloadable software applications with helpful resources to assist them in achieving their exercise, fitness, and wellness goals ... the Opponent began offering a remote fitness coaching service at least as early as July 2020. It allows members to have a personal trainer in their pocket so they can be trained remotely as well as in the club."

²⁰ Paragraph 67 of the opponent's written submissions in lieu of a hearing.

54. Mr Beaumont exhibits screenshots of websites which he states show that there are a large number of UK gyms and health clubs offering mobile software applications.²¹ Looking at the screenshots which fall prior to the relevant date (from the Wayback Machine), I note that Snap Fitness members can download the Snap App for tracking fitness progress and accessing on-demand workouts and programmes. It appears to be aimed at UK consumers. Similar apps are offered by Pure Gym, David Lloyd Clubs and Nuffield Health.

Class 9

Online computer software for receipt and transmission of data; Computer software for sporting technical ability and skills assessments; Downloadable media content [relating to sports and sports coaching]; Downloadable podcasts; Virtual reality software; Virtual reality software for education; virtual reality sports coaching software

54. The applicant's *Computer software for sporting technical ability and skills assessments; Downloadable media content [relating to sports and sports coaching]; Downloadable podcasts; Virtual reality software; Virtual reality software for education; virtual reality sports coaching software* are the virtual or remote versions of its on-site coaching and personal training services. Although the method of use differs (accessed via mobile devices, as opposed to in-person), the purpose is the same and the users will be identical. There is an element of competition as one may choose, for example, remote or virtual fitness classes instead of attending a physical premises. Channels of trade are likely to be shared, as shown in the evidence, with gyms and fitness clubs embracing the trend for online and remotely-offered services. For example, instead of running on a treadmill in a gym and tracking personal progress on the machine, the participant may decide to go for a run outdoors, tracking their progress on an app and listening to a podcast which gives information about pace and rests. *Online computer software for receipt and transmission of data* covers the recording of fitness progress made. There is a medium degree of similarity between the goods and the opponent's class 41 services, such as *personal fitness training*

²¹ Exhibit CB1.

services and consultancy; physical fitness instruction services; online physical fitness instruction services; virtual physical fitness instruction covered by earlier mark (ii).

Computer application software for smart phones and mobile devices, namely, software for receipt and transmission of data and sports goals namely for golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, American football, baseball, basketball, skiing, snowboarding, skateboarding and BMX; Online computer software for sports goals in relation to golf, football, rugby, cricket, tennis, table tennis, cycling, athletics, hockey, American football, baseball, basketball, skiing, snowboarding, skateboarding and BMX.

55. Earlier in this decision, I found that physical coaching for the named sports covered by the applicant's services were similar to a reasonably high degree to some of the opponent's class 41 services. These goods are the virtual and remote versions of physical coaching services. The purpose is shared, that of increasing physical performance, and there may be shared channels of trade with gyms providing sports training and fitness training. The users will be the same. The goods and services are similar to a reasonably high degree.

56. I see no similarity between any of the opponent's services and the applicant's *Computer application software for smart phones and mobile devices, namely, software for social networking and shopping; Online computer software for social networking and shopping; Virtual reality game software.*

Class 42

57. The applicant's class 42 services are set out in the table above and may be considered together as they form a sufficiently homogenous group.²² Similar considerations apply in relation to the comparison between the applicant's class 9 goods and the opponent's services because the applicant's class 42 services are the non-downloadable version of computer software, apps and software as a service. For

²² See the decision of Mr Geoffrey Hobbs KC, sitting as the Appointed Person, in *Environ Skin Care (Proprietary) Limited v LLC Crystal Management Company*, BL O/0378/24, paragraph 9 and the case law cited therein.

the same reasons as I gave above in paragraph 54, I find that there is a medium degree of similarity between the applicant's class 42 services and the opponent's class 41 services, such as *personal fitness training services and consultancy; physical fitness instruction services; online physical fitness instruction services; virtual physical fitness instruction* covered by earlier mark (ii).

The average consumer and the purchasing process

58. As the case law cited above indicates, it is necessary to decide who the average consumer is for the parties' goods and services and how they purchase them. "Average consumer" in the context of trade mark law means the "typical consumer."²³ The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods in question: *Lloyd Schuhfabrik Meyer*.

59. The applicant states in the counterstatement that the average consumer will pay a high level of attention "because they will be inherently focused with the quality of what they are purchasing". Mr Ovington states that the opponent targets a mass audience whereas the applicant's customers are looking for something "very specific to help improve their sporting skill", so will pay more than an average degree of attention.



60. The opponent submits that both parties' goods and services are directed at the general public, but does not comment upon the nature of the purchasing process or the level of attention paid. I agree that the average consumer for the goods and services is the general public. They will pay at least an average degree of attention to the class 41 services which are likely to require financial and time commitment, such as signing up for a gym or coaching sessions over a period of time. The goods will entail only an average degree of attention, as apps are prolific and are generally not costly. The same is true of the class 42 services, which are non-downloadable

²³ *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).

versions of the class 9 goods. The purchasing process is likely to be primarily visual, after having visited websites, app stores, consulting flyers and brochures or visiting physical premises. I do not, however, discount the potential for an aural aspect to the purchase, such as recommendations or telephone enquiries.

Comparison of marks

61. The marks to be compared are:

Earlier marks	The contested marks
<p>(i) ANYTIME FITNESS</p> <p>(ii)</p>  <p>(iv)</p> 	<p>ANYTIME PRO</p> <p>Anytime Pro</p>

62. Nothing turns upon the series of marks, which are identical in terms of protection.²⁴ I will refer to the applicant’s marks in the singular from this point in the decision.

63. *Sabel BV v. Puma AG* explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the

²⁴ “A word trade mark registration protects the word itself (here BENTLEY) written in any normal font and irrespective of capitalisation and, or highlighting in bold (see e.g. Case T-66/11, *Present-Service Ullrich GmbH & Co. KG v. OHIM*, EU:T:2013:48, para. 57 and the cases referred to therein, BL O/281/14,).”: Professor Ruth Annand, sitting as the Appointed Person, in *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17.

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.”

64. 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.

65. Starting with earlier mark (i), the overall impression of both parties' marks lies in the combination of the two words of which they are comprised. The marks are visually similar to a medium degree. This is because both marks start with the same word, but the second words are entirely different. The earlier mark comprises four syllables whereas the later mark has three syllables. Only the first two syllables are identical. The marks are aurally similar to a medium degree.

66. *Collins* dictionary has several definitions for 'pro', including that it is short for 'professional'. This definition from *Collins* is exhibited by Mr Ovington and he submits that this is what PRO in the contested mark means.²⁵ Mr Ovington also provides *Collins* definitions for ANYTIME and FITNESS:²⁶

- anytime: “a point in time which is not fixed or set”;
- fitness: “the state of being fit”.

67. *Collins* includes a definition for 'fit' as meaning “healthy and physically strong”.

²⁵ Exhibit MO3.

²⁶ Exhibits MO2 and MO3.

68. I note that the opponent submits that the marks are conceptually highly similar because the opponent's use of its marks means that the average consumer will understand ANYTIME as meaning goods and services which originate from the opponent. This is wrong in law, as explained by Philip Harris, sitting as the Appointed Person, in *Retail Royalty Company v Harrington's Clothing Limited*:²⁷

"74. The Opponent is trying to equate reputation in a trade mark sense with conceptual meaning. They are not the same thing. Reputation can mean different things, and in trade mark law the term is sometimes used loosely, but in this context, it concerns the factual extent to which a sign is recognised by a significant part of the public as a trade mark.

75. In contrast conceptual meaning is, in simple terms, something akin to recognition in dictionaries (beyond a mere trademark acknowledgement) or a level of immediately perceptible notoriety/independent meaning, outside the confines of a purely trade mark context, of which judicial notice can be taken. Whilst a trade mark's reputation might evolve or be converted into a conceptual meaning (possibly to its detriment in terms of genericity), it needs to be properly proven.

76. It is true that there are cases where an extensive reputation has been parlayed into conceptual meaning (for example C-361/04 P *PICASSO/PICARO* and C-449/18 *MESSI*) but these are the exception rather than the rule and depend on their own facts. Furthermore, the "reputation" element in those cases related to the fame attached to the names of the individuals for their roles in society, rather than specifically to a trade mark function. In other words, it was a different sort of reputation."

69. I consider that the average consumer would see ANYTIME as meaning something available without time restrictions and/or immediately available. They would perceive FITNESS and PRO as per the dictionary definitions. The concept of ANYTIME is

²⁷ BL O/593/20.

common to both parties' marks, while the meanings of FITNESS and PRO are not shared by the parties' marks. The marks are conceptually similar to a medium degree.

70. Marks (ii) and (iv) are composed of the words ANYTIME FITNESS (the first word above the second), preceded by a device which looks like a figure about to run. Although the figure is at the front of the mark, proportionately it is the words which dominate the overall impression of each of the earlier marks.

71. For the reasons given in footnote 24 the difference in fonts between the words in each party's mark do not affect the visual assessment. Nor do I consider the white line running through the words in mark (iv) to create much visual difference between the words in the parties' marks. Although the words in marks (ii) and (iv) are not on a single line, they will be read as such, which means that this is not a significant visual difference. As before, only one of the words in the parties' marks is shared, ANYTIME. When the device is taken into account, the marks are visually similar to a low to medium degree. The device will not be articulated, which means that the marks are aurally similar to a medium degree. The concept of a running figure is absent from the later mark. I find that marks (ii) and (iv) are conceptually similar to the later mark to a low to medium degree.

Distinctive character of the earlier mark

72. The assessment as to whether there is a likelihood of confusion includes considering whether the distinctive character of the earlier marks has been enhanced (i.e. more distinctiveness has been acquired) through the use made of it. If a mark has an inherently high, or an enhanced, level of distinctiveness, the likelihood of confusion is increased.²⁸ I will begin by considering the inherent distinctive character of the earlier marks in relation to the opponent's services before reminding myself of the use that the applicant has made of its mark. I will consider the opponent's class 41 services because they are the high point in terms of similarity between the parties' goods and services. ANYTIME FITNESS, for such services, is low in inherent distinctive character. This is because the words allude to fitness services, including

²⁸ *Sabel BV v Puma AG*, Case C-251/95.

fitness classes and training, which are available anytime, or whenever the consumer wishes to use them. Marks (ii) and (iv) are improved in terms of distinctive character because of the device. However, the device represents a person running, which is not of itself very distinctive for services relating to physical exercise. The inherent distinctiveness of marks (ii) and (iv) is low to medium.

73. Distinctive character is a measure of how strongly the earlier mark identifies the goods or services for which it is registered, determined, according to *Lloyd Schuhfabrik Meyer & Co.*, partly by assessing the proportion of the relevant public which, because of the mark, identify the goods or services as originating from a particular undertaking. At paragraph 23, of its judgment, the CJEU stated:

“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).”

74. I referred earlier to the opponent’s evidence which shows that its membership figures in 2021 were 161,026 and turnover for that year was not less than £59.2 million. The opponent was third in the list of the top 20 UK private gym operators. The opponents’ evidence, taken from Exhibit JG7, that in 2022 the top three gym operators accounted for 15% of the market, does not tell me the opponent’s own market share. However, I note that page 2 of the 2018 franchise information pack in Exhibit JG1 says that the UK fitness industry is worth £4.7bn, with one in seven people in the UK being a gym member, with the market set to see the number of gyms rise to over 7,000 in 2018. At the relevant date, the opponent had about 180 UK gyms. Viewed in the context of the figures in the opponent’s franchise information pack, the opponent’s market share was very small. The market is that for gyms, not ‘private gyms’ or gym

franchises. I find that the opponent's earlier marks are not entitled to claim an enhanced level of distinctive character, as at the relevant date.

Likelihood of confusion

75. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. In this case, the parties' goods and services range from similar to a reasonably high degree, through to medium, low and not similar. There is no likelihood of confusion for the goods in relation to which I found no similarity.

76. I will consider the position in relation to earlier marks (ii) and (iv), which have broader specifications than earlier mark (i).

77. As said earlier, it is the coverage of the terms in the parties' respective specifications which is key. For that reason, the applicant's evidence and submissions about the parties' business models is not relevant, such as whether the applicant has spotted a gap in the market, nor the styles and tone of their respective marketing materials. The results of Google searches are also not relevant, i.e. the applicant's claim that searches for the earlier marks do not bring up the applicant's mark, and vice versa.²⁹ In any event, the searches are not relevant because they are not dated and so could have been carried out after the application date of the contested mark. Google results are produced by a search engine: if a finding of a likelihood of confusion could be based on search results, there would be no need for all the other case law factors to form part of the assessment, and it would dispense with the need to consider the behaviour of average consumers, who are humans, not search engines.

78. Direct confusion occurs where marks are mistaken for one another, flowing from the principle that the average consumer rarely has the opportunity to make direct

²⁹ Exhibit MO4 shows the results of such Google searches.

comparisons between trade marks and must instead rely upon the imperfect picture of them which has been retained in the mind. Bearing in mind the levels of attention paid to the purchase, I think it unlikely that the second word in each mark will be overlooked and that the marks will be mis-recalled to the extent that they are directly confused for one another.

79. However, the parties' marks will be indirectly confused. Indirect confusion was explained by Mr Iain Purvis QC, sitting as the Appointed Person, in *Back Beat Inc v L.A. Sugar (UK) Limited*, BL O/375/10:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: *“The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark”*.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

80. That the three categories in that case are non-exhaustive was confirmed by the Court of Appeal in *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others*.³⁰

81. None of the elements in the parties’ marks are very distinctive, including the common element, ANYTIME. However, in *L’Oréal SA v OHIM*, Case, the CJEU found that:³¹

“45. The applicant’s approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or

³⁰ [2021] EWCA Civ 1207

³¹ C-235/05 P

stemmed from marketing considerations and not that that difference denoted goods from different traders.”³²

82. The applicant has filed evidence to show that PRO is short for ‘professional’. It is well known that ‘professional’ is a term which describes professional sports people and professional sports themselves (as opposed to amateur). FITNESS denotes fitness services, PRO denotes professional coaching services. For the goods and services which have any degree of similarity, I consider that the average consumer will view the marks as a variation of the type of physical training activities offered by the same or a linked undertaking, including an expansion of franchised business. The device in the earlier marks does not make enough of a difference to avoid confusion, it being a stylised device of someone running, which is not a distinctive concept for physical activities.

Section 5(2)(b) outcome

83. The section 5(2)(b) ground of opposition succeeds against the application except in relation to the class 9 goods *computer application software for smart phones and mobile devices, namely, software for social networking and shopping; Online computer software for social networking and shopping; Virtual reality game software.*

Section 5(3) of the Act

84. Section 5(3) states:

“(3) A trade mark which-

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

³² See also the decision of Ms Emma Himsforth KC, sitting as the Appointed Person, in *Face2FaceHR Partners Limited*, BL O/0368/23 at point (6), paragraph 44: “There may be a finding of a likelihood of confusion if (a) the non-coinciding elements of the mark are of lower (or equally low) degree of distinctiveness or are of insignificant visual impact and the overall impression is similar; or (b) the overall impression of the marks is highly similar or identical.”

of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

(3A) 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.”

85. 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 C-383/12 P, *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) the more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oreal v Bellure NV*, paragraph 44.

(g) 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.

(h) 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.

(i) 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. The stronger the reputation of the earlier mark, the easier it will be to prove that detriment has been caused to it; *L'Oreal v Bellure NV*, paragraph 44.

(j) 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*).

86. Question 3 in the section of the form TM7 covering the section 5(3) claim poses the following question:

“Is it claimed that the similarity between the reputed earlier trade mark and the later trade mark is such that the relevant public will believe that they are used by the same undertaking or think that there is an economic connection between the users of the trade marks?”

87. The opponent ticked 'yes' to this question. This part of the opponent's pleadings is effectively a claim that there is a likelihood of confusion. The next part of the form TM7 asks: “Is there any other basis for your claim of unfair advantage? If so, please explain what the advantage would be to the holder of the later mark, and why it is unfair.” The opponent did not answer this question, nor the questions which followed about detriment to repute and distinctive character. Nor did the opponent insert anything in this part of the form, such as 'see the attached statement of case/grounds'.

88. However, in its written submissions in lieu of a hearing, the opponent set out why it considered there to be unfair advantage, detriment to repute and detriment to distinctive character. None of this was pleaded in the form TM7. The form TM7 is the formal notice of opposition and it contains places to insert all the information, which may be expanded upon or continued in attachments. It is unacceptable to write nothing at all on the form and then include claims in written submissions (particularly at the end of the proceedings) which relate to those places in the form where nothing has been written, and in relation to which there was no attached statement of grounds.

89. The consequence of the way in which the opponent completed the form TM7 means that the opponent's section 5(3) case is entirely based upon there being

confusion. I can deal with this ground relatively briefly. There are cumulative requirements for section 5(3), the first of which is similarity between the marks. This is satisfied, for the reasons given earlier. The next condition is reputation. I find this is not satisfied for the same reasons as I gave earlier in relation to enhanced distinctive character. Even if I am wrong about that and there is a link except for those goods listed in paragraph 83 above, the section 5(3) ground succeeds to the same extent as the section 5(2)(b) ground because the ground is entirely pleaded on the basis of confusion. In any event, if I found a reputation, the opponent's services are simply too distant from the applicant's *computer application software for smart phones and mobile devices, namely, software for social networking and shopping; Online computer software for social networking and shopping; Virtual reality game software* for a link to be made. Without a link, the ground must fail.

Section 5(3) outcome

90. This ground fails and, if I am wrong about there being insufficient reputation, it fails in relation to the goods for which I found no likelihood of confusion and succeeds to no greater extent than the section 5(2)(b) ground.

Section 5(4)(a)

91. Section 5(4)(a) states:

“(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.”

92. Subsection (4A) of Section 5 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.”

93. The three elements which the opponent must show are well known. In *Discount Outlet v Feel Good UK* [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke, sitting as a Deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether “a substantial number” of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

94. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing

which distinguishes an old-established business from a new business at its first start.”

95. The applicant has included in its evidence statements about the way it uses the contested mark. This means that there could be more than one relevant date: the date the contested application was filed and an earlier date, if actionable use began prior to the application date.³³ Exhibit MO6 is a screenshot of the applicant’s Instagram page, but Mr Ovington states that this shows how many followers the applicant has “currently”.³⁴ Exhibit MO9 comprises a screenshot of what Mr Ovington states is the applicant’s mood board, which he states was put together “about a year ago”. Firstly, there is no evidence that the mood board came to the attention of the public and, secondly, “about a year ago” would date the mood board to June or July 2022. The relevant date is 15 July 2022. The video pitch at Exhibit MO10 is described as “new”. There is no evidence, therefore, which appears to show actionable use of the contested mark prior to the date of application. This means that it is the application date which is the relevant date for the purposes of section 5(4)(a) of the Act. The opponent must show that it had sufficient goodwill at that date to bring the claim. The applicant (in Mr Ovington’s witness statement) says (at paragraph 61):

“Lastly, the goodwill in the Earlier Marks subsist [sic] with the local franchises, not the Opponent...”

96. In its written submissions in lieu of a hearing, the opponent answers this point by submitting:³⁵

“...the Applicant argues that no evidence has been provided to show that an IP, goodwill, or reputation is attributed to the Opponent. The Opponent strongly refutes the same. This is not requirement [sic] at the UKIPO. The Opponent has made it very clear how the franchise/franchisee relationship works at Paragraph 8 of the Witness Statement of James Goniea and Exhibit JG1. In

³³ *Advanced Perimeter Systems Limited v Multisys Computers Limited* [2012] R.P.C. 14, Mr Daniel Alexander KC, sitting as the Appointed Person.

³⁴ Paragraph 48 of Mr Ovington’s witness statement.

³⁵ Paragraph 21.

particular, it has been explained that as part of any franchising agreement, the franchisees are given consent to use the Opponent's intellectual property (including all of the "ANYTIME FITNESS" trade marks). In any case, there are no franchise registration requirements in the UK so there are no publicly available franchising agreements to produce in the Opposition."

97. Whilst the giving of consent (without control) of the use of a trade mark meets that particular aspect of the requirements of section 6A(3) of the Act, the position is not so straightforward with regard to ownership of goodwill. Addressing the applicant's submission with regard to franchises, I note firstly that *Wadlow on the Law of Passing Off 6th Edition* explains at 7-198:

"Franchising is used in English commercial practice to describe a relationship in which numerous legally independent businesses trade under a common style and to common standards as if they were branches of one larger enterprise. The franchisor invariably specifies the manner in which each franchised business is to trade, often in great detail, although the day-to-day running is left to the franchisee. This element of operational control typically distinguishes franchising from simple licensing arrangements. The success of any franchising operation depends on the public relying on the individual outlets of the franchise to provide goods or services of a uniform degree of quality. The public may frequently be unable to distinguish franchised businesses from those run as branches of a single business, and in some cases there may be a mixture of franchised outlets and branches owned and operated by the franchisor."

98. With regard to *locus standi*, *Wadlow* says:³⁶

"One approach to ownership of goodwill might formerly have been to say that each individual franchised business owned a goodwill of its own, and that the goodwill of the franchisor related solely to the granting of franchises to businesses. This would be unduly restrictive. The public may or may not know that a franchising relationship exists, but they do appreciate that one person is

³⁶ At 7-202.

responsible for the standards of every franchised outlet. That person is in fact the franchisor, who therefore owns the relevant goodwill quoad the public, absent agreement to the contrary. (In fact, of course, any agreement between franchisor and franchisee is more or less bound to provide that goodwill accrues to the former, as any other arrangement would be self-defeating.) [...] This is not to say that individual franchised outlets have no goodwill of their own, but their status as franchisees does not entitle them to a share of that portion of the general goodwill which attaches to the franchised name or format. Their position is roughly equivalent to that of a tied public house, or a retail shop selling nationally advertised brands of goods.”

99. It therefore seems clear that goodwill accrues to the opponent. The opponent’s evidence is sufficient to prove that the sign ANYTIME FITNESS and a sign corresponding to earlier mark (iv) were distinctive of the opponent’s business at the relevant date in relation to the following of the services relied upon:

Health and fitness club services; gymnasium services; provision of teaching, instruction and coaching facilities for exercise; personal trainer services; providing education and training in the fields of health, fitness and fitness centre management; provision of educational health and fitness information; providing information in the field of physical fitness; health club services, namely, providing instruction and equipment in the field of physical exercise; providing fitness and exercise facilities; personal fitness training services and consultancy; physical fitness instruction services; online physical fitness instruction services; virtual physical fitness instruction; yoga instruction; pilates instruction; providing information in the field of exercise and physical fitness; personal coaching services in the field of health, wellness, fitness, nutrition, and weight management.

100. Although the average consumer test is not strictly the same as the ‘substantial number’ test, in the light of the Court of Appeal’s judgment in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This is because they are both normative tests intended

to exclude the particularly careless or careful, rather than quantitative assessments. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt LJ stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]”.

101. The same analysis applies with regard to the similarity of the marks and the goods and services as for the opponent's section 5(2)(b) ground. Section 5(4)(a) is concerned with misrepresentation causing the customers of the earlier signs to be deceived. The applicant says that the opponent has not provided any evidence of misrepresentation. It does not have to, not least because this is a *quia timet* action since the applicant's mark was unused at the relevant date. I find that the opponent's section 5(4)(a) ground succeeds to the same extent as its section 5(2)(b) ground. A substantial number of the opponent's actual and potential customers would believe that the opponent had expanded its business, as set out earlier in this decision in relation to indirect confusion. Damage would follow; for example:

- loss of business for the opponent via existing franchisees through diversion of trade and/or inferior quality of goods or services;
- loss of business for the opponent if potential franchisees are put off opening franchised businesses because of a negative experience of the applicant's goods and services.

102. The opponent was entitled to restrain the use of the contested mark under the law of passing off, at the relevant date, except in relation to *computer application software for smart phones and mobile devices, namely, software for social networking*

and shopping; Online computer software for social networking and shopping; Virtual reality game software.

Overall outcome

103. The opposition is successful except in relation to *computer application software for smart phones and mobile devices, namely, software for social networking and shopping; Online computer software for social networking and shopping; Virtual reality game software.* The application may proceed to registration for these class 9 goods. It is refused for all other goods and services.

Costs

104. The opponent has been successful and is entitled to a contribution towards its costs, based upon the scale of costs published in Tribunal Practice Notice 2/2016. In its written submissions in lieu of a hearing, the opponent submits:

“In the Witness Statement of Matt Ovington, the Applicant has followed the incorrect process by including all its written submissions (in other words, *opinion evidence*) in the same. Of course, the UKIPO will be aware that opinion evidence is an inference or conclusion drawn from facts. The Opponent submits that the Applicant’s deviation from standard practice has/will lead to inefficiencies in the Opposition. The Opponent therefore requests that the above be taken into consideration in the awarding of costs during the decision-making process.”

105. The opponent is correct that the applicant’s legal submissions should not have been included in Mr Ovington’s witness statement, which he stated was prepared on his behalf by his legal representatives. The opponent, upon receiving the applicant’s evidence, had to analyse it and make a decision as to whether to reply to any of it. That task will have been made more costly than would otherwise have been the case because the opponent had to weed out the parts of the witness statement which were submissions, not fact. It is appropriate to make a small uplift to the evidence part of the cost award to take into account the, avoidable, extra work to which the opponent

was put. This, in effect, cancels out the small reduction which would have been appropriate to reflect the partial failure of the opposition. I award costs to the opponent, as follows:

Official fee for filing the opposition	£200
Preparing and filing the notice of opposition and considering the counterstatement	£500
Filing evidence and considering the applicant's evidence	£1800
Filing written submissions in lieu of a hearing	£500
Total	£3000

106. I order Anytime Pro Ltd to pay to Anytime Fitness Franchisor LLC the sum of £3000. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 20th day of June 2024

Judi Pike
For the Registrar