

**EIP**

# UK Court of Appeal hands down judgment in trade mark disputes between Gymnastics associations

## **UK Gymnastics Ltd & Ors v British Amateur Gymnastics Association [2021] EWCA Civ 425 (24 March 2021)**

The Court of Appeal recently gave its judgment in a trade mark and passing off dispute between British Amateur Gymnastics Association (“BAGA”) and two defendants (1) UK Gymnastics (“UKG”) and (2) UK Gymnastics Affiliation (“UKGA”).

BAGA is recognised as the national governing body for gymnastics and is the proprietor of two UK registered trade marks which comprise of the words ‘British Gymnastics’ with and without the phrase ‘More than a sport’ beneath. The Defendants had used a word sign ‘UK Gymnastics’ and also a logo sign incorporating those words with a fragmented Union Jack above the text.

At first instance, HHJ Melissa Clarke sitting in the IPEC found the Defendants liable for infringement of BAGA’s trade marks and passing off. UKG were granted permission to appeal on six grounds following the previous proceedings decided in June 2020. The appeal grounds are explored below.

### **Ground 1 – National Governing Body Status**

The Court of Appeal dismissed an appeal against a finding that the Defendants were not a National Governing Body (“NGB”), deciding that the judge at first instance had not erred in her decision making and that the finding was one that was clearly open to her on the

evidence before the court.

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## **Ground 2 – Passing Off**

BAGA had asserted that the Defendants were liable in passing off in three ways, namely that the Defendants' acts were likely to cause the public to believe that:

- the Defendants' services were offered subject to some commercial arrangement between them and BAGA;
- the two were linked in such a way as to cause damage to BAGA's goodwill, and
- the Defendants had gained particular status from BAGA.

The trial judge found BAGA succeeded on all three grounds. However, the Defendants appealed in relation to the judge's finding on the third ground. They argued that the judge reached her conclusion without finding that Defendants had misrepresented that their status had been conferred by BAGA. The Court of Appeal agreed that the judge was in error in relation to this regard and allowed this ground of appeal.

## **Ground 3 – Injunction**

At trial, the judge granted an injunction against the Defendants, restraining them from passing off goods and services as those of BAGA, as subject to any commercial arrangement between the two parties or:

"otherwise denoting some form of official or approved status upon the Defendants or otherwise asserting to be a National Governing Body contrary to fact".

However, UKG appealed against this last part of the injunction for multiple reasons. Primarily that it extended beyond BAGA's pleaded case (on the same basis as ground 2), that the wording was ungrammatical and unclear and that without a clear definition of an NGB there was uncertainty over the scope of the injunction.

The appeal judges agreed with this argument and held that the final part of the injunction be set aside.

## **Ground 4 – Assessment of marks**

When considering the similarities between BAGA's trade marks and UKG's signs, the trial judge found that "the real difference" was "the use of 'UK' rather than 'British'". She accepted that the marks were both visually and aurally very different but found that conceptually there was a strong similarity. The judge found the Defendant's logo sign had a low degree of similarity with BAGA's trade marks and that the word sign had a "medium degree of similarity". The Defendants appealed against this conclusion arguing

that “logically, the finding should have been the same for both the Word Sign and the Logo Signs”.

The appeal judges did not accept this argument stating “it is reasonably clear why the judge considered that there was a difference between the Word Signs and Logo Signs which meant that the latter were less similar than the former to the Trade Marks”. It was also noted that since the trial judge had found there was a likelihood of confusion between the marks even with the low degree of similarity, the degree to which there was similarity was a moot point.

### **Ground 5 - Likelihood of Confusion**

The Defendants contended that the judge was wrong to find there was a likelihood of confusion between BAGA’s marks and UKG’s signs. The Court of Appeal also dismissed this ground, finding that the judge had correctly directed herself in this regard, in particular in directing herself that it is not necessary for the court to find actual confusion in order for a likelihood of confusion to be established and in properly assessing the differing degrees of attention that would be paid by different types of consumer.

### **Ground 6**

Finally, the judge deemed it unnecessary to consider the sixth ground following the conclusions on the fourth and fifth grounds as this final ground concerned the judge’s alternative reasoning based on section 10(3) of the Trade Marks Act 1994.

### **Result**

The judges allowed the Defendants’ appeal against the third finding of passing off and discharged the last part of the injunction. All other parts of the appeal were dismissed, and the remainder of the injunction remains in force.

This case acts as a reminder to consider not just the visual and aural similarity between marks but also their conceptual similarities.

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