

Spa Wisdom in deep water

Donna Trysburg discovers a surprising relationship between two types of goods

THE GENERAL COURT has confirmed that The Body Shop International plc (The Body Shop) may not register SPA WISDOM as an EU trade mark (EUTM) for various cosmetic and toiletry goods in class 3, following opposition by bottled water company Spa Monopole. In its decision, the General Court confirmed its own prior case law, holding that “spa” is not descriptive or generic for cosmetic goods, at least for the general public in Benelux.

Spa Monopole owned a number of Benelux trade marks pre-dating the SPA WISDOM application, in particular a registration for the word mark SPA covering mineral and aerated waters in class 32. The grounds of opposition alleged that The Body Shop’s application for SPA WISDOM should be refused, because any use of SPA WISDOM for cosmetics would take unfair advantage of, and be detrimental to, the distinctive character and repute of Spa Monopole’s SPA mark within the meaning of Article 8(5) of Council Regulation (EC) No 207/2009.

Both the Opposition Division and Fourth Board of Appeal (BoA) of OHIM (now the EUIPO) upheld the opposition, rejecting the SPA WISDOM application in its entirety.

BODY SHOP APPEAL

Body Shop appealed to the General Court, claiming that the BoA was i) wrong to find the SPA and SPA WISDOM signs similar when SPA is a descriptive and generic term for cosmetic goods, and ii) wrong to find any unfair advantage taken of, or detriment caused to, the distinctive

character or repute of the earlier SPA mark.

On the first point, the Court agreed with the BoA that The Body Shop had failed to provide evidence capable of rebutting the Court’s previous finding that “spa” is not descriptive, weakly distinctive or generic for cosmetics in Benelux. The evidence filed by the Body Shop was noted to be deficient, in particular because it did not confirm the extent of the use of “spa” by third-party traders, or show the location of the use to be Benelux. It evidenced, at best, a trend for using “spa” on cosmetic goods to evoke the idea of a “spa experience” at home. The distinctive earlier mark, SPA, was therefore reproduced in its entirety in the later mark SPA WISDOM as a co-dominant element, and the BoA was correct to find an average degree of similarity between the marks.

On the second point, the Court first turned to the question of whether the relevant public was likely to establish the necessary “link” between the signs, a multifactor test. The Court affirmed the BoA’s finding that a link was present, taking into account the average level of similarity between SPA and SPA WISDOM, the exceptionally strong reputation enjoyed by the earlier SPA mark in Benelux, the acquired distinctive character of the earlier SPA mark, and the nature and closeness of the goods. This final factor was satisfied due to persuasive evidence filed by Spa Monopole showing that it had





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marketed mineral water vaporisers for use as skin moisturiser alongside cosmetic products, and had entered into agreements with cosmetics companies, allowing them to advertise their cosmetics as containing Spa mineral water. Moreover, other famous mineral water companies had done the same.

Having established the link, the Court had no trouble in confirming the BoA's finding that unfair advantage had been taken and detriment caused, commenting that, particularly where a reputation is strong, unfair advantage can almost be assumed. Actual and present harm is not needed to succeed under Article 8(5), only *prima facie* evidence of a future risk of harm.

The Court dismissed the appeal, upholding the decision of the BoA to allow the opposition and reject the application.

INTERESTING LINK

While this decision feels counterintuitive, it is difficult to find fault with the reasoning of the General Court and the EUIPO. The case turned on three important points: the inadequacy of the evidence of "spa" as a descriptive or generic term for the Benelux public; the exceptionally strong reputation of SPA mineral water in Benelux; and the

fact that there are genuine commercial opportunities for crossover and co-branding between the mineral water and cosmetics industries.

Had the relevant public been the UK's rather than Benelux's, the term "spa" could well have been found generic. While, as the Court states, "spa" is directly descriptive of commercial health spas, it is certainly arguable that "spa" is descriptive for cosmetics and toiletries in the UK, because it is an indication of the quality of the goods, denoting that a product is of a premium quality available, or appropriate for use, in health spas. A quick web search reveals dozens of "spa"-branded products in the UK, and so evidence from the UK appears more readily available. There are a number of examples of spas diversifying into cosmetics and vice versa, for example the famous Sanctuary and Champneys spas, which now sell cosmetics and toiletry products in high-street stores, or Elemis, which started as a skincare brand but now also runs its own health spas. Products from these brands all tend to command a premium price.

And, while Spa water is sold in the UK, it does not have the reputation it commands in Benelux, where it is so popular that "Spa" or "Spa blauw" (Spa blue) has itself almost become a generic term for still mineral water.

In addition, while Spa Monopole convincingly argued the closeness between cosmetics and mineral-water goods, I was surprised to discover this link upon reading the case, and am sceptical that the relevant public would be aware of it. Having said that, it does not seem unreasonable to allow Spa Monopole to protect an interest in cosmetics if it represents a genuine and tangible business opportunity.

No appeal has been filed at the time of writing, so I wait with interest to see if The Body Shop converts its EUTM to a UK national application to have another try.



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