

ENGLAND AND WALES / JUDGMENT

Athleta (ITM) INC. v Sports Group Denmark A/S & Anor

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Neutral Citation Number: [2025] EWCA Civ 1584 IN THE COURT OF APPEAL (CIVIL DIVISION) ON APPEAL FROM THE HIGH COURT OF JUSTICE, BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES, INTELLECTUAL PROPERTY LIST (ChD) David Stone sitting as a Deputy High Court Judge

[2024] EWHC 2449 (Ch) Case No: CA-2024-002799 Royal Courts of Justice Strand, London, WC2A 2LL Date: 5 December 2025 Before : LORD JUSTICE SINGH LORD JUSTICE ARNOLD and LORD JUSTICE MILES

- ----- Between : ATHLETA (ITM) INC

- and -

(1) SPORTS GROUP DENMARK A/S

(2) JARROLD & SONS LIMITED

- -----

- ----- Claimant/ Appellant Defendants/ Respondents Stuart Baran and Richard Darby (instructed by Stephenson Harwood LLP) for the Appellant Mark Vanhegan KC and Jamie Muir Wood (instructed by Waterfront Solicitors LLP) for the Respondents
Hearing date: 25 November 2025

- ----- Approved Judgment This judgment was handed down remotely at 10.30am on 5 December 2025 by circulation to the parties or their representatives by e-mail and by release to the National Archives. Judgment Approved by the court for handing down. Athleta v SGD Lord Justice Arnold:

Introduction

1. This is an appeal by the Claimant (“Athleta”) against an order made by David Stone sitting as a Deputy High Court Judge on 26 November 2024. Athleta contended that the Defendants had infringed two UK registered trade marks (“the Trade Marks”) and committed passing off by the use of a number of signs (“the Signs”). The Defendants denied infringement and passing off, and counterclaimed for declarations of invalidity, alternatively revocation for non-use, of the Trade Marks. The judge dismissed the counterclaim for a declaration of

invalidity, held that the Trade Marks should be partially revoked, made a limited finding of infringement of one of the Trade Marks and dismissed the claim for passing off for the reasons given in his judgment dated 30 September 2024 [2024] EWHC 2449 (Ch). Athleta appeals against some of the judge's conclusions on revocation, infringement and passing off with permission granted by myself. There is no cross-appeal by the Defendants. The parties

2. Athleta is a member of the Gap group of US companies. It markets women's clothing (primarily activewear), bags, headgear and footwear under the brand name ATHLETA. The First Defendant ("SGD") is a Danish company that markets women's activewear under the brand name ATHLECIA. The Second Defendant ("Jarrold") is an English company which previously sold SGD's clothing. Jarrold's role can be ignored, and accordingly attention focussed on SGD. The Trade Marks

3. The Trade Marks are both so-called "comparable" UK trade marks which replaced EU trade marks as a consequence of Brexit. They are as follows:

i) UK Registered Trade Mark No. 00907234503 consisting of the word ATHLETA registered with effect from 15 September 2008 in respect of various goods and services in Classes 3, 9, 14, 18, 25, 28 and 35, including "bags" in Class 18 and "clothing" and "headgear" in Class 25 ("the ATHLETA Word Mark"). ii) UK Registered Trade Mark No. 00907234628 consisting of the stylised word and device registered with effect from 15 September 2008 in respect of various goods and services in Classes 18, 25 and 35, including "bags" in Class 18 and "clothing" and "headgear" in Class 25 ("the ATHLETA Combination Mark"). Indicia relied upon for passing off

4. Athleta claims goodwill in connection with the following indicia:

- i) ATHLETA; Judgment Approved by the court for handing down. Athleta v SGD ii) iii) ; ("the ATHLETA Dark Pinwheel"); and iv) ("the ATHLETA Purple Pinwheel"). The Signs
5. The Signs which remain in issue on the appeal are as follows: i) ATHLECIA; ii) ("the First ATHLECIA Combination"); and iii) ("the Second ATHLECIA Combination").
6. It is common ground that SGD has used the Signs in relation to bags, clothing, footwear and headgear in the UK. The law
- The legislative framework
7. 8. Athleta alleges that SGD's use of the Signs infringed the Trade Marks pursuant to section 10(2) of the Trade Marks Act 1994. Section 10(2) implemented provisions in successive European Union Directives culminating in Article 10(2)(b) of European Parliament and Council Directive 2015/2436/EU of 16 December 2015 to approximate the laws of the Member States relating to trade marks (recast). Parallel provisions are contained in Article 9(2)(b) of European Parliament and Council Regulation 2017/1001/EU of 14 June 2017 on the European Union trade mark (codification). These provisions provide that the proprietor of a registered trade mark is entitled to prevent third parties from using a sign in the course of trade without the proprietor's consent if the sign is identical with, or similar to, the trade mark and is used in relation to goods or services which are identical with, or similar to, the goods or services for which the trade mark is registered and there exists a likelihood of confusion on the part of the public. Save for likelihood of confusion, it is common ground that all of the requirements for infringement under section 10(2) are satisfied in this case. Judgment Approved by the court for handing down. Athleta v SGD
9. The Defendants' counterclaims for revocation for non-use are made under section 46(1)(b) of the 1994 Act. Section 46 implemented what are now Articles 16 and

19 of Directive 2016/2436. Parallel provisions are contained in what are now Articles 18 and 58 of Regulation 2017/1001. 10. Section 46 provides, so far as relevant: “(1) The registration of a trade mark may be revoked on any of the following grounds— that within the period of five years following the date of completion of the registration procedure it has not 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, and there are no proper reasons for non-use; that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use; (a) (b) ... For the purposes of subsection (1) 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 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. Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only. (2) ... (5) ...”

Assessment of the likelihood of confusion: basic principles 11. The manner in which the requirement of a likelihood of confusion in what are now Article 10(2) of Directive 2015/2426 and Article 9(2) of Regulation 2017/1001, and the corresponding provisions concerning relative grounds of objection to registration in the Directive and the Regulation, should be interpreted and applied had been considered by the Court of Justice of the European Union in a large number of decisions by 31 December 2020. In order to try to ensure consistency of decision making, a standard summary of the principles established by these authorities, expressed in terms referable to the registration context, has been adopted in this jurisdiction. The current version of this summary is as follows: Judgment Approved by the court for handing down. *Athleta v SGD* “(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; 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; the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; 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; nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components; and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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; 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; 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; mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient; 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; and (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.” 12. The same principles are applicable when considering infringement, but it is necessary for this purpose to consider the actual use of the sign complained of in the context in which the sign has been used: see *Specsavers International Healthcare Ltd v Asda Stores Ltd* [2012] EWCA Civ 24, [2012] FSR 19 at [87] (Kitchin LJ). Revocation for non-use: relevant principles 13. 14. Section 46(1)(a) and (b) give effect to the “use it or lose it” principle which is a feature of most trade mark laws. EU and UK law enable a registration to be revoked where there has been no genuine use of the trade mark or an acceptable variant for five years. The burden of proving use lies upon the proprietor of the registration. Three aspects of the law concerning revocation for non-use are relevant to this appeal. The first is what constitutes genuine use. The second concerns “targeting”. The third concerns use of variant forms of the trade mark as registered (section 46(2)). Genuine use. Neither side took issue with the accuracy of the following summary of the relevant principles which I set out in *easyGroup Ltd v Nuclei Ltd* [2023] EWCA Civ 1247, [2024] FSR 9 (which updated, but did not materially alter, an earlier summary in *Walton International Ltd v Verweij Fashion BV* [2018] EWHC 1608 (Ch), [2018] RPC 19 which the judge cited at [40]) (omitting references to cases from which these principles are derived): “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) (2) (3) (4) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark ... 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 ... 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 ... 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 underway, particularly in the form of advertising campaigns ... Internal use by the proprietor does not suffice ... Nor does the distribution of promotional items as a reward for the purchase of other goods and Judgment Approved by the court for handing down. *Athleta v SGD* (5) (6) (7) to encourage the sale of the latter ... But use by a non- profit making association can constitute genuine use ... 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 ... All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark ... 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 ... (8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use ...

107. The trade mark proprietor bears the burden of proving genuine use of its trade mark The General Court of the European Union has repeatedly held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned ... It has also repeatedly held that that the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the proprietor to produce additional evidence to dispel any doubts as to the genuineness of its use ..." 15. Also relevant is what I said in *easyGroup v Nuclei* at [126]: "Advertising sufficient? *easyGroup* contends that, even if there was insufficient evidence of sales, the judge should have held that the evidence of advertising of the hire of temporary office space, in particular by the *easyOffice* website, was sufficient to establish genuine use of the Trade Marks. I do not accept this contention. There is no doubt that advertising constitutes use of a trade mark, but it is clear from the case law of the CJEU and the GCEU that advertising alone will rarely be sufficient to constitute genuine use of a trade mark, although it can do in some cases. (In particular, advertising and offers for sale to consumers within the relevant territory may suffice where the goods or services are supplied outside the territory: see Case T- 768/20 *Standard International Management LLC v European Judgment Approved by the court for handing down. Athleta v SGD Union Intellectual Property Office* [EU:T:2022:458] at [33]- [44]). This must be particularly so when the advertising consists solely of a website (even if the website is targeted at the relevant territory). In the present case the judge took such evidence as there was of advertising into account. In the case of the website, however, *easyGroup* did not adduce any evidence as to the numbers of site visitors (let alone visitors from the UK or EU) or the numbers of page views. In those circumstances the judge cannot be faulted for having given the existence of the website little weight." 16. 17. Targeting. In order to constitute relevant use of the trade mark at all, the use in question must be use within the relevant territory (in the present case, use within the EU prior to 31 December 2020 and use within the UK after that date). Where the use relied upon consists of advertisements and/or offers for sale effected by means of a website, it is insufficient that the website in question was accessible from the UK during the relevant period. Rather, it must be shown that the website was "targeted" at EU or UK consumers. The test to be applied is the same as the test which is applied when determining whether use of a sign on a website infringes an EU or UK trade mark. (If there are actual sales to UK consumers, then such sales will constitute use in the UK.) The law was recently reviewed by the Supreme Court in *Lifestyle Equities CV v Amazon*

UK Services Ltd [2024] UKSC 8, [2024] Bus LR 532. The Supreme Court approved the following summary of the relevant principles by reference to an advertisement by Kitchin LJ in *Merck KGaA v Merck Sharp & Dohme Corp* [2017] EWCA Civ 1834, [2018] ETMR 10: “167. First, in determining whether an advertisement of goods bearing a trade mark on the website of a foreign trader constitutes use of the trade mark in the UK, it is necessary to assess whether the advertisement is targeted at consumers in the UK and in that way constitutes use of the mark in relation to goods in the course of trade in the UK.

168. Secondly, the mere fact that a website is accessible from the UK is not a sufficient basis for concluding that an advertisement displayed there is targeted at consumers in the UK.
169. Thirdly, the issue of targeting is to be considered objectively from the perspective of average consumers in the UK. The question is whether those average consumers would consider that the advertisement is targeted at them. Conversely, however, evidence that a trader does in fact intend to target consumers in the UK may be relevant in assessing whether its advertisement has that effect.
170. Fourthly, the court must carry out an evaluation of all the relevant circumstances. These may include any clear expressions of an intention to solicit custom in the UK by, for Judgment Approved by the court for handing down. *Athleta v SGD* example, in the case of a website promoting trade-marked products, including the UK in a list or map of the geographic areas to which the trader is willing to dispatch its products. But a finding that an advertisement is directed at consumers in the UK does not depend upon there being any such clear evidence. The court may decide that an advertisement is directed at the UK in light of some of the non-exhaustive list of matters referred to by the Court of Justice in *Pammer* at [93]. Obviously the appearance and content of the website will be of particular significance, including whether it is possible to buy goods or services from it. However, the relevant circumstances may extend beyond the website itself and include, for example, the nature and size of the trader’s business, the characteristics of the goods or services in issue and the number of visits made to the website by consumers in the UK.”
18. What the CJEU said in Case C-144/09 *Pammer v Reederei Karl Schluter GmbH & Co. KG* and *Hotel Alpenhof GesmbH v Heller* [2010] ECR I-12527 at [93] was as follows: “The following matters, the list of which is not exhaustive, are capable of constituting evidence from which it may be concluded that the trader’s activity is directed to the Member State of the consumer’s domicile, namely the international nature of the activity, mention of itineraries from other Member States for going to the place where the trader is established, use of a language or a currency other than the language or currency generally used in the Member State in which the trader is established with the possibility of making and confirming the reservation in that other language, mention of telephone numbers with an international code, outlay of expenditure on an internet referencing service in order to facilitate access to the trader’s site or that of its intermediary by consumers domiciled in other Member States, use of a top-level domain name other than that of the Member State in which the trader is established, and mention of an international clientele composed of customers domiciled in

various Member States. It is for the national courts to ascertain whether such evidence exists.” 19. The Supreme Court also approved the following observations by Floyd LJ in *Argos Ltd v Argos Systems Inc* [2018] EWCA Civ 2211, [2019] Bus LR 1728: “51. These passages [from *Merck v Merck*] make it clear that evidence of subjective intention is a relevant, and possibly (where the objective position is unclear or finely balanced) a determinative consideration in deciding whether the trader's activities, viewed objectively from the perspective of the average consumer, are targeted at the UK. Subjective intention cannot, however, make a website or page (or part of a page) which is plainly, when objectively considered, not intended for the UK, into a page which is so intended.” Judgment Approved by the court for handing down. *Athleta v SGD* 52. It is important to note that the summary of principles in the *Merck* case ... relates to the example of an advertisement for goods, where the role of the average consumer will be to determine whether the advertisement is targeted at him or her. In each case it will be necessary to look at the acts which are asserted to be use of the trade mark, and to focus on whether those acts are targeted at the UK. The scope of the enquiry will vary from case to case, as will the factors which are relevant to its determination. To that extent, I am prepared to accept that the role of the average consumer on the issue of targeting may differ from case to case.” 20. Lord Briggs and Lord Kitchin added: “28. The question in this context is, in substance, whether the average consumer would consider the website to be directed at him or her. In order to answer it, the judge must evaluate or, as it is sometimes put, carry out a multifactorial assessment of all the relevant circumstances. These circumstances will include the appearance of the website, how it responds to the presence of the consumer, whether it is possible actually to buy goods and have them delivered, and how that is done. They may also include a range of other facts and matters such as (but by no means limited to) those referred to by the Court of Appeal in *Merck* ... para 170, all of which may assist the court to assess the reaction of the average consumer and so answer the question whether the accused advertisements are targeted at consumers in the UK. 29. ...

31. ... The adoption here of the average consumer does not require the court to attempt to identify a ‘single meaning’ of the activity in issue—it is enough that a significant proportion of the relevant consumers (that is to say, those who are reasonably well informed and circumspect) would consider the website to be directed and targeted at them.” 21. Variant forms. Neither side took issue with the accuracy of the following passage from my judgment in *Walton v Verweij* which the judge cited at [42]: “119. ... The CJEU stated in *Specsavers International Healthcare Ltd v Asda Stores Ltd* (C-252/12) [EU:C:2013:497], [2013] ETMR 46 (*Specsavers* (CJEU)) at [29] that the objective of what is now art.18(1)(a) of the Regulation was: ‘by avoiding imposing a requirement for strict conformity between the form used in trade and the form in which the trademark was registered, ... to allow the proprietor of the mark, in the commercial Judgment Approved by the court for handing down. *Athleta v SGD* exploitation of the sign, to make variations in the sign, which, without altering its distinctive character, enable it to be better adapted to the marketing and promotion requirements of the goods or services concerned.’

120. In BUD and BUDWEISER BUDBRAU Trade Marks [2002] EWCA Civ 1534, [2003] RPC 25 Lord Walker of Gestingthorpe (with whom Pill LJ agreed) held that the correct approach to s.46(2) of the 1994 Act, which corresponds to art.15(2)(a) of the Regulation, was as follows: ‘43. 44. ... The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered? The distinctive character of a trade mark (what makes it in some degree striking and memorable) is not likely to be analysed by the average consumer, but is nevertheless capable of analysis....
45. Because distinctive character is seldom analysed by the average consumer but is capable of analysis, I do not think that the issue of “whose eyes? - registrar or ordinary consumer?” is a direct conflict. It is for the registrar, through the hearing officer’s specialised experience and judgement, to analyse the “visual, aural and conceptual” qualities of a mark and make a “global appreciation” of its likely impact on the average consumer, who: “normally perceives a mark as a whole and does not proceed to analyse its various details.”
121. As this indicates, and as the recent decision of CJEU in European Union Intellectual Property Office v Cactus SA (C-501/15) [EU:C:2017:750], [2018] ETMR 4 at [68]-[71] confirms, the normal approach to the assessment and comparison of distinctive character applies in this context.
122. As the case law of the General Court makes clear, alteration or omission of elements which are not distinctive is not capable of altering the distinctive character of a trade mark: see Sony Computer Entertainment Europe Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (T-690/14) [EU:T:2015:950] at [45]. Furthermore, when a trade mark is composed of word elements and figurative elements, the former are, as a rule, more distinctive Judgment Approved by the court for handing down. Athleta v SGD than the latter: see Sony at [49]. Accordingly, it is possible in an appropriate case for use of the word element on its own to constitute use of the trade mark: see Sony at [51].” 22. Counsel for Athleta cited Case T-135/04 GfK AG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2005] ECR II-4867 and Case T-181/21 LG Electronics, Inc v European Union Intellectual Property Office [EU:T:2022:247] as demonstrating that changing the spatial arrangement of a word and a device in a trade mark does not alter its distinctive character. In my judgment these cases do not establish any principle of law to that effect, but involve the application of the principles outlined above to the facts of those cases. Passing off 23. The elements of a claim in passing off are goodwill, misrepresentation and damage. The judge set out the relevant principles at [171]-[178] in a manner which was not criticised by either side. It is not necessary to repeat that exposition for the purposes of the appeal. Summary of the judge’s conclusions 24. In summary the judge concluded as follows: (1) (2) (3) (4) (5) (6) The ATHLETA Combination Mark: (a) was not devoid of inherent distinctive character as at the relevant date; (b) was not exclusively descriptive of the intended purpose of the goods and services for which it was registered as at the relevant date; and (c) had been

put to genuine use in the relevant period (12 July 2017 to 11 July 2022) in relation to clothing, but not otherwise. The ATHLETA Word Mark: (a) was not devoid of inherent distinctive character as at the relevant date; (b) was not exclusively descriptive of the intended purpose of the goods and services for which it was registered as at the relevant date; and (c) had been put to genuine use in the relevant period in relation to clothing, bags and headgear, but not otherwise. There was a likelihood of confusion with respect to the ATHLETA Combination Mark resulting from SGD's use of the Second ATHLECIA Combination in relation to clothing, but no likelihood of confusion with respect to the ATHLETA Word Mark or the ATHLETA Combination Mark in relation to other Signs or other goods or services. As at the relevant date (30 November 2021) Athleta owned goodwill in connection with the indication ATHLETA in relation to clothing, but not otherwise. The use of the Signs by SGD did not constitute a misrepresentation, but if there was misrepresentation there was damage. Accordingly: (a) the invalidity counterclaim failed; (b) the ATHLETA Word Mark and ATHLETA Combination Mark were partially revoked for non-use; (c) there was infringement of the ATHLETA Combination Mark Judgment Approved by the court for handing down. Athleta v SGD resulting from SGD's use of the Second ATHLECIA Combination, but not otherwise; and (d) there was no passing off. Grounds of appeal 25. 26. Athleta has permission to appeal on six grounds. Permission to appeal on ground 2 was refused. For convenience counsel referred to the remaining grounds during the course of argument by their original numbering, and I will follow their example. Ground 1 was not pursued in full. As presented in oral argument, ground 1 is that the judge was wrong to find that there had been no genuine use of the ATHLETA Combination Mark in relation to "bags" and "headgear". It is common ground that the resolution of this ground does not affect the issues on infringement. Ground 3 is that the judge wrongly assessed the distinctive character of the ATHLETA Word Mark when considering infringement by use of ATHLECIA. Ground 4 is that the judge wrongly assessed the visual similarity between the ATHLETA Combination Mark and the First ATHLECIA Combination. Ground 5 is that the judge wrongly assessed the distinctive character of the ATHLETA Combination Mark and its effect on likelihood of confusion when considering infringement by use of the First ATHLECIA Combination. Ground 6 is that the judge erred in dismissing the contribution of variant forms to establishing goodwill. Ground 7 is that the judge was wrong to find that Athleta had not established goodwill in relation to the ATHLETA Dark Pinwheel. Before turning to consider these grounds, it is worth noting that counsel for Athleta was careful to make it clear that he made no general criticism of the judge or his judgment. On the contrary, he accepted that the judge had directed himself correctly as to the law and had methodically and conscientiously considered each of the issues between the parties. He nevertheless submitted that the judge had fallen into error at certain points in his analysis. As will appear, I agree that the judge did make some errors, although not all of those alleged by Athleta. This appeal is another illustration of the difficulty which even specialist judges find in accurately applying modern trade mark law in all of its complexity, and in particular the challenge of arriving at an internally consistent analysis across a range of issues. Once again, the task facing this Court is considerably easier both because of the work done by the

judge and because of the limited number of issues raised on appeal. Standard of review on appeal 27. In so far as the appeal challenges findings of fact made by the judge, this Court is only entitled to intervene if those findings are rationally insupportable: *Volpi v Volpi*

- [2022] EWCA Civ 464, [2022] 4 WLR 48 at [2](v) (Lewison LJ). In so far as it challenges multi-factorial evaluations by the judge, this Court can only intervene if he erred in law or in principle, which includes a gap in logic, a lack of consistency or a failure to take into account a material factor that undermines the cogency of the conclusion: see *Lifestyle v Amazon* at [46]-[50] (Lord Briggs and Lord Kitchin) and *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc* [2025] UKSC 25,
- [2025] Bus LR 1391 at [94]-[95] (Lord Briggs and Lord Stephens). Judgment Approved by the court for handing down. *Athleta v SGD* Ground 1: genuine use 28. This ground concerns the judge's assessment of use of the ATHLETA Combination Mark in advertisements and offers for sale on Athleta's US website (or, more accurately, a subsite of a Gap group website) located at athleta.gap.com. SGD accepted at trial that between 2015 and 2019 5,516 ATHLETA-branded items of clothing and headgear valued at US\$349,692.17 had been sold by Athleta to EU/UK consumers through the US website. The judge found that there were over 100,000 UK visitors annually to the US website, but that it was not possible to tell which pages of the website they visited. The issue on the appeal concerns use in relation to bags and headgear. I should explain before proceeding further that the judge held that use of the ATHLETA Dark Pinwheel constituted use of the ATHLETA Combination Mark, but not use of the ATHLETA Purple Pinwheel. 29. The judge's assessment in relation to bags and headgear was, so far as relevant, as follows: "Bags 74. There was very limited evidence of use of the ATHLETA Combination Mark on bags. ... There is use of the ATHLETA Dark Pinwheel on the Athleta US website in relation to various bags. However, that website is primarily a US-facing website not primarily targeted at UK/EU consumers. Given the comparatively low value of the goods in issue, one would expect some evidence of sales into the United Kingdom/European Union. The evidence was that it was possible for a UK/EU customer to buy the ATHLETA-branded bags offered on Gap's US website, but the evidence showed that very few customers actually did so. There was no evidence before me that the particular bags in evidence (which showed the ATHLETA Word Mark alongside the pinwheel device) were sold to consumers in the United Kingdom/European Union (as appropriate), although I accept that some bags were sold to the United Kingdom/European Union. In short, very few UK consumers considered the US-facing website to target them: very few availed themselves of the ability to [purchase] bags. In my judgment, having reviewed all the evidence before me, I am unable to accept that Athleta has proved genuine use of the ATHLETA Combination Mark on bags in the United Kingdom/European Union (as appropriate) during the relevant periods. It should therefore be revoked for non- use. ... Headgear 76. The schedule of evidence contained comparatively little evidence of use of the ATHLETA Combination Mark on headgear. Athleta's solicitors purchased one headband sold Judgment Approved by the court for handing down. *Athleta v SGD* under the ATHLETA Dark Pinwheel on 19 May 2022 which

was delivered to the United Kingdom by Zalando. ... There was some evidence of sales of hats and beanies, but that does not include the ATHLETA Combination Mark or a variation of it. As with bags, there is use of the ATHLETA Dark Pinwheel (a relevant variant) on the US-facing Athleta website, but no compelling evidence of sales into the United Kingdom. In the absence of any (significant) sales, I cannot accept, having reviewed the website evidence, that UK consumers would consider the website to be targeted at them. ... In my judgment, having reviewed all the evidence before me, I am unable to accept that Athleta has proved genuine use of the ATHLETA Combination Mark on headgear in the United Kingdom/European Union (as appropriate) during the relevant periods. It should therefore be revoked for non-use.” 77. 78. 30. 31. 32. Athleta advances two criticisms of this reasoning. The first is that the judge failed to take material factors into account when considering whether the website was targeted at the UK. The second is that the judge, despite acknowledging that there was no de minimis rule, in reality applied one. So far as the first criticism is concerned, it is important to begin by noting that Athleta accepts that there was relatively little discussion of targeting before the judge. Athleta nevertheless submits that the judge failed to take the following factors into account:

- (i) dropdown menus on the website offered shipping to a number of regions including “Europe”, and within that region to all the then EU Member States including the UK; (ii) although the default currency was US\$, prices could be displayed in EU currencies including sterling; (iii) Athleta’s witness Sara Nicholls had given evidence to the effect that Athleta intended to target the UK; and (iv) Gap had entered into an agreement with a company called FiftyOne under which FiftyOne sold goods to international customers who shopped on Gap’s websites. It is common ground that the judge did not mention these factors in his judgment. As SGD submits, however, it does not follow that he made a material error in his evaluation. As SGD points out, there was no dispute that the US website had sold ATHLETA-branded clothing and headgear to EU/UK consumers during the relevant period. The matters relied on by Athleta go some way to explain how those sales came to be made (although even in relation to those sales the evidence was limited). When the judge said in [74] that the US website was “primarily a US-facing website not primarily targeted at UK/EU consumers [emphases added]” and that “very few UK consumers considered the US-facing website to target them” [emphasis added]”, he appears to have accepted that there was some targeting of EU/UK consumers by the website. 33. The issues highlighted by the judge in his assessment concerned the nature and extent of the use specifically of the ATHLETA Combination Mark in relation to bags and headgear that Athleta had demonstrated. In that respect, Athleta faces three difficulties. The first is that the evidence of use on the website of the ATHLETA Judgment Approved by the court for handing down. *Athleta v SGD* Combination Mark (as opposed to the ATHLETA Word Mark) in relation to bags and headgear is sparse. Such use as there was only constituted advertising so far as EU/UK consumers were concerned. The second is that there is no evidence as to how many EU/UK consumers visited the relevant webpages. The third is that (save for one headband sold on 19 May 2022 and possibly two others) there appears to be no evidence of actual sales of bags or

headgear under or by reference to the ATHLETA Combination Mark to EU/UK consumers during the relevant period. In those circumstances the judge was entitled to conclude that Athleta had not proved genuine use of the ATHLETA Combination Mark in relation to bags and headgear. 34. As for Athleta's second criticism, there is no reason to think that the judge applied a de minimis rule. His reasoning was not that Athleta had proved some use, but it was quantitatively too small. It was that the evidence adduced by Athleta was inadequate to demonstrate genuine use of the ATHLETA Combination Mark in relation to bags and headgear. As a member of the Gap group, Athleta was in a good position to produce such evidence if it existed. Ground 3: infringement of the ATHLETA Word Mark by ATHLECIA 35. It is common ground that SGD has used ATHLECIA in relation to goods identical to goods for which the ATHLETA Word Mark is registered, namely clothing. The judge's assessment was that ATHLECIA was visually, aurally and conceptually highly similar to ATHLETA, and highly similar overall. In relation to visual similarity, the judge said at [115]: "... ATHLETA and ATHLECIA consist of 7 and 8 letters respectively - a difference that is difficult to notice in a mark of that length. The first 5 and the last letters are identical - and courts have consistently held that consumers focus on the beginnings of marks/signs, rather than on the end. In my judgment, the word marks are visually highly similar." 36. 37. It is common ground that the average consumer is a female member of the general public who would be neither unusually attentive nor unusually inattentive. Despite it being common ground that the goods were identical and his finding that ATHLECIA was highly similar to ATHLETA, the judge found that there was no likelihood of confusion. At first blush this is a somewhat surprising conclusion, particularly given that it was not based on the average consumer paying a high level of attention. Furthermore, although there was no evidence of actual confusion, the judge found that the scale of Athleta's use of the ATHLETA Word Mark was not on a sufficient scale that any actual confusion was likely to have been detected. 38. The judge cited the following passage from my judgment in *Lifestyle Equities CV v Royal County of Berkshire Polo Club Ltd* [2024] EWCA Civ 814, [2024] FSR 32: "(i) Distinctive character of the trade mark 36. The starting point here is sub-paragraph (h) of the standard summary set out in paragraph 11 above. This principle was first stated in *Case C-251/95 SABEL BV v Puma AG* [1997] Judgment Approved by the court for handing down. *Athleta v SGD* ECR I-6191 at [24]: 'the more distinctive the earlier mark, the greater will be the likelihood of confusion'. It was more fully stated in *Case C-39/97 Canon Kabushiki Kaisha v Metro- Goldwyn-Meyer Inc* [1998] ECR I-5507 at [18]: '... according to the case-law of the Court, the more distinctive the earlier mark, the greater the risk of confusion (SABEL, paragraph 24). Since protection of a trade mark depends, in accordance with Article 4(1)(b) of the Directive, on there being a likelihood of confusion, marks with a highly distinctive character, either per se or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character.' This principle has been repeated and applied in countless subsequent decisions of the CJEU and the General Court. It is settled law in the EU. It is also firmly established in the case law of this Court. As Kitchin LJ put it in *Comic Enterprises Ltd v Twentieth Century Fox Film Corp* [2016] EWCA Civ 41,

- [2016] FSR 30 at [34](iv), ‘the issue of a trade mark’s distinctiveness is intimately tied to the scope of the protection to which it is entitled’. Although the principle is usually stated in the form set out above, it is common ground that the converse proposition is equally true: trade marks with a less distinctive character enjoy narrower protection than marks with a highly distinctive character. The converse proposition manifests itself in a variety of ways. Perhaps the most common way is where the trade mark is allusive to the goods or services in question. Contrary to the submission of counsel for the Claimants, however, the principle is not confined to that situation. For example, it is well established that, if the only similarity between the trade mark and the sign (or between the trade marks, as the case may be) is a common element which has low distinctiveness, that points against there being a likelihood of confusion: see *Whyte & Mackay Ltd v Origin Wine UK Ltd* [2015] EWHC 1271 (Ch), [2015] FSR 33 at [44]. The common element may have low distinctiveness because it is descriptive or allusive, but that need not be the case.” 37. 38. 39. 39. There was no dispute before this Court as to the correctness of this statement of principle. (Nor, however, did either party attempt to explore the principle in any greater depth, as to which see the recent comprehensive survey of the case law of the CJEU and GCEU in Jeroen Muyldermans and Paul Maeyaert, “Scope of Protection of Weak Marks in the European Union—Analysis of the Case Law of the European Union Courts”, 115 *Trademark Rep.* 860 (2025).) Judgment Approved by the court for handing down. *Athleta v SGD* 40. The judge reasoned as follows: “157. As I have pointed out above, both *ATHLETA* and *ATHLECIA* are based on the words ‘athlete’ or ‘athletic/s’ and are used in relation to clothes aimed at athletes - that will be understood by the reasonably circumspect consumer. ...
158. Neither brand is marketed at elite athletes, and in each case the clothing is expressed to be appropriate for other purposes, but neither side denies that it sells activewear under its brand. 159. 161. The case law makes it clear that the distinctiveness or otherwise of the marks is a factor to take into account - and so I must do so. In the words of Arnold LJ in *Lifestyle Equities*, ‘if the only similarity between the trade mark and the sign ... is a common element which has low distinctiveness, that points against there being a likelihood of confusion ... The common element may have low distinctiveness because it is descriptive or allusive.’ In my judgment, that is the case here. The common element between *ATHLETA* and *ATHLECIA* is *ATHLE*. I have found that the reasonably circumspect consumer of clothing, bags etc will consider that to be a reference to ‘athlete’ or ‘athletic/s’. The average consumer will therefore pay close attention to the suffixes of the two marks (as the General Court held in *Case T-149/06 Castellani SpA v OHIM* [2007] ECR II-4755 in relation to the marks *CASTELLANI* and *CASTELLUCA* for alcoholic beverages). Put another way, a registration for a trade mark which includes a descriptive element does not allow its proprietor to prevent third parties using the descriptive term, or trade marks based on the descriptive term, so long as the signs they use can be distinguished. Pulling all this together, then standing back as I must, I have reached the conclusion on the basis of the evidence before me that there is no likelihood of confusion between the *ATHLETA* Word Mark and *ATHLECIA* when used in relation to clothing, bags etc. I have conducted a multifactorial

assessment based on the case law cited to me and all the evidence in the case. Whilst the ATHLETA Word Mark and the word ATHLECIA are highly aurally, visually and conceptually similar, and the goods sold by SGD in the United Kingdom are identical or similar to those for which the ATHLETA Word Mark remains registered following the non-use attack, the likelihood of confusion analysis also requires me to take into account (in addition to all the factors set out above) the distinctiveness of the mark and the sign - and here, both are weakly distinctive. Of course the ATHLETA Word Mark is sufficiently distinctive to be registerable in relation to clothing, bags etc (as I have found Judgment Approved by the court for handing down. *Athleta v SGD* already) but it is not entitled to a scope of protection so broad as to encompass ATHLECIA. In my judgment, in order to infringe, a sign used by a third party would have to be closer to the ATHLETA Word Mark than ATHLECIA. ATHLETA, as Athleta's counsel (quite rightly) conceded, does not get the broad scope of protection attributable to highly distinctive marks, such as KODAK. This is the case whether the goods being compared are similar or identical. I do not consider that a significant proportion of average consumers would be confused." 41. 42. 43. Athleta contends that this reasoning is flawed, because the judge's application of the principle articulated in *Lifestyle v Royal* at [39] in [159] is inconsistent with his assessment of the similarity between ATHLETA and ATHLECIA in [115] (paragraph 35 above): in [159] the judge proceeded on the basis that the only similarity lay in the ATHLE- element, whereas in [115] he accepted that there were two further similarities: the length of the two words (differing only as to one letter, which would probably not be noticed) and the terminal A. Accordingly, Athleta argues, the judge was wrong to apply *Lifestyle v Royal*. This argument was very persuasively presented by counsel for Athleta. Nevertheless I am not convinced by it. This is for two reasons. The first reason is that it involves a skilful forensic sleight of hand. When the judge referred in [159] to the average consumer paying close attention to the suffixes of the marks, it is clear that he meant - TA and -CIA. For the purposes of the present analysis, these suffixes must each be considered as a whole. There is no inconsistency between the judge's recognition that these suffixes are different and his earlier recognition that they both end in A. Nor is there any inconsistency with his earlier recognition that the difference in length between the two words (itself due to the difference in length between the suffixes) is only one letter, which might well not be noticed. Thus his identification of the relevant common element as being ATHLE- is not inconsistent with his assessment of similarity. The second reason is that the underlying principle which the judge applied was that a weakly distinctive trade mark enjoys a narrow scope of protection. Given that there is no challenge to the judge's assessment of the ATHLETA Word Mark as being weakly distinctive, or in particular to his assessment that the average consumer would recognise that the ATHLE- element alludes to "athlete" or "athletic", there is no error of principle in the judge's evaluation that there is no likelihood of confusion. As Singh LJ pointed out during the course of argument, the judge's statement in [161] that "in order to infringe, a sign used by a third party would have to be closer to the ATHLETA Word Mark than ATHLECIA" does not exclude the possibility of infringement by a non-identical sign, since ATHLETIA would be closer to ATHLETA than ATHLECIA. 44. Athleta relies upon the fact that the Landgericht Frankfurt am Main (Frankfurt Regional

Court) reached the opposite conclusion in *Athleta (ITM) Inc v Bergfreunde GmbH* (2-06 O 66/23, 6 November 2024). This is not surprising for the reasons given in paragraph 37 above, but it does not demonstrate that the judge made an appealable see *Iconix v Dream Pairs*. Judgment Approved by the court for handing down. *Athleta v SGD* Grounds 4 and 5: infringement of the ATHLETA Combination Mark by the First ATHLECIA Combination 45. As can be seen from the summary in paragraph 24 above, the judge held that the ATHLETA Combination Mark was infringed by use of the Second ATHLECIA Combination, but not by use of the First ATHLECIA Combination, even though the only difference between them lies in the positioning of the roundel. 46. The judge reasoned as follows: “163. In my judgment, the roundel makes a difference to the overall assessment, and not in the way that SGD’s counsel submitted. In my judgment, the roundels are sufficiently similar, particularly taking into account imperfect recollection (as I must), to increase the likelihood of confusion. I do not consider that a reasonably circumspect consumer is likely to be confused where the goods are only similar - but I do consider that that likelihood exists where the goods are identical. ... In my judgment, there will therefore be a likelihood of confusion where SGD uses the Second ATHLETA Combination Mark in relation to clothing.

164. As set out above, the placement of the roundel makes a difference, so I do not consider that there is a likelihood of confusion as between the ATHLETA Combination Mark and the First ATHLECIA Combination, even for identical goods.” 47. The judge did not in [164] identify the relevant earlier paragraph of his judgment, but it is reasonably clear that he was referring to what he had said when assessing visual similarity at [117]: “... I consider that the ATHLETA Combination Mark and the Second ATHLECIA Combination are highly similar. There are some obvious differences between the ATHLETA Combination Mark and the First ATHLECIA Combination because the roundel appears over the textual element rather than in front of it - and I have held above that the ATHLETA Purple Pinwheel is not a variant use of the ATHLETA Combination Mark owing to the placement of the roundel. The difference in placement of the roundel will be appreciated by the reasonably circumspect consumer: I do not consider that it will make a significant difference, but it will make some. I therefore assess the similarity between those two signs as medium.” 48. This paragraph refers in turn to what the judge said at [71]: “... A mark registered in black and white encompasses use in any colour - and so the use in purple is not a relevant difference. If the use of purple were the only difference, that would be a difference that did not alter the distinctive character of the mark. That leaves the different placement of the pinwheel - and, in this case, on the facts before me, I Judgment Approved by the court for handing down. *Athleta v SGD* consider that to be a difference that does alter the distinctive character of the mark. For a reasonably circumspect consumer, the details of the roundel will, in my judgment, be less key - what will be key here is the word ATHLETA (the only aural aspect of the mark, and a key part of the visual aspect of the mark). The roundel will not be ignored - and its placement will strike the reasonably circumspect consumer. Thus, moving the pinwheel to be above the word does, in my judgment, alter the distinctive character of the mark. It will be noticed by consumers, who will notice that the ATHLETA Purple Pinwheel is not the same mark as the

ATHLETA Combination Mark.” 49. 50. 51. 52. 53. As a consequence, the judge’s overall assessment was that the ATHLETA Combination Mark and the Second ATHLECIA Combination were highly similar whereas the ATHLETA Combination Mark and the First ATHLECIA Combination were merely moderately similar. Grounds 4 and 5 were presented by counsel for Athleta in oral argument as alternatives, but as I will explain they are not really alternatives since they involve essentially the same point at different stages in the analysis. Ground 4 is that the judge’s reasoning in [164] is inconsistent with his reasoning in [117]. In [117] the judge held that the placement of the roundel did not make a significant difference to the visual similarity of these Signs to the ATHLETA Combination Mark, yet in [164] he held that it made the difference between infringement and non-infringement, which is on any view a significant one. Notwithstanding counsel for SGD’s valiant attempt to argue to the contrary, I agree with Athleta that this is inconsistent. It is therefore necessary for this Court to re- assess the issue. Given that SGD has not cross-appealed, the starting point is the judge’s assessment that use of the Second ATHLECIA Combination gave rise to a likelihood of confusion and therefore infringed. The only difference between the Second ATHLECIA Combination and the First ATHLECIA Combination lies in the position of the roundel: the constituent elements are identical. It is commonplace for words and devices to be used by trade mark proprietors in a variety of spatial arrangements. Furthermore, the average consumer could easily misremember the arrangement of the word and the device in the ATHLETA Combination Mark. Accordingly, I consider that the degree of similarity between the ATHLETA Combination Mark and the First ATHLECIA Combination is not materially different to the degree of similarity between the ATHLETA Combination Mark and the Second ATHLECIA Combination. Thus there is a likelihood of confusion in both cases, and use of both Signs infringed the ATHLETA Combination Mark. Ground 5 is that, in concluding at [71] that the ATHLETA Purple Pinwheel altered the distinctive character of the ATHLETA Combination Mark, even though the ATHLETA Dark Pinwheel did not, due to the difference in the positioning of the roundel, the judge fell into error because the test he applied was whether the difference would be noticed by consumers, which is not the correct test. He should therefore have concluded that use of both the ATHLETA Dark Pinwheel and the ATHLETA Purple Pinwheel constituted use of the ATHLETA Combination Mark. Judgment Approved by the court for handing down. Athleta v SGD 54. Given my conclusion on ground 4 it is not strictly necessary to decide this ground. Furthermore, it is difficult to see how success on ground 5 could assist Athleta if it failed on ground 4, which is why I do not consider that they are alternatives. I shall nevertheless address this ground because in my view the judge made essentially the same error in both contexts (in that respect his reasoning was consistent). The correct test in the context of variant forms is not whether the difference is noticeable, but whether it alters the distinctive character of the trade mark. In the present case I do not consider that the positioning of the roundel in the ATHLETA Purple Pinwheel compared to the ATHLETA Dark Pinwheel makes a material difference to this question: as noted in paragraph 52 above, it is commonplace for such elements to be used in different arrangements and the average consumer could easily misremember the arrangement. Thus use of both the ATHLETA Dark Pinwheel and the ATHLETA Purple

Pinwheel constituted use of the ATHLETA Combination Mark. This does not change the outcome with respect to either revocation or infringement, however. Grounds 6 and 7: goodwill 55. 56. It is convenient to consider these grounds in reverse order. Ground 7 is that the judge was wrong to find that Athleta had not established goodwill in relation to the Athleta Dark Pinwheel. This is an appeal against a finding of fact, and hence Athleta must demonstrate that it is rationally insupportable. Athleta's starting point is the judge's unchallenged finding that Athleta had established goodwill in the word ATHLETA as a result of sales of clothing in John Lewis stores. When considering genuine use, the judge found that over £1.1 million- worth of ATHLETA-branded clothing had been sold by John Lewis during the relevant period. (Although the relevant date for passing off purposes was before the end of the relevant period for genuine use purposes, the judge did not consider that this made a material difference.) Furthermore, the judge found at [75] that the sales in John Lewis constituted genuine use of "the ATHLETA Combination Mark (or a close variant)". 57. Next, Athleta points out that the judge accepted at [180] that: "The photographs of the John Lewis store[s] clearly show clothing being sold under various of the ATHLETA Signs". In particular, the photographs, which are of displays in the John Lewis stores in Cheadle, Oxford Street and White City, show prominent use of the ATHLETA Dark Pinwheel as well as some use of the word ATHLETA on its own. 58. Despite this, the judge held at [189]: "There is, of course, some use of the ATHLETA Dark Pinwheel, and I am prepared to take that use at its absolute highest. Still, I do not consider it enough to establish to establish goodwill in relation to clothing ...". 59. Athleta contends there is an inconsistency between the judge's finding that the use of ATHLETA in John Lewis was sufficient to generate goodwill, and his finding that the use of the ATHLETA Dark Pinwheel in that context was not sufficient. Certainly, the Judgment Approved by the court for handing down. Athleta v SGD judge does not explain why the use of the ATHLETA Dark Pinwheel in John Lewis was insufficient to generate goodwill, particularly given his apparently contrary conclusion when assessing genuine use. 60. Counsel for SGD's only answer to this was to argue that the judge was entitled to conclude that the evidence was insufficient because (i) only a small number of swing tags bearing the ATHLETA Dark Pinwheel were visible in the photographs and (ii) the other usage of the ATHLETA Dark Pinwheel visible in the photographs consisted of signs above or beside displays of clothing. Neither of these points is persuasive. So far as point (i) is concerned, there are neighbouring swing tags whose faces cannot be seen in the photographs due to the direction in which they are hanging, and there is no reason to doubt that they also bore the ATHLETA Dark Pinwheel. As for point (ii), these signs clearly denoted the trade origin of the clothing and thus will have contributed to the generation of goodwill. 61. I am therefore driven to the conclusion that the judge's finding is insupportable, and that he should have found that Athleta had established goodwill in connection with the ATHLETA Dark Pinwheel in relation to clothing as a result of the use in John Lewis. 62. The judge had the foresight to address the remaining elements of the tort in case he was wrong about goodwill at [193]: "I have not found goodwill to subsist in any of the signs with roundels on which Athleta relies, and so the passing off case in relation to those signs must also fail. However, if I am wrong in that, had I found goodwill in the ATHLETA Combination Mark,

the ATHLETA Dark Pinwheel and/or the ATHLETA Purple Pinwheel, I would have found a misrepresentation only in relation to the ATHLETA Combination Mark and the ATHLETA Dark Pinwheel (but not the ATHLETA Purple Pinwheel). As damage was admitted to have followed (at least in relation to diversion and/or erosion), I would have therefore found passing off.” 63. 64. There was some debate before us as to the extent of the judge’s contingent finding of misrepresentation. Read in context, it seems to me that he must at least have meant that he found misrepresentation by use of the Second ATHLECIA Combination in relation to clothing (but not bags, footwear or headgear given his reasoning in the context of trade mark infringement). It is more debatable whether he found misrepresentation by use of the First ATHLECIA Combination, but for the reasons given in paragraph 52 above I consider that the answer should be the same. Thus passing off is established in relation to both those Signs, as well as infringement of the ATHLETA Combination Mark. As for ATHLECIA, the judge did not find that this was a misrepresentation with respect to (the goodwill which he found established in connection with) ATHLETA in relation to clothing. He cannot have meant that there would nevertheless be a misrepresentation with regard to (goodwill in connection with) the ATHLETA Dark Pinwheel in relation to clothing. Athleta contends that, having reversed the judge’s conclusion as to goodwill in the ATHLETA Dark Pinwheel, this Court can and should Judgment Approved by the court for handing down. Athleta v SGD re-assess his conclusion as to misrepresentation by ATHLECIA. I see no reason to reach a different conclusion, however.

65. My conclusion on ground 7 makes it unnecessary to consider ground 6, which raises a novel question as to whether variant forms can be relied upon as generating goodwill for the purposes of passing off. Overall conclusion 66. For the reasons given above I would allow the appeal to the extent of reversing the judge’s conclusions in relation to infringement of the ATHLETA Combination Mark by use of the First ATHLECIA Combination and passing off by use of the First and Second ATHLECIA Combinations. Save to that extent, I would dismiss the appeal. Lord Justice Miles: 67. I agree. Lord Justice Singh: 68. I also agree.

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