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TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NUMBER 3742991
BY Actionary Limited DBA My Virtual Mission limited company (Itd.)
TO REGISTER THE FOLLOWING MARK IN CLASSES 9 and 14
VIRTUAL CHALLENGES

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Background

1. On 13 January 2022 Actionary Limited DBA My Virtual Mission limited company (Ltd) ("the applicant") applied to register the above mark for the following goods:

Class 9: Downloadable software in the nature of a mobile application for fitness tracking and fitness motivation; Downloadable software in the nature of a mobile application for distance tracking of athletic activities to promote fitness; Downloadable software in the nature of a mobile application for providing street view images, map location, postcards and awards resulting from distance tracking of athletic activities as applied to an application provided or user created route.

Class 14: Medals: Medals for use as awards.

2. On 17 February 2022 the Intellectual Property Office ("IPO") issued an examination report in response to the application. In that report the following objection was raised under Sections 3(1)(b) & (c) of the Trade Marks Act 1994 ("the Act") as follows:

"The application is not acceptable in Classes 9 and 14. There is an objection under Section 3(1)(b) and (c) of the Act. This is because the mark consists exclusively of the sign 'VIRTUAL CHALLENGES' which may serve in trade to designate the kind and intended purpose of the goods being provided e.g. Downloadable software to track virtual challenges and medals that are awarded for completing virtual challenges.

According to the Collins Dictionary, 'Virtual objects and activities are generated by a computer to simulate real objects and activities' and 'A challenge is something new and difficult which requires great effort and determination'. Therefore, it is considered that the average consumer would not perceive the sign 'VIRTUAL CHALLENGES' as a trade mark guaranteeing the commercial origin of the goods, but would instead, view the sign as a mere indication that the software being offered allows the user to track virtual challenges, and subsequently be rewarded with medals for completing the virtual challenges."

In line with standard IPO procedure a period of two months was allowed for the agent to respond.

3. On 11 March 2022 Virtuoso Legal LLP ("the attorney") responded referring to the decision of *TT Education Ltd v Pie Corbett Consultancy Ltd* [2017] ETMR 26, where it was found that a trade mark can allude to services provided under the mark without describing them. It was submitted that if an average consumer of those

services would not immediately understand what the characteristics of those particular services were from the mark, then the mark is not descriptive or devoid or distinctive character. The attorney went on to say there was no mention of 'virtual challenges' in the specification and consumers would not immediately understand what the characteristics of the goods are. Further submissions stated that for a mark to be unacceptable it must consist exclusively of a descriptive indication of the characteristics of the goods, referring to the Board of Appeal decision re *RELISH* R1924.2014-4. The examiner was not persuaded to waive the objection and advised the attorney of this on 25 March 2022.

- 4. On 23 May 2022 the agent requested a hearing. The hearing took place on 8 July 2022 before me with Ms Wrenn of the attorneys. At the hearing Ms Wrenn pointed out that there needs to be a sufficiently direct link between the mark and the goods and services applied for and that the application has not been submitted in class 41 for the arranging of fitness events. Ms Wrenn also did not agree that the mark was unacceptable for medals as if that was the case the mark would be unacceptable for anything that might be used in a challenge, for instance clothing or energy bars. Ms Wrenn pointed out that the examples of the use of the term relate to a service and not a product. Ms Wrenn went on to say that we have accepted the marks 'Virtual Runner UK' (3239301) and 'Virtual Antenna' (WO0000001654543).
- 5. Having listened to all of Ms Wrenn's submissions I reserved my decision at the hearing in order that I could consider the earlier marks referred to. Having looked at these marks I did not consider them to be on a par with the mark of this application and I maintained the objection (please see paragraph 16 in this respect). I believe anyone seeing the mark would consider that the goods covered by the application would relate to 'virtual challenges', e.g. computer simulations of challenges that may be in the form of running, walking or cycling for example. I appreciate that the application does not cover the physical events in class 41 however, the goods covered by the application would be used in connection with those challenges which are based on physical events (see paragraph 13). I pointed out that the application covers mobile applications providing street views and map locations for example, if one of the challenges was a run across London, then the street views and map locations would indicate how one is faring in the challenge. I also maintained the objection in respect of medals in class 41 as these would be awarded if the challenge was completed and therefore inevitably linked to the challenge itself.
- 6. As I did not give my opinion at the hearing I allowed two months, up to 8 September 2022, for any further comments that Ms Wrenn may have wished to make. No reply was received from the attorney and in the circumstances on 20 September 2020, I formally refused the application. On 18 October 2022 the attorney submitted a form TM5 requesting a statement of reasons for the Registrar's decision. I am now asked under Section 76 of the Trade Marks Act 1994 and Rule 69 of the Trade Mark Rules 2008, to state the grounds of my decision and the material used in arriving at it. No formal evidence has been put before me for the purposes of demonstrating acquired distinctiveness, therefore I only have the prima facie case to consider.

The Law

- 7. Section 3(1) of the Act reads as follows:
 - 3(1) The following shall not be registered –
 - (b) trade marks which are devoid of distinctive character,
 - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

The relevant legal principles – Section 3(1)(c)

- 8. There are a number of judgements of the Court of Justice of the European Union ("CJEU") which deal with the scope of Article 3(1)(c) of the Directive and Article 7(1)(c) of the Regulation, whose provisions correspond to Section 3(1)(c) of the UK Act. I derive the following main guiding principles from the cases noted below:
 - Subject to any claim in relation to acquired distinctive character, signs and indications which may serve in trade to designate the characteristics of goods or services are deemed incapable of fulfilling the indication of origin function of a trade mark (Wm Wrigley Jr & Company v OHIM, C-191/01P 'Doublemint', paragraph 30);
 - Article 7(1)(c) (section 3(1)(c)) pursues an aim which is in the public interest that descriptive signs or indications may be freely used by all (Doublemint, paragraph 31);
 - It is not necessary that such a sign be in use at the time of application in a way that is descriptive of the goods and services in question; it is sufficient that it could be used for such purposes (Doublemint, paragraph 32);
 - It is irrelevant whether there are other, more usual signs or indications designating the same characteristics of the goods and services. The word 'exclusively' in Paragraph (c) is not intended to be interpreted as meaning that the sign or indication should be the only way of designating the characteristic(s) in question (Koninklijke KPN Nederland NV v Benelux Merkenbureau, C-363/99 'Postkantoor, paragraph 57);
 - An otherwise descriptive combination may not be descriptive within the meaning of Article 3(1)(c) of the Directive provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word trade mark, which is intended to be heard as much as to be read, that condition must be satisfied as regards both

the aural and the visual impression produced by the mark (Postkantoor, paragraph 99).

- 9. In Matratzen Concord AG v Hukla Germany SA (C-421/04), the CJEU stated that:
 - "...to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take in to account the perception of the relevant parties, that is to say in trade and or amongst average consumers of the said goods or services, who are reasonably well informed and reasonably observant and circumspect, in the territory of which registration is applied...".
- 10. I am also mindful of the decision of the General Court (formerly the Court of First Instance) in Ford Motor Co v OHIM, T-67/07 where it was stated that:
 - "...there must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of the category of goods and services in question or one of their characteristics".

This decision effectively reinforces the cases referred to by Ms Wrenn in respect of there having to be a direct and specific relationship between the goods and services and the characteristics which we consider the mark refers to.

- 11. It is clear from the aforementioned case law that I must determine whether or not the mark applied for could be perceived by the relevant consumer as a means of directly designating characteristics of the goods being provided. In order to do this I must assess who I consider the relevant consumer to be. The goods in question are essentially mobile applications for tracking fitness, distance tracking of athletic activities to promote fitness, and to provide street view images, map locations, postcards and awards resulting from distance tracking of athletic activities. The application also covers medals and medals for use as awards. I consider the average consumer for such goods to be the general public who wish to keep fit, or to gain fitness by becoming involved in a virtual fitness challenge. I believe these consumers would apply at lease a moderate level of attention when purchasing such goods.
- 12. Having established who the average consumer for the goods covered by the application is, I have to ascertain what I think their reaction would be when faced with the words 'Virtual Challenges'. These are well known words which I believe will be readily understood by the average consumer.

The individual words are defined in the Collins online Dictionary as:

Virtual – *Virtual* objects and activities are generated by a computer to simulate real objects and activities.

[computing]

Challenges - A challenge is something new and difficult which requires great effort and determination.

- 13. When assessing the mark applied for, I must take into account the concept of the mark as whole and in normal and fair use. I do not believe that the combination of these two words can lay claim to any grammatical or linguistic imperfection or peculiarity that might help escape their inherent descriptiveness. The mark is nothing more than a combination of two words which create a grammatically correct reference to e.g., the kind, nature or intended purpose of the goods. The average consumer will perceive the sign as nothing more than a descriptive sign relating to goods which enable one to undertake a virtual challenge e.g., challenges of running, swimming, walking and so forth, and to medals which can be awarded when that challenge has been completed (see paragraph 14 for further information re virtual challenges). In this respect I refer to comments made in Koninklijke KPN Nederland NV and BeneluxMerkenbureau, Case C-363/99 (Postkantoor) where the CJEU held that:
 - "98. As a general rule, a mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics for the purposes of article 3(1)(c) of the Directive. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned."
- 14. As I have stated in paragraph 11 above, I consider the average consumer to be those members of the general public who want to remain fit or to gain fitness. The virtual challenge would enhance the enjoyment of keeping fit by enabling consumers to work towards a goal or challenge, e.g., by walking as many miles as it would take to walk Hadrian's Wall, or by swimming as many miles as the width of the English Channel without actually having to physically travel to the destination covered by the challenge. The distance tracking covered by the goods would enable consumers to keep track of the miles covered.
- 15. My primary basis for the objection relates to the linguistically descriptive nature of the mark, supported by clear dictionary references. This is without the attached Internet references (please see Annex A) which are intended only to reinforce my primary basis for objection rather than comprise the main rationale. As case law expressly provides, the mark does not have to be in current use to fall foul of the objection. I note from this Internet research that the applicant is not the only organisation which provides for consumers to complete a virtual challenge. In the circumstances I have to take into account the consequences for third parties of granting the applicant a monopoly. In Linde A.G. v Rado Uhren A.G. Case C-53/01 the following guidance was given at paragraphs 73 74:
 - "73. According to the Court's case-law "Article 3(1)(c) of the Directive pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is applied for may be freely used by all, including as

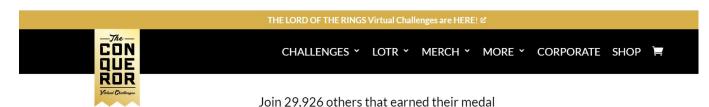
collective marks or as part of complex or graphic marks. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks (see to that effect, Windsurfing Chiemsee, paragraph 25).

- 74. The public interest underlying Article 3(1)(c) of the Directive implies that, subject to Article 3(3) any trade mark which consists exclusively of a sign or indication which may serve to designate the characteristics of goods or a service within the meaning of that provision must be freely available to all and not be registrable.
- 16. I must take this opportunity to address the previous acceptances referred to by the attorney which she considered to be on a par with the mark of this application i.e. 3239301 VIRTUAL RUNNER UK and WO000001654543 Virtual Antenna'. I see from the case file for VIRTUAL RUNNER UK that the mark was considered to be grammatically incorrect and allusive and Virtual Antenna was accepted as it did not directly describe the goods. In any event I am bound to determine the marks' acceptability in accordance with the relevant legal principles rather than assessing the mark based on the state of the register. This well-established principle in trade mark law was cited in the *Treat* case and has been summarised recently in *BREXIT O-262-18*, where the AP (James Mellor QC) stated:
 - '11. In addition, just because a mark is on the Register does not mean it will be held valid when challenged. Furthermore, if the touchstone for registration was to be a comparison with marks already on the register, then registration would come to depend on the lowest common denominator. In any event, it is quite clear that the application of the section 3(1)(b) ground requires an assessment not against other marks on the register, but against the standard laid down in that provision, as interpreted in the case law.'
- 17. Taking into account the above I have concluded that, absent education through use, the mark applied for consists exclusively of words which may serve in trade to designate the kind and intended purpose of the goods and are words that should be kept free for other providers of similar goods to use in describing those goods. They are therefore excluded from registration in the *prima face* case by section 3(1)(c) of the Act.
- 18. The application has been refused under sections 3(1)(b) and 3(1)(c). It is clear that if a mark is entirely descriptive of characteristics of the goods and services, it will also be devoid of distinctive character under section 3(1)(b). As I have concluded above that the mark is open to objection under section 3(1)(c) of the Act, it follows that it is also open to objection under section 3(1)(b) of the Act. The objection taken under 3(1)(b) is solely on the basis that the marks designate a characteristic of the goods and services and for no other reason. In other words, the objections under section 3(1)(b) and (c) in this case are co-extensive; there is no independent, contingent or separate rationale required under section 3(1)(b).

19. For the reasons given above, the application is refused because it fails to qualify under sections 3(1)(b) and 3(1)(c) of the Act.
Dated this 13 th day of December 2022
Linda Smith
For the Registrar The Comptroller-General

Annex A

https://www.theconqueror.events/?gclid=EAlalQobChMl0unGhpOzwlVEb tCh2haQ68EAAYASAAEqITW D BwE



English Channel Virtual Challenge



The English Channel Virtual Challenge takes you $21mi\,(33km)$ across the width of the English Channel between England and France.

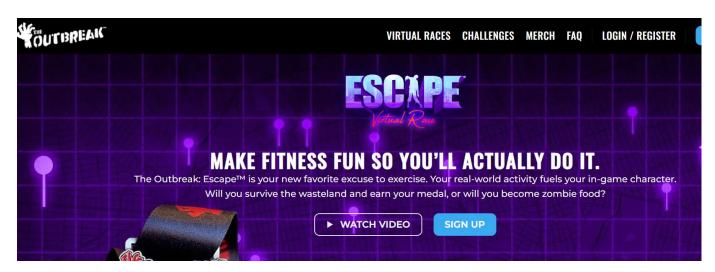
Each time you complete a distance-based exercise activity such as running, walking, cycling, swimming, etc, you advance along the map of the English Channel.

Go solo or use our private community to start a group and help each other stay motivated!

Start your fitness journey with the English Channel Virtual Challenge today and earn a stunning medal!

https://outbreakchallenge.com/escape-

2/?gc_id=17246244643&h_ad_id=597879774883&gclid=EAlalQobChMl0unGhpOzwlVEb_tCh2haQ68EAAYAiAAEglwofD_BwE



https://adventure.mypacer.com/?gclid=EAlalQobChMl0unGhpOzwlVEb tCh2haQ68EAAYAyAAEglw4PD BwE

Pacer Virtual Challenges

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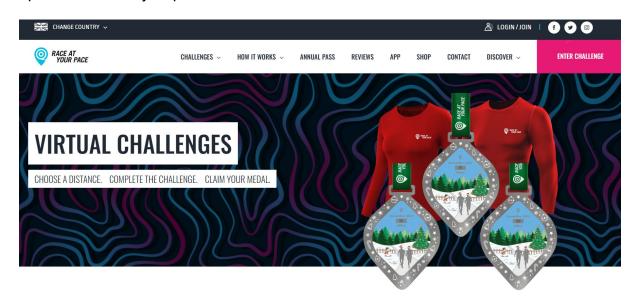
https://www.ultrachallenge.com/virtual-challenges/



YOUR CHALLENGE ANYTIME, ANYWHERE

Our 'Virtual Challenges' enabled thousand of the Ultra community to keep active and connected during a difficult period, and have delivered much needed fundraising for our Charity Partners. They're here to stay - and check out our 'Virtuals' below, and you're welcome to sign up to the latest challenge - with a new one being released regularly - and parallel 'virtual' versions of each 'real' Ultra Challenge in 2022.

ttps://www.raceatyourpace.co.uk



https://endtoend.run/



https://www.virtualracinguk.co.uk/



Virtual Racing UK - Be Part of Team VRUK

Virtual Races & 3S Activewear.
Run, walk, swim, cycle & now earn your bling at fitness classes.
Earn it. Own it. Wear it.

CHOOSE YOUR CHALLENGE