

**ELSA BARCELONA MOOT  
COURT COMPETITION IV  
2020-2021 CASE-STUDY**

***elsa***

The European Law Students' Association

BARCELONA-UPF

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Background


**Lululemon Athletica Canada Inc. (“Lululemon”)** is a company incorporated in Vancouver in 1998. Its objects include the retail sale of clothing and sport accessories:

Lululemon commercializes its products at a global scale both through brick and mortar stores and online:

- The products are commercialized in Europe through b&m stores (in some of the Member States) and through its website [www.eu.lululemon.com](http://www.eu.lululemon.com).
- The quality and popularity of the Lululemon products has resulted in the company enjoying worldwide fame.
- A large part of the success is due to its intense activity in social media through platforms, such as Facebook, Instagram, Pinterest or Tumblr.
- For the commercialization of its products, the company uses the following signs:

 lululemon



Both the sign  and the denominative elements “Lululemon” and “Lululemon athletica” are registered as EU trade marks in classes 25 and 35.

Lululemon is the owner of the following registrations: “THE SWEAT LIFE” and “#THESWEATLIFE” (I)

- **European Union Trade Mark no. 1264251 “THE SWEAT LIFE”** denominative in classes 25 and 35

Application date: 10/09/2015

Description goods and services:

- **Class 25:** *Clothing, namely, t-shirts, shirts, tank tops, sweatshirts, sweaters, pants, sweatpants, shorts, skirts, dresses, jackets, coats, vests, underwear, undergarments, socks, bodysuits, leotards, tights, leggings, leg warmers; headwear, namely, hats, caps, toques, visors, headbands, bandanas, bras; clothing accessories, namely, belts, scarves, shawls, shoulder wraps, arm warmers, mittens, gloves; accessories, namely, bags, yoga mats, yoga mat straps, towels, water bottles.*
- **Class 35:** *Retail store services featuring clothing, apparel, headwear, socks, yoga equipment, athletic equipment, bags, backpacks, tote bags, pre-recorded DVDs, featuring topics relating to yoga instruction, yoga philosophy, exercise and healthy living; online retail store services featuring clothing, apparel, headwear, socks, yoga equipment, athletic equipment, bags, backpacks, tote bags, pre-recorded DVDs, featuring topics relating to yoga instruction, yoga philosophy, exercise and healthy living.*

Lululemon also owns a registration for “THE SWEAT LIFE” and “#THESWEATLIFE” (II)

- **European Union Trade Mark no. 1279835 “#THESWEATLIFE”**  
denominative in class 41

Application date: 24/12/2015

Description goods and services:

- *Class 41: Providing classes in the field of fitness, lifestyle, yoga, and exercise; providing information, instruction and training in the fields of fitness, lifestyle, yoga, and exercise; providing a website featuring; information and advice in the fields of fitness, lifestyle, yoga, exercise, clothing, and yoga accessories; interactive on-line information, instruction and training services in the fields of fitness, lifestyle, yoga, and exercise; coordinating community events related to fitness, lifestyle, yoga, exercise, clothing, and yoga accessories; providing audio and video accessible via a website featuring information, instruction and training in the fields of fitness, lifestyle, yoga, and exercise.*

## Use of the trademark “#thesweatlife”:

- Lululemon started using the hashtag “thesweatlife” in both the biography and the social media as a motivational message for its clients as the company's slogan
- In 2016 the first “SWEATLIFE” festival organized by Lululemon took place (in London). Among other activities, multitudinous yoga, mindful development and fitness lessons were offered, conducted by famous teachers from all around the world



For the development of the events, Lululemon registered in 2015 the following domain names: [www.sweatlife.eu](http://www.sweatlife.eu), [www.sweatproject.eu](http://www.sweatproject.eu), [www.sweatcollective.eu](http://www.sweatcollective.eu) and [www.sweatfactor.eu](http://www.sweatfactor.eu). None of them host a content of their own, but redirect to the main Lululemon website.

Relevant facts concerning the  
dispute

- In December 2018, the Spanish company SPORT FACTOR SL launched an online platform -“SWEAT FACTOR”- providing subscription of audio-visual content online and video-on-demand services (streaming). The content mainly consisted of interactive entertaining sessions (80%). The platform also includes informative activities about sport events.
  - The platform operates through the website [www.sweatfactor.es](http://www.sweatfactor.es) (which registration date was October 2018)
  - The following signs appear at the platform:





In December 2019, after the Sweat Factor became successful in Spain, Lululemon applied for the registration of the European Union Trade Marks “sweat collective” and “sweat factor” in classes 35 and 41

Due to the success of the SWEAT FACTOR platform at Spanish level, SPORT FACTOR, S.L. prepared the launch, for 2020, of its platform services at EU-wide scale. In January 2020, it registered the domain [www.sweatfactor.com](http://www.sweatfactor.com) and applied for the European Union TM

In class 9 and 38:



- *Class 9: Computer software for transmitting audio-visual and multimedia content via the Internet and global communications networks; software for transmitting audio-visual and multimedia content to mobile digital electronic devices; software for searching, organizing and recommending multimedia content; software, namely, software development tools for creating mobile software and applications; hardware for transmitting audio-visual and multimedia content over the Internet and global communications networks, namely, digital media streaming devices, digital video recorders, high-definition video disc and DVD players, home theatre systems comprised of audio and video receivers and record players; televisions and television decoders.*
- *Class 38: Transmission of audio-visual and multimedia content via the Internet; transmission and delivery of audio-visual and multimedia content via the Internet; video-on-demand transmission services.*

- In April 2020, Lululemon sends a letter to SPORT FACTOR, S.L. in which – appealing to its European Union TM registrations “THE SWEAT LIFE”, “#THESWEATLIFE”, “SWEAT FACTOR” and “SWEAT COLLECTIVE”- requires the Sport Factor SL to cease and desist using SWEAT FACTOR the sign and the domain names that include the above terms, and the withdrawal of its European Union Trade Mark application “SWEAT FACTOR”
- SPORT FACTOR -which considers that the use and registration of the SWEAT FACTOR are not incompatible with the previous trade marks (legitimately registered) by LULULEMON- refuses to accept Lululemon’s request.
- Lululemon files in June 2020 an infringement action of its European Union Trade Marks before the Spanish courts. Sport Factor SL objects to it.

Issues to address

- Existence of infringement of THE SWEAT LIFE trade marks by SPORT FACTOR → reputation / likelihood of confusion - similarity of signs and goods or services
- Existence of trade mark use by Lululemon (and use not differing from the trade mark registration) of THE SWEAT LIFE trade marks → use in a way that differs from the registered mark - slogan
- Possible existence of bad faith registration by Lululemon of the brand SWEAT FACTOR
- Rights derived or conferred by the registration of domain names against trademark registrations

