

O-344-19

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATION NO 3268877

BY HILARY- ANNE CHRISTIE

TO REGISTER

ZOHARA

AS A TRADE MARK IN CLASSES 14 & 18

AND

OPPOSITION THERETO (UNDER NO. 412308)

BY

INDUSTRIA DE DISENO TEXTIL, S.A. (INDITEX, S.A.)

BACKGROUND

1) On 07 November 2017, Hilary-Anne Christie ('the applicant') applied to register the word ZOHARA as a trade mark in respect of the following goods:

Class 14: Jewellery; sterling silver jewellery; sterling silver jewellery set with Cubic Zirconia plated in gold and rose gold; costume jewellery; fashion jewellery; bracelets; brooches and lapel pins; chains; charms; cuff links; earrings; rings; tie clips and pins; horological and chronometric instruments; wrist watches; clocks; boxes, cases and containers of precious metals.

Class 18: Handbags; leather handbags; weekend bags; travelling bags; luggage, trunks and suitcases; bags; toilet bags, toiletry bags, wash bags, vanity bags; umbrellas, parasols; leather and imitations of leather, and goods made of these materials and not included in other classes; namely, beauty cases (not fitted), belt bags, waist bags, carrying cases, travel garment covers; luggage tags, luggage label holders; cases for keys; wallets, travel wallets; purses; pouches, card cases, document cases; belts and leashes; hat boxes of leather or imitation leather; card holders, business card holders; parts and fittings for all the aforesaid goods.

2) The application was published in the Trade Marks Journal on 26 January 2018 and notice of opposition was later filed by Industria de Diseño Textil, S.A. (Inditex, S.A.) ('the opponent'). The opponent claims that the trade mark application offends under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ('the Act').

3) In support of its grounds under section 5(2)(b) of the Act, the opponent relies upon three earlier trade mark registrations. Details of those marks, including the goods¹ relied upon are shown in the table below.

¹ I note that, in its submissions, the opponent sometimes refers to the 'goods and services' of the earlier marks. However, in its pleadings, it only relies upon (certain of) the goods covered by its earlier marks.

Trade Mark details	Goods relied upon
<p>TM No: UK00001574846</p> <p>ZARA</p> <p>Filing date: 09 June 1994</p> <p>Date of entry in register: 26 February 1996</p>	<p>Class 14: Jewellery; cosmetic cases; badges; statues; keyrings; decorative boxes; brooches; cufflinks; earrings; locket; money clips; necklaces; pendants; pins; tie-clasps; tie tacks; tie pins; watches; clocks; all included in Class 14.</p> <p>Class 18: Bags; trunks and travelling bags; suitcases; overnight bags; umbrellas; sunshades; parasols; walking sticks; leather and imitation leather and articles made therefrom; wallets; handbags; purses; briefcases; shopping bags; satchels; sports bags; shoulder bags; school bags; rucksacks; duffle bags; all included in Class 18.</p> <p>Class 25: Articles of clothing for men, women and children; all included in Class 25.</p>
<p>TM No: EU000112755</p> <p>ZARA</p> <p>Filing date: 01 April 1996</p> <p>Date of entry in register: 03 January 2001</p>	<p>Class 14: Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments; agates; anchors [clock and watch-making]; barrels [clock and watchmaking]; clock cases; clockworks; coins; copper tokens; jet, unwrought or</p>

semi-wrought; key rings [trinkets or fobs]; medals; movements for clocks and watches; objects of imitation gold; olivine [gems]; olivine [gems]; ormolu ware; ormolu ware; ornaments of jet; pearls made of ambroid [pressed amber]; semi-precious stones; spinel [precious stones]; straps for wristwatches; watch bands; watch cases; watch chains; watch crystals; watch glasses; watch springs; watch straps; pendulums [clock- and watchmaking]; dials [clock- and watchmaking]; clock hands [clock- and watchmaking].

Class 25: Clothing, footwear, headgear; babies' diapers of textile; babies' napkins of textile; boot uppers; cap peaks; dress shields; fittings of metal for shoes and boots; footwear uppers; hat frames [skeletons]; heelpieces for boots and shoes; heelpieces for stockings; heels; inner soles; iron fittings for boots; iron fittings for shoes; iron fittings for shoes; non-slipping devices for boots and shoes; pockets for clothing; ready-made linings [parts of clothing]; shirt fronts; shirt yokes; soles for footwear; studs for football boots [shoes]; tips for footwear; visors [hatmaking]; welts for boots; welts for boots and shoes; welts for shoes.

TM No: EU002051225

ZARA

Filing date: 22 January 2001

Date of entry in the register: 19 April 2002

Class 18: Leather and imitations of leather, goods made of these materials and not included in other classes; animal skins; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery; bags for climbers and campers; handbag frames; umbrella frames; bags; handbags; travelling bags; linings of leather for shoes; travelling sets and key cases (leatherware); attaché cases; purses, not of precious metal; school satchels, garment bags for travel; hat boxes of leather; sling bags for carrying infants; wheeled shopping bags; pots and boxes of leather or leather board; boxes of vulcanised fibre; pocket wallets; briefcases; vanity cases; collars for animals; leather leashes for dogs; leather straps; umbrella covers; saddle cloths for horses; haversacks; rucksacks; music cases; bags (envelopes, pouches) of leather, for packaging; attaché cases; bandoliers; beach bags; briefcases; card cases [notecases]; chain mesh purses, not of precious metal; collars for animals; covers for animals; dog collars; frames for umbrellas or parasols; game bags [hunting accessory]; gold beaters' skin; gut for making sausages; handbag frames; handbags; haversacks; horse blankets; knee-pads for horses; music cases; muzzles; net bags for shopping; nose bags [feed bags]; pocket wallets; purses;

	rucksacks; backpacks; school bags; school satchels; shopping bags; sling bags for carrying infants; straps for soldiers' equipment; straps for skates; straps for soldiers' equipment; suitcase handles; umbrella rings; umbrella or parasol ribs; umbrella sticks; umbrella covers; vanity cases [not fitted]; walking-stick seats; walking-stick handles; walking cane handles; wheeled shopping bags.
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4) All three of the trade marks shown in the table above are also relied upon under section 5(3) of the Act in respect of the same goods. The opponent claims that: i) the applicant will take unfair advantage of the reputation of the earlier marks by feeding on their fame and the opponent's marketing efforts such that it will become easier for the applicant to sell its goods; ii) use of the contested mark will cause detriment to the reputation of the earlier marks if used in relation to goods that are not up to the high standard of quality of the opponent's goods; and iii) use of the contested mark will cause detriment to the distinctive character of the earlier marks because widespread use of it will diminish the power of the earlier marks to distinguish the opponent's goods. It is claimed that this will lead to a change in the economic behaviour of the opponent's customers because the opponent's goods will stand out less and therefore consumers will be less likely to purchase its goods over the goods of competitors.

5) The trade marks relied upon by the opponent under sections 5(2) and 5(3) are earlier marks, in accordance with section 6 of the Act. As they all completed their registration procedure more than five years prior to the publication date of the contested mark, they are subject to the proof of use conditions, as per section 6A of the Act.

6) Under section 5(4)(a) of the Act, the opponent relies upon use of the sign ZARA throughout the UK since 1998, in relation to 'Clothing, footwear, bags, jewellery and fashion accessories'. It is claimed that use of the applicant's mark in respect of the

goods applied for will mislead the public into believing that those goods are related to, or in some way connected with, the opponent. It is said that this misrepresentation will lead to damage to the opponent's goodwill associated with its earlier sign.

7) The applicant filed a counterstatement in which it put the opponent to proof of use of all three earlier marks. It acknowledges that the opponent provides retail services in the UK but does not accept that the mark has been used on all of the goods relied upon. It denies that there is any visual, aural or conceptual similarity between the marks and puts the opponent to proof of its claim that the distinctiveness of the earlier marks has been enhanced through the use made of them in relation to the goods relied upon. It also denies all of the limbs of the opponent's 5(3) claim including denying that the opponent has a reputation in anything other than retail services and puts the opponent to strict proof thereof. The opponent's claim to passing off under section 5(4)(a) is also denied.

8) Both parties filed evidence. The applicant's evidence was also accompanied by written submissions. Neither party requested to be heard or filed written submissions in lieu. I now make this decision after carefully considering the papers before me.

EVIDENCE

Opponent's evidence in chief

9) The opponent's evidence comes from Antonio Abril Abadin, General Counsel and Secretary for the Board, of the opponent. Mr Abadin states that the opponent is one of the world's largest fashion distributors and the third largest retailer selling clothing, footwear and headgear with more than 7,448 stores in 96 markets in all five continents. Since the first ZARA store opened in the UK in 1998, ZARA has been popular brand and currently has 64 ZARA and 12 ZARA HOME stores throughout the UK.

10) Mr Abadin explains that the secret of ZARA's success is the constant updating of the products according to fashion trends.

Evidence said to show 'recognition of ZARA as a leading brand'

11) Mr Abadin provides details of press articles referring to the ZARA brand. Many of the articles refer to the ZARA retail business. However, other articles refer to the world's most valuable apparel brands. The opponent's Zara brand is listed at number 2 of the worldwide apparel brands in 2017 (between Nike and H&M), by Kantar MillwardBrown (a global market researcher)² and the article from Forbes magazine states that "International fast-fashion brand Zara just blew away its competition with year-end gains sure to be the envy of retailers everywhere".³

12) Mr Abadin highlights that the ZARA brand was listed as the 24th best global brand in the world in 2017 according to Interbrand's "Best Global Brands" report⁴. In 2009, it was ranked at 50th place in the same report. Mr Abadin states that this shows how much the reputation of the ZARA brand has grown in that time.

13) Two decisions of the OHIM Opposition division are also provided by Mr Abadin, in which the earlier mark ZARA was found to benefit from enhanced distinctiveness in relation to goods in class 25.

Evidence said to relate to 'Fashion and clothing'

14) A number of UK press articles are provided by Mr Abadin which are said to evidence the reputation and use of the ZARA brand in the fashion and clothing sector in the UK⁵. Some examples are:

- "How Zara took over the high street...From the Duchess of Cambridge and Samantha Cameron to Mary Berry and Coleen Rooney, Zara is now everyone who is anyone's favourite high-street fashion label" (The Guardian, 16 Feb 2013).

² Exhibit AAA 5

³ Exhibit AAA 6

⁴ Exhibit AAA 4

⁵ Exhibit AAA 10

- “Which fashion website really delivers?...Zara is the hero of this whole investigation” (The Sunday Times, 17 Apr 2016)
- “Zara is head and shoulders above anything on the high street – here’s why we can’t get enough” and ”I think we can safely say the Spanish high street monolith [Zara] are single handedly dressing the nation.”(Daily Mirror, 21 Sept 2016)
- “Velvet dress sales put Zara firmly in fashion” (BBC News Business webpage, 14 Dec 2016)
- Numerous other UK press articles showing images of, or making reference to, Zara branded clothing for women including tops, skirts and dresses.

Evidence said to relate to ‘Jewellery, Jewellery boxes, watches and keyrings’

15) Mr Abadin explains that Zara’s success and recognition do not only cover clothing and fashion generally but also items of jewellery, bags and leather accessories. Press articles said to evidence such use and reputation are provided⁶. Some examples are:

- “A royal statement – Kate Middleton and Mary Berry wear the same £19.99 Zara necklace” (Daily Express Online, 9 Dec 2013). The article includes photographs of those individuals wearing said necklace.
- “High street jewellery that looks designer dazzling...Zara has done so well with its statement necklaces” (The Daily Mail online, 19 Oct 2015)
- Photographs from various UK magazines and newspapers show a number of Zara branded earrings and necklaces (and also handbags/clutch bags) (dated between 8 Nov 2015 and 18 Dec 2017).

16) Mr Abadin also provides photographs of earrings and necklaces bearing the ZARA brand which were sold in ZARA stores between Feb 2013 and Dec 2017⁷ and a number of invoices showing delivery of jewellery items to the Central London ZARA store between 2013 and 2017⁸.

⁶ Exhibit AAA 11 and AAA 12

⁷ Exhibit AAA 13

⁸ Exhibit AAA 14

17) Mr Abadin states that the ZARA mark is also regularly applied to keyrings and watches for sale to UK consumers. A list of invoices is provided from Inditex's manufacturing subsidiary, Tempe, to Zara UK⁹. The invoices list "wristwatches" (2015 and 2016) and Keyrings (Feb 2017¹⁰). Images showing Mens' ZARA watches are also provided.

18) Mr Abadin provides one invoice dated 11 January 2018 which was sent to the ZARA HOME UK Office from the ZARA HQ. It lists "boxes/Jewel cases". Other invoices dated from 2014 to 2017 are provided but these are in the French language. They list "Coffret a Bijoux" (which Mr Abadin states is French for "jewellery boxes"). The address on those invoices is ZARA HOME FRANCE. These appear to relate to jewellery boxes sold from ZARA HOME stores located in France, not the UK.

Evidence said to relate to 'handbags, bags and wallets'

19) Mr Abadin explains that ZARA is an established name in the UK in relation to handbags, bags and other leather goods such as wallets. Press articles which are said to show such ZARA branded items are provided¹¹. Some examples are:

- "The best ladylike bags" Daily Telegraph, 8 Jan 2017. The article shows, as its first pick, a £29.99 ZARA handbag.
- "20 fantastic bags and where to find them" www.vogue.co.uk, 27 Oct 2017. The article shows two ZARA handbags.
- Numerous multi-product features from UK publications showing a variety of different ZARA handbags, shoulder bags, clutch bags/purses.

Sales figures

⁹ Exhibit AAA 15

¹⁰ The other invoice listing "keyrings" is dated outside the relevant period (9 March 2018).

¹¹ Exhibit AAA 18 and AAA 19

20) Mr Abadin provides sales figures which are said to relate to branded clothing, footwear, headgear, accessories and perfumery in the UK from 2007 to 2017. These figures are:

Year	Sales figures (in GBP) before taxes
2007	237,908,866
2008	275,078,478
2009	310,611,928
2010	339,419,789
2011	383,483,371
2012	475,467,165
2013	504,857,128
2014	560,717,667
2015	619,087,244
2016	708,020,744
2017 (up to 25/01/2018)	727,588,383
TOTAL	2,917,532,869

21) A further table is provided which, Mr Abadin states, shows the amount of sales of products under the ZARA brand which fall within classes 14 and 18. These are:

Year	Sales figures (in GBP) before taxes
2013	19,525,747
2014	18,623,341
2015	16,629,181
2016	18,095,239
2017 (up to 25/01/2018)	16,588,532

Marketing and advertising

22) Mr Abadin explains that all ZARA stores are located in prime high street shopping areas such as Regent Street in London. The store designs, displays and windows are said to emphasize an upscale “fashion forward” message and the store fronts are considered to be one of the best methods of publicity for the opponent. Additional marketing is carried out through the website www.zara.com, on social media and through sponsored ads which are said to generate publicity through word of mouth. The opponent also publishes editorials, which Mr Abadin states are akin to online catalogues. The number of editorials increased from 37 in 2015 to 129 in 2017.

23) In the UK, the website www.zara.com had 36,979,168 unique users in 2017, generating a total of 125,816,653 views in the same year, which amounts to 344,703 views per day.

24) Mr Abadin provides marketing and advertising figures relating to the ZARA mark in the European Union from 2013 to 2017, as follows:

	2013	2014	2015	2016	2017	Total
Total million €	15.1	14	14.8	25.7	39.4	109.1

The figures are said to include advertising in online campaigns, editorials and photos on the www.zara.com website and social media.

Applicant's evidence

25) This comes from Eleanor Coates of Murgitroyd & Company. Ms Coates provides a copy of a decision of the EUIPO Opposition Division dated 02 May 2018. The opposition was brought by the same opponent as in the instant opposition, relying upon the mark ZARA against an application for the stylised mark ‘ZOHARA ART ON TIGHTS’. Ms Coates draws my attention to the fact that the opponent’s claim to a likelihood of confusion between those marks was unsuccessful, notwithstanding that

identical goods in class 25 were in play. Ms Coates also highlights the conclusions reached by the Opposition Division in relation to the survey evidence filed by the opponent in that case. The interviewees associated the ZARA brand with the “clothing and fashion sector”, but, says Ms Coates, there was no association with “jewellery and handbags”.

26) The applicant also filed written submissions. I do not intend to summarise those here other than to note that the applicant accepts that the opponent’s evidence in chief shows genuine use of the mark ZARA in the UK for ‘necklaces and earrings’ (Class 14), handbags (Class 18) and “womens clothing” (Class 25) only.

Opponent’s evidence in reply

27) This consists of a second witness statement from Mr Abadin and a witness statement from Justin Bukspan of Taylor Wessing LLP.

Mr Abadin’s evidence

28) Mr Abadin’s evidence is said to be additional evidence of use of the mark ZARA for jewellery, watches, bracelets, wallets, umbrellas and men’s clothing. The evidence comprises:

- Invoices said to show use in relation to ‘accessories’, consisting of a number of invoices sent from the Zara Head Office to Zara UK stores dated 2016 and 2017. There is no further detail in the description of goods on the invoices other than the term ‘accessories’.¹²
- Prints of Google search results and www.zara.com/uk showing Zara rings for both men and women and delivery notes showing delivery of rings to Zara UK stores during the relevant period.¹³
- Numerous invoices from Zara HQ to UK Zara stores, dated 2016 – 2017, listing ‘umbrellas’, ‘jewellery’, ‘hand bag – rucks’.¹⁴

¹² Exhibit AAA 24

¹³ Exhibit AAA 25

¹⁴ Exhibit AAA 26

- A number of multi-product fashion features from UK publications, dated 2015 – 2017, showing various items of ZARA branded men’s clothing, including trousers, jackets, coats, tops and shoes.

Mr Bukspan’s evidence

29) Mr Bukspan provides an image taken from the applicant’s website and Facebook page showing how the mark ZOHARA is used on the surface of handbags and etched onto the zip of those bags¹⁵. He also provides an image showing use of the respective marks in practice, with both in upper case and similar fonts¹⁶. There are also prints from baby name websites showing that both the names Zara and Zohara are derived from Hebrew and, according to www.thinkbabynames.com, are names that sound similar.¹⁷

DECISION

Approach

30) I will say upfront that, whilst noted, I am not bound by the decisions of the EUIPO Opposition Division referred to in the parties’ evidence. The following decision is made based on my own assessment of the matters at hand.

31) All three of the earlier registrations relied upon under sections 5(2) and 5(3) are for the word only mark ZARA. Given the breadth of goods covered by TM No. UK00001574846 (in classes 14, 18 and 25), it is this registration which offers the opponent the best prospect of success. Accordingly, my assessment under those grounds will be limited to that earlier mark. If the opponent cannot succeed on that basis, it is in no better position in relation to the other marks relied upon.

Proof of use

¹⁵ Exhibit JB 1

¹⁶ Exhibit JB 3

¹⁷ Exhibit JB 2

32) Section 6A of the Act states:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has 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, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) 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.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

33) Section 100 is also relevant, which reads:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

Consequently, the onus is upon the opponent to prove that genuine use of the registered trade mark was made in the relevant period.

34) In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He stated:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-

9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) 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: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) 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: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) 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 under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) 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: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector

concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) 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. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

35) In accordance with section 6A(3)(a) of the Act, the relevant period in which genuine use must be established is the five year period ending on the date of publication of the contested mark. In the case before me, that period is 27 January 2013 to 26 January 2018.

36) It is clear from the evidence before me that the mark ZARA has been used continuously and extensively in the UK for over 20 years and that goods sold under that mark have generated significant sales year on year since at least 2007. I have no hesitation in concluding that the mark has been put to genuine use in the relevant period. I now need to consider what constitutes a fair specification, having regard for the goods upon which genuine use has been shown. In *Euro Gida Sanayi Ve Ticaret*

Limited v Gima (UK) Limited, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

37) In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply

because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them;
Mundipharma AG v OHIM (Case T-256/04) ECR II-449; EU:T:2007:46.”

38) As I noted earlier, the applicant accepts that the opponent has proved genuine use in respect of some of the goods relied upon. Those goods are necklaces and earrings (class 14), handbags (class 18) and women’s clothing (class 25). It argues that the specification which the opponent is entitled to rely upon must therefore be limited to those particular goods. This submission was made before the opponent filed further evidence of use in reply upon which the applicant makes no comment. Having regard for all the evidence before me, I consider it to show genuine use on various items of jewellery (such as necklaces, earrings and rings), keyrings, watches, handbags, shoulder bags, clutch bags, purses, umbrellas and numerous items of men’s and women’s clothing (such as dresses, tops, trousers and jackets). In the light of this use, I find a fair specification to be:

Class 14: Jewellery; keyrings; watches.

Class 18: Handbags; shoulder bags; purses; clutch bags; umbrellas.

Class 25: Articles of clothing for men and women.

It is this specification upon which the opponent is entitled to rely under ss. 5(2) and 5(3) of the Act.

Section 5(2)(b)

39) This section of the Act states:

“5. - (2) A trade mark shall not be registered if because –

(a)....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

40) The leading authorities which guide me are from the Court of Justice of the European Union (‘CJEU’): *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) 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;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) 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;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also 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;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) 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;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

41) All relevant factors relating to the goods should be taken into account when making the comparison. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the Court of Justice of the European Union (“the CJEU”), Case C-39/97, stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

42) Guidance on this issue has also come from Jacob J where, in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, the following factors were highlighted as being relevant:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

43) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v OHIM* Case T- 325/06, it was stated:

“It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking..”

44) I also note the decision in *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM Case T-133/05) (*‘Meric’*), where the GC held:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

45) The goods to be compared are:

Opponent's goods	Applicant's goods
<p>Class 14: Jewellery; keyrings; watches.</p> <p>Class 18: Handbags; shoulder bags; purses; clutch bags; umbrellas.</p> <p>Class 25: Articles of clothing for men and women.</p>	<p>Class 14: Jewellery; sterling silver jewellery; sterling silver jewellery set with Cubic Zirconia plated in gold and rose gold; costume jewellery; fashion jewellery; bracelets; brooches and lapel pins; chains; charms; cuff links; earrings; rings; tie clips and pins; horological and chronometric instruments; wrist watches; clocks; boxes, cases and containers of precious metals.</p> <p>Class 18: Handbags; leather handbags; weekend bags; travelling bags; luggage, trunks and suitcases; bags; toilet bags, toiletry bags, wash bags, vanity bags; umbrellas, parasols; leather and imitations of leather, and goods made of these materials and not included in other classes; <u>namely</u>, beauty cases (not fitted), belt bags, waist bags, carrying cases, travel garment covers; luggage tags, luggage label holders; cases for keys; wallets, travel wallets; purses; pouches, card cases, document cases; belts and leashes; hat boxes of leather or imitation leather; card holders, business card holders; parts and fittings for all the aforesaid goods.</p>

46) I will deal first with the applicant's goods in class 14.

Jewellery; sterling silver jewellery; sterling silver jewellery set with Cubic Zirconia plated in gold and rose gold; costume jewellery; fashion jewellery; bracelets; brooches and lapel pins; chains; charms; earrings; rings

47) All of the applicant's goods listed above fall within the opponent's 'jewellery' and are therefore identical in accordance with *Meric*.

cuff links; tie clips and pins

48) To my mind, cuff links and tie clips are also items of jewellery because they are commonly made of the same materials and are purchased, not just for their functional purpose, but also, as an item of personal adornment. If I am right about that, the applicant's cuff links and tie clips and pins are identical to the opponent's jewellery. If I am wrong, they are, nevertheless, highly similar to the opponent's jewellery for the reasons given.

horological and chronometric instruments; wrist watches.

49) The applicant's goods listed above are identical to the opponent's 'watches' in accordance with *Meric*.

Clocks

50) The applicant's 'clocks' are highly similar to the opponent's 'watches' bearing in mind, in particular, the obvious overlap in purpose and nature.

boxes, cases and containers of precious metals.

51) I consider there to be a low degree of similarity between the opponent's 'jewellery' and the applicant's goods listed above, which would include 'jewellery boxes' and the like. Whilst their purpose and methods of use differ, they may be made from the same materials and sold through the same trade channels.

52) I now turn to the applicant's goods in class 18.

Handbags; leather handbags; weekend bags; travelling bags; bags

53) All of the applicant's goods are identical to the opponent's 'handbags; shoulder bags', either self-evidently or in accordance with *Meric*.

Umbrellas; purses

54) These goods are self-evidently identical to the same terms in the opponent's specification.

parasols

55) Both the applicant's 'parasols' and the opponent's 'umbrellas' are used to shelter from weather (albeit the former from the sun and the latter from precipitation). The respective natures and methods of use are highly similar, if not identical. They may be made from similar materials and sold through the same channels. The applicant's 'parasols' are highly similar to the opponent's 'umbrellas'.

toilet bags, toiletry bags, wash bags, vanity bags, beauty cases (not fitted)

56) These goods are for the purpose of carrying toiletries and/or cosmetics but may be a similar nature to the opponent's handbags and shoulder bags and be made of the same/similar materials. The users and trade channels are likely to be the same or substantially overlap. I find these goods to be similar to a medium degree to the opponent's handbags and shoulder bags.

wallets, travel wallets; pouches; belt bags, waist bags; cases for keys; luggage, trunks and suitcases; carrying cases; document cases; card cases, card holders, business card holders; travel garment covers; luggage tags, luggage label holders

57) All of the above goods may be made of the same or similar materials as the opponent's various types of bags/purses and a number of the respective goods are very similar in nature. For instance, the applicant's wallets and pouches are

obviously of a similar nature to the opponent's purses. The users of the opponent's various bags and purses may be the same as for the applicant's goods, the trade channels are likely to overlap or be the same and there may be a competitive relationship between some of the respective goods. I find all the applicant's goods listed above to be similar to the opponent's handbags, shoulder bags and purses. The degree of similarity varies from low (e.g. luggage tags, card cases and the like) to high (e.g. wallets, pouches, belt bags).

belts

58) The opponent's 'Articles of clothing for men and women' in class 25 covers belts (made of material other than leather). These are, for obvious reasons, highly similar to the applicant's (leather) belts in class 18.

Leashes

59) I cannot see any similarity between the applicant's leashes with any of the opponent's goods. Aside from the fact that both leashes and some of the opponent's goods may be made from the same material, there is no similarity in nature, method of use or purpose. There is also no complementary or competitive relationship in play. There is no similarity between leashes and any of the opponent's goods. The opposition under section 5(2)(b) must therefore fail at this point in relation to leashes and I will make no further mention of them under this ground.¹⁸

hat boxes of leather or imitation leather

60) I consider the opponent's handbags to represent its strongest case against the applicant's hat boxes. The applicant's goods are made of leather and are therefore made of the same materials as those that may be used for the opponent's handbags. However, the respective purpose of the goods is quite different. It is not obvious to

¹⁸To this end, see *Waterford Wedgwood plc v OHIM – C-398/07 P*, where the CJEU stated: "35...Since the Court of First Instance found, in paragraph 35 of the judgment under appeal, that the goods in question were not similar, one of the conditions necessary in order to establish a likelihood of confusion was lacking (see, to that effect, *Canon*, paragraph 22) and therefore, the Court of First Instance was right to hold that there was no such likelihood."

me that the respective trade channels would overlap to any great extent nor is there any competitive or complementary relationship. If there is any similarity between the applicant's hat boxes and the opponent's handbags, it is of a very low degree.

parts and fittings for all the aforesaid goods

61) My findings above, regarding the similarity of the 'aforesaid goods' with the opponent's goods applies equally to the 'parts and fittings' for those goods, as appropriate.

Average consumer and the purchasing process

62) It is necessary to determine who the average consumer is for the respective goods and the manner in which they are likely to be selected. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

63) The average consumer for the goods at issue is the general public. The purchasing act will be primarily visual on account of the goods being commonly purchased based on their aesthetic appeal; they are likely to be selected after perusal of racks/shelves in retail establishments, or from photographs on Internet websites or in catalogues. That is not to say though that the aural aspect should be ignored since the goods may sometimes be the subject of discussions with retail staff, for example. The cost of the goods is likely to vary. However, factors such as size, material, aesthetic appeal or suitability for purpose are likely to be taken

account of by the consumer in relation to all the goods, even those at the more inexpensive end of the spectrum. Generally speaking, I find an average degree of attention is likely to be paid during the purchase.

Comparison of marks

64) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

It would therefore be wrong to artificially dissect the marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

65) The marks to be compared are:

ZARA v ZOHARA

Neither mark lends itself to deconstruction into separate components; their respective overall impressions are based solely on the single word of which they consist.

66) The opponent contends that the respective marks are visually similar to a high degree. I disagree. Whilst it is true, as the opponent submits, that both marks begin with the letter 'Z' and end with the letters 'ARA', the presence of the letters 'OH' in the applicant's mark creates a striking point of visual difference. The difference is particularly pronounced given the position of those letters towards the beginning of the mark, since it is the beginnings of words which tend to have the greater impact on the consumer's perception¹⁹. Overall, there is a low degree of visual similarity.

67) Turning to the aural aspect, again the opponent argues the marks are highly similar. The applicant's mark will be pronounced entirely predictably as ZAR-AH (two syllables). The applicant's mark is likely to be pronounced as ZOH-HAR-AH. I find there to be a medium degree of aural similarity.

68) The parties agree that both marks will be perceived as female forenames. However, the applicant disagrees with the opponent's contention that this renders the marks conceptually highly similar. I agree with the applicant. The consumer will recognise that the marks refer to different individuals. There is no conceptual similarity.

Distinctive character of the earlier mark

69) The distinctive character of the earlier mark must be considered. The more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of

¹⁹ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02 [81] - [83]

other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

70) The average consumer will be accustomed to the use of names as badges of origin and Zara is not a particularly unusual name in the UK. Bearing these factors in mind, I find the mark ZARA to be possessed of a normal degree of inherent distinctive character.

71) Turning to the question of whether the distinctiveness of ZARA has been enhanced through the use made of it, I find that it has been enhanced to a high degree in relation to articles of clothing for men and women, jewellery and handbags, purses, shoulder bags and clutch bags. The evidence shows substantial sales of those goods in the UK every year since 2007 together with frequent press exposure in widely circulated UK newspapers and fashion magazines and recognition of ZARA as a leading brand by a number of market research companies in relation to those goods. As to the opponent’s other goods for which use has been shown, namely keyrings, watches and umbrellas, whilst the evidence is sufficient to show genuine use in relation to those goods, it falls short of satisfying me that the earlier mark has enhanced distinctiveness in relation to them.

Likelihood of confusion

72) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors: i) the interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*); ii) the principle that the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*), and; iii) the factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*).

73) I have found some of the respective goods to be identical. I will first consider the likelihood of confusion in respect of those goods. The fact that there is identity between the goods is a strong factor weighing in the opponent's favour and so too is the high degree of distinctiveness of the earlier mark consequent upon the use made of it. However, I have also found that the marks are visually similar only to a low degree. This is a particularly important factor (more so than the medium degree of aural similarity) given that the purchase is likely to be mainly visual²⁰. Furthermore, there is no conceptual similarity between the marks. Taking all these factors together, I find that an average consumer paying an average degree of attention, is unlikely to mistake one mark for the other, notwithstanding the potential for imperfect recollection; there is no likelihood of direct confusion. This is also not a case where I can see any reason why the average consumer would be likely to believe that the applicant's mark is another brand or sub brand of the opponent or some linked undertaking.²¹ There is no likelihood of indirect confusion.

²⁰ In *New Look Ltd v OHIM* Joined cases T-117/03 to T-119/03 and T-171/03, the GC stated: "49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs."

²¹ Having regard for the comments of the Appointed Person, Mr Iain Purvis QC, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, [16]

74) It must follow that that there is also no likelihood of confusion in respect of the applicant's goods in classes 14 and 18 which I have found to be similar, to the varying degrees identified, (rather than identical) to the opponent's goods. **The claim under section 5(2)(b) of the Act fails.**

Section 5(3)

75) This section of the Act provides that:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

76) The leading cases in assessing a claim under section 5(3) of the Act are the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the later mark

would cause an average consumer to bring the earlier mark to mind;
Adidas Saloman, paragraph 29 and Intel, paragraph 63.

- (d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*
- (e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.*
- (f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; *Intel, paragraphs 76 and 77.*
- (g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74.*
- (h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40.*

- (i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

Reputation

77) The required level of reputation was described by the CJEU in *General Motors* in the following way:

“23. ... In so far as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

78) I have already commented earlier in this decision on the use that has been made of the mark ZARA in the UK. It has been longstanding and widespread use in relation to various fashion items including clothing for men and women, handbags and the like, and jewellery. Sales figures have been consistently substantial, advertising and promotional spend has been significant and the opponent’s goods have featured prominently and regularly in wide reaching press articles in UK newspapers and magazines. Recognition of Zara as a leading brand in relation to the aforementioned goods is borne out by the content of the numerous press articles and its ranking in the list of the world’s top brands. I find that the mark ZARA had a strong reputation in the UK at the date of filing of the opposed application for articles of clothing for men and women and handbags, jewellery, shoulder bags, purses and clutch bags. I find no reputation in relation to the remaining goods (umbrellas, watches and keyrings) for which the use shown, whilst genuine, is far less substantial.

The link

79) In addition to having a reputation, a link must be made between the applicant’s trade mark and the earlier mark. In *Adidas-Salomon*, the CJEU stated:

“The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a

connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 General Motors [1999] ECR I-5421, paragraph 23). The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, SABEL, paragraph 22, and Marca Mode, paragraph 40).”

80) In *Intel* the CJEU provided further guidance on the factors to consider when assessing whether a link has been established. It stated:

“41 The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...

42 Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public”.

81) Most of the above factors have already been assessed under section 5(2)(b). As to the first factor, I have found that the marks are visually similar to a low degree, aurally similar to a medium degree and share no conceptual similarity. As to the second factor, the respective goods range from those which are identical to those

which are similar (to varying degrees, as identified earlier in this decision) to those which are not similar to any of the opponent's goods (leashes). In respect of the third and fourth factors, the opponent's mark has a strong reputation and a normal degree of inherent distinctiveness which has been elevated to a high degree through the use made of it in relation to men's and women's clothing, jewellery, handbags, shoulder bags, purses and clutch bags. As to the fifth factor, I found there to be no likelihood of confusion.

82) I find that, despite the strong reputation and high degree of enhanced distinctiveness of the earlier mark, the similarities between the respective marks are simply not strong enough to result in the relevant public bringing the opponent's mark to mind when encountering the applicant's goods bearing the contested mark. I find this to be the case in relation to all the contested goods, even those which are identical. No link will be made. If I am wrong about that, I find that any bringing to mind would be so fleeting as to be incapable of giving rise to any of the possible heads of damage. **The claim under section 5(3) of the Act fails.**

Section 5(4)(a)

83) Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

84) In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “a substantial number” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

The relevant date

85) In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“42...it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: “date of commencement of the conduct complained of”. If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’”

86) The filing date of the contested mark is 07 November 2017. As there is no evidence of any use by the applicant before the filing date that is the only date I need to consider.

Goodwill

87) The concept goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

88) The opponent claims that it has goodwill in the UK in relation to a business in the field of clothing, footwear, bags, jewellery and fashion accessories and that the sign ZARA is distinctive of that business. Given my earlier comments regarding the scale of use of the mark ZARA in the UK and the goods for which use has been shown, it is clear the opponent had a substantial goodwill in the UK in a business selling clothing and footwear for men and women, handbags, shoulder bags purses, clutch bags and jewellery.

Misrepresentation

89) In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]”

The same proposition is stated in *Halsbury's Laws of England* 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

90) *Halsbury's Laws of England* Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

91) I find that, despite the shared fields of activity and the substantial goodwill vested in the opponent’s business, the marks are simply not similar enough to cause a substantial number of the opponent’s customers or potential customers to believe that the applicant’s goods are, in any way, connected with the opponent. In other

words, there is no misrepresentation. Without misrepresentation, there can be no damage. **The claim under section 5(4)(a) of the Act fails.**

Overall outcome

92) **The opposition fails in its entirety.**

Costs

93) As the applicant has been successful, it is entitled to a contribution towards its costs. Using the guidance in Tribunal Practice Notice 2/2016, and bearing in mind that the opponent's evidence was voluminous, I award the applicant costs on the following basis:

Preparing a statement and considering the opponent's statement	£300
Preparing evidence and considering the other side's evidence	£800
Written Submissions	£300
Total:	£1400

94) I order Industria de Diseño Textil, S.A. to pay Hilary-Anne Christie the sum of **£1400**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19th day of June 2019

Beverley Hedley
For the Registrar, the Comptroller-General