

O/0823/26

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00004110641
BY AMWAJ AL HABIB PERFUME AND COSMETICS LLC TO REGISTER:**



AS A TRADE MARK IN CLASS 3

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 451624 BY
INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.)**

BACKGROUND AND PLEADINGS

1. On 11 October 2024, NEW HABIB PERFUMES & COSMETICS TRADING CO. LLC (“New Habib”) applied to register the trade mark shown on the cover page of this decision in the UK. New Habib’s mark was published on 25 October 2024 and registration is sought for the following goods:

Class 3: Fragrances; Perfumery and fragrances; Perfumes; Oils for perfumes and scents; Potpourris [fragrances]; Scents; Aromatics for fragrances; Colognes; Aromatics for perfumes; Perfume; Household fragrances; Fragrances for automobiles; Fragrance sachets; Body fragrances; Perfume oils; Extracts of perfumes; Room fragrances; Musk [perfumery]; Natural oils for perfumes; Fragrance emitting wicks for room fragrance; Extracts of flowers [perfumes]; Flowers (Extracts of -) [perfumes]; Extracts of flowers being perfumes; Fragrance preparations; Perfumery products; Liquid perfumes; Perfumes for ceramics; Aftershaves; Deodorants for personal use [perfumery].

2. The ownership of New Habib’s mark was subsequently transferred to AMWAJ AL HABIB PERFUME AND COSMETICS LLC, who has taken the place of New Habib as the applicant in these proceedings.¹ As such, I will refer to it as “the applicant” and the mark subject to these proceedings as “the applicant’s mark”.
3. In respect of the transfer of ownership of the applicant’s mark, it is noted that, on 13 October 2025, the applicant gave undertakings that (1) it had sight of all the forms and evidence in these proceedings, (2) that it stood by the statements made by New Habib and where New Habib’s name appears, it should be read as the

¹ This was confirmed by way of a Form TM21A dated 19 September 2025.

applicant's name and (3) that it was aware of, and accepted liability for costs of the whole of these proceedings should the opposition be successful.

4. On 24 December 2024, the applicant's mark was opposed by INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) ("the opponent"). The opposition is based on sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act") and reliant upon on the following earlier marks:

ZARA

UK registration no. 900112755²

Filing date 1 April 1996; registration date 3 January 2001

Seniority date: 9 June 1994 (UK)

Relying on some goods only, namely:

Class 3: Perfumery, essential oils; fumigation preparations [perfumes];
potpourris [fragrances]; toiletries; scented wood.

Class 25: Clothing, footwear, headgear.
("the opponent's first mark");

ZARA

UK registration no. 1574846

Filing date 9 June 1994; registration date 26 June 1996

Relying on some goods only, namely:

Class 3: Perfumery and non medicated toilet preparations; soaps;
cosmetics; essential oils; deodorants.

² The opponent's first mark is a comparable mark based on earlier EUTMs. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs. These comparable marks enjoy the same filing and registration dates as their European counterparts.

Class 25: Articles of clothing for men, women and children.
("the opponent's second mark"); and

ZARA

International Registration designating the UK under no. 1740643

International Registration date: 17 May 2023

Date protection conferred in the UK: 16 November 2023

Priority date: 29 November 2022 (EUIPO)

Relying on some services only, namely:

Class 35: Retail services in relation to articles of clothing, footwear, headwear, perfumery, articles of decor for the home.
("the opponent's third mark").

5. Given that the opponent's first two marks were registered for more than five years prior to the filing date of the applicant's mark, the opponent gave a statement of use in respect of the goods relied upon.
6. Under the section 5(2)(b) ground, the opponent claims that the marks at issue are similar and that the goods applied for are identical or similar to the goods and services in its own marks' specifications. As such, it is claimed that there exists a likelihood of confusion between the marks, including a likelihood of association, on the part of the public.
7. Under the section 5(3) ground, the opponent claims to enjoy a substantial reputation in the UK in respect of the goods and services relied upon. The opponent's position is that this reputation, together with the similarity of the marks and goods/services at issue, means that use of the applicant's mark would, without due cause, lead the relevant public to making a mental link with the opponent's earlier marks. Such a link would, in turn, result in the applicant's mark gaining an unfair advantage from the opponent's marks. In addition, it is claimed that said use

would cause detriment to the reputation and/or distinctive character of the earlier marks.

8. The applicant filed a counterstatement wherein it denied the claims against it.
9. The opponent is represented by Winston Taylor International LLP and the applicant is represented by HUAIS LIMITED. The opponent filed evidence. While the applicant did not file evidence, it did file submissions during the evidence rounds and, in response to the same, the opponent opted to file evidence in reply. No hearing was requested and only the opponent filed written submissions in lieu of the same. This decision is taken after careful consideration of the papers.
10. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

PRELIMINARY ISSUE

11. In its counterstatement, the applicant made reference to the existence of numerous trade marks containing 'ZAR' or 'ZARA', or other phonetically similar terms that exist on the market place. It then asked the Tribunal to consider this precedent of coexistence without confusion. This request is acknowledged and while the reference to a lack of confusion is noted, I remind myself that absence of actual confusion is rarely significant in Tribunal proceedings.³ Alternatively, it is noted that the existence of identical or similar elements in other marks is commonly used as an argument to the weakening of the distinctive character of said elements. While

³ On this point, *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283

this was not expressly stated, I will address it briefly. In short, it is for the applicant to prove the existence of other such marks on the marketplace.⁴ As the applicant did not file evidence in support of the presence of these other marks on the marketplace, this argument is of no assistance. I will, therefore, say no more about it.

EVIDENCE

12. The opponent's evidence came in the form of two witness statements of Javier Monteoliva Diaz dated 13 March 2025 and 28 July 2025. The former was filed as evidence in chief, the latter in reply. Mr Diaz is General Counsel and Secretary of the Board for the opponent, a position he has held since November 2021. His first statement was made to demonstrate the reputation of the opponent's marks, with his second filed in reply to the submissions of the applicant.

13. I do not intend to summarise the opponent's evidence (or the parties' submissions, for that matter) in full here. However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

DECISION

Section 5(2)(b): legislation and case law

14. Section 5(2)(b) states that:

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

(a) [...]

⁴ See paragraph 73 of *Zero Industry Srl v OHIM*, Case T-400/06

(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.”

15. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

16. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“(6)(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;

(ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.

[...]

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

17. Given their filing dates, the opponent’s marks qualify as earlier trade marks in accordance with the above provisions. The first two marks completed their registration processes more than five years prior to the filing date of the applicant’s mark but the third mark did not. It was, therefore, open for the applicant to request proof of use for the opponent’s first and second marks. However, it did not do so. The consequence of this is that the use provisions do not apply meaning that the opponent may rely on all of the goods and services highlighted in its notice of opposition.

18. The following standard summary of the principles applicable to the assessment of the likelihood of confusion was approved by the Supreme Court in *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc & Anor*, [2025] UKSC 25:

(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

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

(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; and

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

Comparison of goods and services

19. The competing goods are as follows:

The opponent's goods	The applicant's goods
<i>The opponent's first mark</i> <u>Class 3</u> Perfumery, essential oils; fumigation preparations [perfumes]; potpourris [fragrances]; toiletries; scented wood. <u>Class 25</u> Clothing, footwear, headgear. <i>The opponent's second mark</i> <u>Class 3</u>	<u>Class 3</u> Fragrances; Perfumery and fragrances; Perfumes; Oils for perfumes and scents; Potpourris [fragrances]; Scents; Aromatics for fragrances; Colognes; Aromatics for perfumes; Perfume; Household fragrances; Fragrances for automobiles; Fragrance sachets; Body fragrances; Perfume oils; Extracts of perfumes; Room fragrances; Musk [perfumery]; Natural oils for perfumes; Fragrance emitting wicks for room fragrance; Extracts of flowers [perfumes]; Flowers (Extracts of -)

Perfumery and non medicated toilet preparations; soaps; cosmetics; essential oils; deodorants. <u>Class 25</u> Articles of clothing for men, women and children. <i>The opponent's third mark</i> <u>Class 35</u> Retail services in relation to articles of clothing, footwear, headwear, perfumery, articles of decor for the home.	[perfumes]; Extracts of flowers being perfumes; Fragrance preparations; Perfumery products; Liquid perfumes; Perfumes for ceramics; Aftershaves; Deodorants for personal use [perfumery].
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20. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“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”.

21. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (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.

22. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court stated that:

“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 trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

23. The applicant's position in respect of the goods at issue in its submissions is that while the parties' goods may fall within the same class, they address different markets and consumers. On this point, its counterstatement mentions that its own goods are niche perfumery products distinct from the opponent, who it states is primarily recognised as a global fashion retailer. While this is noted, the present assessment is a notional one and is to be based on the terms as they appear before

me. Therefore, the intentions of the parties, or how they presently operate in their respective markets, are of no relevance here.

Fragrances; Perfumery and fragrances; Perfumes; Potpourris [fragrances]; Scents; Colognes; Perfume; Household fragrances; Fragrances for automobiles; Perfumes for ceramics; Fragrance sachets; Body fragrances; Perfume oils; Room fragrances; Fragrance emitting wicks for room fragrance; Extracts of flowers [perfumes]; Fragrance preparations; Perfumery products; Liquid perfumes; Aftershaves; Deodorants for personal use [perfumery].

24. All of the above goods are items of perfumery and, therefore, are either self-evidently identical or identical under the principle outlined in *Meric* with the term “perfumery”, which appears in the opponent’s first and second marks’ specifications.

Oils for perfumes and scents; Natural oils for perfumes.

25. The above goods can cover “essential oils”, which appears in the opponent’s first and second marks’ specifications. Such goods are, therefore, identical under the principle outlined in *Meric*.

Aromatics for fragrances; Aromatics for perfumes; Musk [perfumery]; Extracts of flowers being perfumes; Flowers (Extracts of -) [perfumes]; Extracts of perfumes.

26. In my view, all of the above can technically be types of essential oils. I say this because, as an example, an extract of a flower that is then used in a perfume can come in the form of an essential oil. As such, my primary view is that these goods are identical under the principle outlined in *Meric* with the opponent’s term of “essential oils”, which appears in its first and second marks’ specifications. Alternatively, if this is incorrect because the above terms cannot, contrary to what I have said above, be said to be essential oils, then they are still similar to a high

degree. In this scenario, the goods may differ in nature but, as they are all goods than can be used in creating perfumes/fragrances, their methods of use and purposes both overlap. Further, such goods will likely be available from the same trade channels, being one that creates and supplies different ingredients for creating perfumes/fragrances. Lastly, the users will overlap as someone looking to create a perfume or fragrance will look to source different types of ingredients such as extracts from flowers, aromatics and essential oils, for example.

Final comments in respect of the goods and services comparison

27. Above, I found identity or similarity between the applicant's goods and the goods found in the opponent's first and second marks' specifications only. I did not give any consideration to the services relied upon under the third mark's specification. This was for two reasons. Firstly, the opponent's third mark is relied upon for retail services only and I do not consider that the retail of goods offers a greater degree of similarity than the goods of the opponent's first and second marks' specifications. Secondly, given the identity across all of the marks relied upon by the opponent, this presence of the third mark offers nothing further to the present ground of opposition. As a result, the present ground proceeds in respect of the opponent's first and second marks only.

The average consumer and the nature of the purchasing act

28. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

29. In *Iconix* (cited above), the Supreme Court approved the comments of Arnold LJ in *Lidl Great Britain Ltd & Anor v Tesco Stores Ltd & Anor (Rev1)* [2024] EWCA Civ 262, where he pointed out that:

(a) Consumers who are ill-informed or careless, or consumers with specialised knowledge or who are excessively careful are excluded from consideration;

(b) The average consumer provides a standard which enables the courts to strike a balance between the competing interests involved, such as trade mark owners, their competitors and consumers;

(c) The average consumer is neither a single hypothetical person nor a mathematical average; assessment from the perspective of the average consumer does not involve a statistical test. There is no single meaning rule and if, having regard to the perceptions and expectations of the average consumer, the court considers that a significant proportion of the relevant public is likely to be confused, a finding of infringement may properly be made;

(d) Assessment from the perspective of the average consumer is intended to facilitate adjudication of trade mark disputes by providing an objective criterion, by promoting consistency of assessment and by enabling courts and tribunals to determine such issues so far as possible without the need for evidence;

(e) The average consumer's level of attention varies according to the category of goods or services in question; and

(f) the average consumer rarely has the opportunity to make direct comparisons between trade marks (or between trade marks and signs) and must instead rely upon the imperfect picture of the trade mark they have kept in their mind.

30. The majority of the goods at issue (being perfumery goods) will be selected by members of the general public at large. For the other goods, being a range of ingredient goods for perfumes, I find that they will be selected by business users; i.e. manufacturers of perfumes. Where the goods are selected by members of the relevant public, they will be available via general physical retailers where they will be placed on shelves and self-selected by the consumer. I also find that those goods will be available online where they will be viewed in images on webpages. As such, the process of average consumers when selecting the goods at issue will be primary visual, although I do not discount an aural component playing a part.
31. As for business users, I am of the view that these will be available via specialist retailers or from the producers of the goods directly. In both situations, the goods at issue are likely to be selected after viewing them on lists (be that a physical list or online) or in a catalogue. While the visual element will play the strongest role, the aural element will come in to play as the selection is also likely to take place after discussions with sales assistants.
32. Regardless of the identity of the consumer, the goods at issue will range in price but are, for the most part, likely to be moderately priced. As for the frequency at which the goods will be purchased, I am of the view that this will be on a regular basis. The applicant submits that the degree of attention paid by the consumer will be high due to the nature, pricing and personal use of the goods. I do not agree that the nature and pricing result in a higher degree of attention paid because the goods targeting the general public are ordinary consumer products. Further, I accept that where goods are used on the body, they will not necessarily attract a low degree of attention, but I do not consider that it means that it will be high. For the goods selected by members of the public, the average consumer is likely to consider factors such as ingredients, sustainability, whether they are fit for purpose and scent (for perfumery goods). For goods selected by business users, the consumer will consider the potency of the goods, their scent and chemical content. Overall, I am of the view that regardless of the identity of the consumer, the factors

that will be considered are fairly ordinary and, despite the comments from the applicant, they are likely to pay a medium degree of attention during the selection process for the goods.⁵ For the avoidance of doubt, this finding applies even where the goods are of low cost on the basis that they are all to be used on the human body (be that immediately or as part of an overall perfumery product), in the home (for 'room fragrances') or in the user's car (for 'fragrances for automobiles').

Comparison of the marks

33. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

34. 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.”

35. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the

⁵ On this point, I will say that the sourcing of these general ingredients to use in perfumes is still fairly ordinary and I see no reason why the selection will extend to higher than medium for business users.

marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

36. The opponent's marks are identical and I will, for ease of reference, refer to them together simply as "the opponent's mark". The respective trade marks are shown below:

The opponent's mark	The applicant's mark
ZARA	

37. The applicant's position is that the marks are distinct in terms of their visual, phonetic and conceptual attributes as the addition of the elements in its own mark create a significant differentiation. I have submissions from the opponent and while I can confirm that I have given these due consideration, I will only refer to them if I deem it necessary below.

Overall impression

38. The opponent's mark is a word only mark consisting solely of 'ZARA'. There are no other elements that contribute to the overall impression of the mark, which lies in the word itself.
39. The applicant's mark is a figurative mark that consists of an image of a bottle and a box next to each other. The bottle is to the left of the mark and is clear, with a black top. On the bottle is a white label with a faint dotted pattern, as well as a gold border. This label features a number of word elements, all of which are black and presented in a standard typeface. These are the words 'OUD ZARAH', being the largest words, which sit above the smaller words 'Eau De Parfum' which, themselves sit above the words 'By HABIB'. Below this is another smaller word element which is '40ML, 1.35 FL. OZ'. The box element, which sits to the right of the mark, is a white box with a faint grey marble effect, with a gold border. On the box are a number of words, all of which are in standard typefaces. The first word element is 'OUD ZARAH', which is presented in black, with 'OUD' sitting above 'ZARAH'. Towards the bottom of the box are the words 'Eau De Parfum' in a smaller gold typeface, which sit above the words 'NATURAL SPRAY' in black, which themselves sit above the even smaller words 'VAPORISATER'. At the very bottom are the elements 'e 40ML' on the left of the box and '1.35 FL OZ' on the right.
40. Clearly, the applicant's mark has many different elements that all contribute to its overall impression, albeit to varying degrees. On balance, however, I consider that consumers will be drawn towards the elements that can be read, particularly the word 'ZARAH' on both the bottle and the box and the words 'By HABIB' on the bottle.⁶ As for the word 'OUD', I appreciate that it is positioned with the 'ZARAH' element in the applicant's mark but, given its meaning (which I will come to discuss

⁶ As I will come to discuss below, OUD is

below), I find that this inevitably plays a lesser role (but it will still be viewed as being a part of the 'OUD ZARAH' element). As for the other word elements, these are all either directly descriptive ('Eau De Parfum', for example) or non-distinctive elements (such as 40ML, being information regarding the contents of the bottle, for example) and, as such, will play a much lesser role.⁷ All this being said, I cannot ignore the highly detailed nature of the two figurative elements within the mark, which, as above, will still contribute to its overall impression.

Visual comparison

41. Visually, the marks coincide in the letters 'Z-A-R-A', which form the sole element of the opponent's mark and four of the five letters in one of the most dominant elements of the applicant's mark. These elements alone are clearly highly similar. That being said, the comparison I must make is based on the marks as wholes and there are a significant number of differences created from the varying elements in the applicant's mark. Regardless of the role these elements play, they all impact upon the visual comparison. Overall, considering the marks as wholes but also bearing in mind their overall impressions, I find that the shared use of 'ZARA' is such that these marks are visually similar to a low degree.

Aural comparison

42. The opponent's mark will be pronounced simply as 'ZAR-RUH'.

43. Whilst the applicant's mark consists of a number of different verbal elements, I do not consider that they will all be pronounced. Instead, I find that the mark will be pronounced by one group of consumers as 'OUD ZARAH' or, by another group of consumers, as 'OUD ZARAH BY HABIB'.⁸ For the avoidance of doubt, both of

⁷ It is noted that the applicant's submits set out that these elements create a 'strong branding context'. However, for reasons set out here, namely due to their descriptiveness and non-distinctiveness, I do not agree.

⁸ Regardless of what I have said about 'OUD' in the overall impression of the mark, its placement with 'ZARAH' and overall size within the mark are such that will lead to its pronunciation by consumer.

these groups of consumers make up significant proportions of average consumers. As for the remaining elements, I find that because they are all descriptive or non-distinctive, consumers will simply overlook them from an aural viewpoint.⁹ The applicant's mark will, therefore, be pronounced as either three syllables, being 'OOD-ZAR-RUH', or six syllables, being 'OOD-ZAR-RUH-BYE-HAB-EEB'. As above, both sets of consumers that pronounce the marks in these ways make up a significant proportion. On this point, I remind myself that case law suggests that if I find that a significant proportion of the relevant public is confused, then I may properly find a likelihood of confusion under the present ground.¹⁰ In light of this and given that the former pronunciation represents the opponent's best case, I will proceed to rely solely on that articulation.

44. In comparing these marks, the pronunciation of 'ZARA' and 'ZARAH' is identical, meaning that the only point of difference comes in the word 'OUD'. Given the descriptive meaning associated with 'OUD' (which, again, I will discuss below), I find that whilst it will be pronounced, consumers will pay particular attention to the shared 'ZAR-RUH' element.¹¹ As such, I find that the marks are aurally similar to a high degree.

Conceptual comparison

45. The only conceptual element in the opponent's mark is the word 'ZARA'. The opponent submits that this will be understood by UK consumers as a female forename or as relating to the opponent's well-known fashion brand. I accept the first definition but not the second. This is because it is not correct to attribute the

⁹ See paragraphs 13 to 18 of *Enrich International Ltd v Onyinye Udokporo*, BL O/1141/25, wherein Professor Phillip Johnson, sitting as the Appointed Person, set out that it was perfectly acceptable for Hearing Officers to conclude that descriptive elements of the marks would not be verbalised.

¹⁰ See *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, which, whilst an infringement case, the principles equally apply here.

¹¹ For the avoidance of doubt, I consider this applies despite 'ZARAH' not being the first element. This is because the case law suggesting that beginnings of marks have great visual and aural impacts (see *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02) is only a rule of thumb and, in my view, is not applicable here when considering the descriptive nature of 'OUD'.

meaning of the opponent being a reputed fashion, lifestyle and homeware brand to the opponent's mark.¹²

46. As for the applicant's mark, the concept primarily derives from the words 'OUD ZARAH BY HABIB'. All of the other elements will simply point towards the fact that the goods at issue are perfumery goods so will be overlooked when it comes to the conceptual impact of the mark. 'OUD' is a common ingredient in perfumes and I find that a significant proportion of consumers would be aware of this.¹³ Therefore, consumers will view 'OUD ZARAH', especially on the goods at issue, as being a perfume referencing the female forename 'ZARAH' which uses 'OUD' as an ingredient. The reference to 'BY HABIB' will be understood as an indication that the perfume will be one that was made by someone named Habib, being a name that will be understood as one of Middle Eastern origin.¹⁴ As a whole, therefore, the concept of the applicant's mark will be one of a perfume named 'ZARAH', that was created by someone named 'HABIB', that uses 'OUD' as an ingredient.

47. In comparing the marks, regardless of how it is spelt, I find that there is a degree of similarity stemming from 'ZARA' and 'ZARAH', being a shared reference to a near identical female forename. The reference to 'OUD' is noted but I do not consider it a considerable conceptual difference given its connection to perfume. As for 'BY HABIB', this is a point of conceptual distinction between the marks. Overall, I find that the shared reference to 'ZARA'/'ZARAH' is sufficient to warrant a finding that the marks are conceptually similar to a medium degree.

¹² See *Retail Royalty Company v Harringtons Clothing Limited*, Case BL O/593/20.

¹³ Not only did the opponent file evidence showing its own use of 'OUD' (JMD21) in this context but this is a point conceded by the applicant at 5(ii) of its counterstatement.

¹⁴ I have proceeded on the basis that 'BY HABIB' would not be pronounced but that does not mean that it will be outright ignored from a conceptual standpoint.

Distinctive character of the opponent's mark

48. 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 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).”

49. Registered trade marks possess varying degrees of inherent distinctive character, ranging from very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of marks can be enhanced through use and it is noted that the opponent has filed evidence of its use. However, before considering this, I will consider the inherent position.

50. The opponent's mark consists solely of the word 'ZARA'. As I have explained above, 'ZARA' will be understood as a female forename in the UK and I find that it has no more than a medium level of inherent distinctive character. I move now to consider the question of whether this has been enhanced due to the opponent's use of the mark.

51. In the present case, it is not in dispute that the opponent conducts a very large business operation in respect of its clothing brand. The applicant appears to accept this at section 2 of its written submissions. However, the present assessment relates to the perfume goods at issue. On this point, I note that the opponent's evidence does include some focus on its perfumery products. This comes via a number of screenshots taken from its own website showing a range of different perfumes offered.¹⁵ These printouts are undated, but it is confirmed that they cover goods that were retailed between 2016 and 2023.

52. As for its sales, the opponent has provided specific UK sales figures in respect of its perfumery and cosmetic products for the years 2017 to 2023. These are as follows:

Year	Sales Figures (£)
2017	9,966,995
2018	12,845,372
2019	18,010,287
2020	15,307,764
2021	25,175,832
2022	40,601,714
2023	61,579,283
Total	183,487,247

¹⁵ JMD9

53. These are clearly significant sales figures but are not specific to perfumery alone and, as set out above, include sales associated with the opponent's cosmetic goods which are not at issue here. That being said, the opponent did, in its evidence in reply, seek to clarify this point by providing specific turnover figures for its ZARA branded fragrances in the UK in 2024. These confirm that in 2024, the opponent sold a total of €99,096,085 worth of fragrances in the UK. On this point, I appreciate that the figures are provided in euros but are, clearly, significant. Further, the relevant date for the present assessment is 11 October 2024 meaning that not all of the sales figures for 2024 will be relevant. That being said, because the relevant date sits towards the end of that year, I am content to conclude that the majority of the opponent's sales would have come before that, meaning that a significant amount of these sales is attributable to the present case.

54. In addition to the above, the evidence confirms that the opponent won numerous awards at the Fragrantica awards in 2020 for a range of its different perfume products.¹⁶ This is noted but I have nothing before me to suggest that these are UK-based awards and, therefore, it is not clear how they impacted upon the UK consumer. As for specific UK awards, the opponent has provided evidence of its 'Tubereuse Noir' eau de parfum product being named the 'Beauty Contributors Pick' at the 2020 UK Cosmopolitan Beauty Awards.¹⁷

55. In terms of press coverage, I note that articles are provided wherein the opponent's perfume goods are discussed. These include an article dated 30 November 2019 from the Guardian, an article dated 31 July 2022 from 'Who What Wear' and an article dated 23 January 2023 from Marie Claire, all discussing the perfumes from a collaboration between the opponent and Jo Malone. Lastly, there is another article from Marie Claire dated 2 August 2023 that discusses the broader range of 'ZARA' branded perfumes. The opponent states that these publications are popular

¹⁶ JMD12

¹⁷ JMD13

ones and, in support of this, has provided UK readership figures in respect of Marie Claire, the Guardian and Cosmopolitan (being the provider of the award discussed at paragraph 54 above) that demonstrate the wide circulation numbers for these publications.¹⁸

56. Taking the above evidence into account, I appreciate that the turnover figures are large but note that those from 2018 to 2023 cover both perfumes and cosmetics. That being said, the specific 2024 turnover for just perfumes is, by itself, not only large but signifies that the perfume portion of the figures for 2018 to 2023 is likely to still be significant. Further, the opponent has generated press coverage from well-known UK-based publications and won an award from another well-known UK-based publication. While the evidence lacks specificity when it comes to marketing efforts in respect of the goods at issue,¹⁹ I consider that the above evidence is sufficient to demonstrate that the opponent's mark is one that enjoys an enhanced degree of distinctiveness in respect of "perfumery". In terms of the level of enhancement, I appreciate that the overall 'ZARA' business is enormous but the evidence is not as rigorous when it comes to perfumery goods; therefore, I only consider that the distinctiveness of the opponent's mark has been enhanced from no more than medium to between a medium and high degree and not outright high. For "essential oils" (being the other term subject to my goods comparison above), however, the inherent position remains.²⁰

Likelihood of confusion

57. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings

¹⁸ JMB16

¹⁹ On this point, the advertising spend, whilst significant, is not broken down and, further, the examples of advertising provided throughout the evidence does not appear to include a focus on perfumes.

²⁰ On the basis that the evidence does not speak to any use of the same.

being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

58. I found the goods at issue to be identical but, even if this is wrong for some goods, they are highly similar. The average consumer base for the goods at issue will be members of the general public and business users who will select the goods via primarily visual means (though I do not discount an aural component) whilst paying a medium degree of attention. I have found the marks at issue are visually similar to a low degree (though I have acknowledged the high degree of similarity between the 'ZARA' and 'ZARAH' elements), aurally similar to a high degree and conceptually similar to a medium degree. I concluded that the opponent's mark enjoys no more than a medium degree of inherent distinctive character but that, in respect of "perfumery", this has been enhanced to between a medium and high degree. Lastly, I remind myself that I have referred to the opponent's mark in the singular throughout this decision but, for the avoidance of doubt, this is to be taken as a reference to both its first and second marks.

59. Taking all of the above into account and bearing in mind the principle of imperfect recollection, I am of the view that the visual differences between the marks, which are numerous, are such that consumers will be able to accurately recall which mark was which, even on identical goods. Therefore, I do not consider that there exists a likelihood of direct confusion between the marks at issue.

60. I will now proceed to consider indirect confusion. In doing so, I remind myself of the case of *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, wherein Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (‘26 RED TESCO’ would no doubt be such a case).
- (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand

extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

61. While the above examples in *L.A. Sugar* are noted, they are not intended to be treated as an exhaustive list of the only instances whereby indirect confusion occurs.

62. Further, I note the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, wherein Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at paragraph 16 that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

63. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. (as he then was) considered the impact of the CJEU's judgment in *Bimbo*, Case C-591/12P, on the court's earlier judgment in *Medion v Thomson*. The judge said:

"18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

64. In considering the applicant's mark, I am of the view that despite the presence of all the additional visual elements, consumers will view its primary indicator of origin as 'HABIB' (being the house brand) and its secondary branding as 'OUD ZARAH' (being the sub-brand). I say this because 'OUD ZARAH BY HABIB' are the primary

elements of the mark from a trade mark perspective.²¹ In this scenario, and bearing in mind the case of *Whyte and Mackay* (cited above), I find it likely that consumers will consider the mark as consisting of two signs, both of which having a distinctive significance which is independent of the significance of the whole.

65. As a result of the above, I find that when confronted with the marks at issue, consumers will believe that they originate from the same or economically linked undertakings. My view is that the applicant's mark will be viewed as one that indicates a collaboration between 'HABIB' and 'ZARA'. As above, 'HABIB' will be seen as the house brand of the applicant's mark but the sub-brand will be viewed as 'OUD ZARAH'. In respect of this element, I consider it likely that the spelling between 'ZARAH' and 'ZARA' will be overlooked. This is due to imperfect recollection, the aural and conceptual identity between those words and the enhanced distinctiveness associated with the opponent's 'ZARA'. Further, given the fact that 'OUD' is a known ingredient in perfume, I find that consumers will pin the common use of the female name 'ZARA'/'ZARAH' down to an indicator of a shared origin across the marks. Again, I consider it likely that consumers will consider the applicant's mark to be the product of a collaboration between 'HABIB' and 'ZARA' for a range of perfumery goods. This is further supported by the fact that, as above, 'ZARA' enjoys an enhanced degree of distinctiveness in respect of perfumery goods and given that the applicant's mark will be viewed solely on goods relating to perfume, I see no reason why this connection would not be made. Consequently, I consider that there exists a likelihood of indirect confusion between the applicant's mark and the opponent's mark. For the avoidance of doubt, I find that the above reasoning (save for the reliance upon an enhanced degree of distinctive character) also extends to those goods which are identical (or similar) to the opponent's "essential oils" goods, being the term that does not benefit from an enhanced degree of distinctive character.

²¹ Again, even though I have found that 'BY HABIB' would not be pronounced by a significant proportion of consumers, it does not detract from this finding because regardless of its aural impact, it will not be overlooked.

66. Lastly, I wish to point out that even if I was wrong to proceed as though ‘BY HABIB’ would not be pronounced, any lower degree of aural similarity stemming from the pronunciation of the same will not alter the above findings in respect of confusion.

Section 5(3)

67. Section 5(3) of the Act states:

“5(3) A trade mark which –

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 repute of the earlier trade mark.”

68. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure*, Case C-323/09, *Marks and Spencer v Interflora*, Case C383/12P, *Environmental Manufacturing LLP v OHIM*. 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 public calls the earlier mark to mind; *Adidas Salomon*, 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 risk that this will happen in future; *Intel*, paragraphs 76 and 77 and *Environmental Manufacturing*, paragraph 34.

(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 holder 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*).

69. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the marks at issue are similar. Secondly, the opponent must show that its mark has achieved a level of knowledge/reputation amongst a significant part of the public throughout the relevant territory. Thirdly, it must be established that the level of reputation and the similarities between the parties' marks will cause the public to make a link between them. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the pleaded types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods or services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

70. Under the present ground, the opponent relies on the same marks and goods and services as it did under the section 5(2)(b) ground above. Again, due to the identity of the opponent's marks, I will simply refer to them in the singular.

Reputation

71. In the applicant's counterstatement, it set out that the issue of a reputation is not in dispute and that the opponent is primarily known for fashion retail for goods and services in classes 25 and 35, respectively. For the purpose of the present assessment, I will focus on the opponent's class 25 goods of its first and second marks' specifications. My reasons for this are based on the fact that (1) the issue of reputation for such goods is not in dispute and (2) the scope of the opponent's evidence for such goods is so vast that it demonstrates a very strong degree of reputation which, in my view, reflects the opponent's best case under this ground. In support of my comments regarding the very strong reputation, I refer, briefly, to the fact that the opponent's turnover for its clothing, footwear and headgear goods in the UK alone between 2017 and 2023 are as follows:

Year	Sales figures (£)
2017	Over 700 million
2018	Over 740 million
2019	Over 780 million
2020	Over 600 million
2021	Over 900 million
2022	Over 1 billion
2023	Over 1 billion

72. The above reflects a turnover of over £5.7 billion over the course of 7 years. Whilst the relevant market for such goods is enormous, the above turnover figures are staggering and clearly indicative of a healthy share of said market. I see no reason to discuss this point any further as I am content to conclude that the turnover figures alone, together with the concession of the applicant, are such to proceed on the basis that the opponent enjoys a very strong reputation for its class 25 goods, being

“clothing”, “footwear” and “headgear” in its first mark and “articles of clothing for men, women and children” in its second.

Link

73. As noted above, my assessment of whether the public will make the required mental ‘link’ between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks.

74. As above, the marks are visually similar to a low degree, aurally similar to a high degree and conceptually similar to a medium degree.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.

75. The comparison of the goods I conducted under the section 5(2)(b) ground above was based solely on the opponent’s class 3 goods. As such, it is not relevant here. In comparing the opponent’s reputed goods and the goods of the applicant, I am of the view that the following goods are similar to a low degree with the opponent’s goods:

“Fragrances; Perfumery and fragrances; Perfumes; Potpourris [fragrances]; Scents; Colognes; Perfume; Household fragrances; Fragrances for automobiles; Perfumes for ceramics; Fragrance sachets; Body fragrances; Perfume oils; Room fragrances; Fragrance emitting wicks for room fragrance; Extracts of flowers [perfumes]; Fragrance preparations; Perfumery products; Liquid perfumes; Aftershaves; Deodorants for personal use [perfumery].”

76. This is on the basis that whilst they differ in nature, method of use and purpose, I consider it common in the trade for clothing brands to also produce and sell perfumery goods. On this point, it is my understanding that a wide number of fashion designer brands also sell perfumes, and vice versa. Further, the goods are likely to be sought by the same consumer. Even if this is incorrect, there is a degree of closeness between them, being goods that exist within the similar fashion/beauty industries and the fact that they are sought by the same sectors of the relevant public.

77. As for the remaining goods, I find these to be dissimilar on the basis that they differ in nature, method of use and purpose. Further, they are sought by business users and, as far as I am aware, do not overlap in trade channels in the same way discussed above. For the avoidance of doubt, those goods are as follows:

“Oils for perfumes and scents; Natural oils for perfumes. Aromatics for fragrances; Aromatics for perfumes; Musk [perfumery]; Extracts of flowers being perfumes; Flowers (Extracts of -) [perfumes]; Extracts of perfumes.”

78. That being said, I remind myself that goods need not be similar in order for the present ground to succeed. On this point, I do accept that there exists a degree of closeness due to the association between the fashion and beauty sectors that these goods exist within.

The strength of the earlier mark's reputation

79. The opponent's mark enjoys a very strong reputation.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

80. The opponent's mark is inherently distinctive to no more than a medium degree.

Whilst I have not conducted an assessment of an enhanced distinctive character in respect of the reputed goods, I am of the view that given the enormous turnover of the opponent, the distinctiveness for the reputed goods has been enhanced to a very high degree.

Whether there is a likelihood of confusion

81. Under the present ground, I remind myself that some marks are so distinctive and well known that there is likely to be some confusion almost irrespective of the goods and the marks that are used. This is because the provisions of section 5(3) offer additional protection which takes into account the repute and distinctiveness of the earlier marks. Where the goods are similar, I find that there is a likelihood of indirect confusion under the present ground for similar reasoning to that provided under the section 5(2)(b) ground above and also bearing in mind the strength of the opponent's mark's repute and level of distinctiveness. As for the dissimilar goods, I am of the view that the repute and distinctiveness of the opponent's mark, particularly given the presence of the near identical 'ZARA'/'ZARAH' elements, are such that result in a significant number of members of the relevant public being confused. These consumers will, in my view, believe that there is an economic connection between the marks, regardless of the similarity for the goods because, as above, there remains some degree of closeness between them.

Conclusion on link

82. Even if it is not right that there would be confusion where dissimilar goods are concerned, when all of the above is taken into account, I have no hesitation in finding that the opponent's mark would be brought to mind by consumers upon viewing the applicant's mark. The extensive reputation of the earlier mark, the near identity of their 'ZARA'/'ZARAH' elements mark and the fact that the respective goods, even where not similar, are in similar sectors (being the fashion and beauty

sectors) will create the necessary link between the marks. On this point, I will also say that this assessment is based on the fact that, when confronted with the marks, the member of the relevant public will be aware of 'ZARA' as a very successful clothing brand. As such, I find that the use of 'OUD ZARAH' on a perfume will cause them to question whether the opponent has either created a range of perfume using the descriptive word 'OUD' and its own distinctive 'ZARA' brand or collaborated with someone named 'HABIB' to create the 'OUD ZARAH' perfume.

Damage

83. The opponent has pleaded that use of the applicant's mark would take unfair advantage of the reputation of its marks, that it would, without due cause, prove to be detrimental to the reputation of the opponent and the distinctive character of the opponent's marks. I will deal with each head of damage in turn below.

Unfair Advantage

84. I bear in mind that unfair advantage has no effect on the consumers of the opponent's marks' goods and services. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

"80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is

nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

85. I have found above that the opponent has demonstrated that its mark has obtained a very strong reputation for its class 25 goods across its first and second mark’s specification. This is, in my view, the sort of reputation that would result in the applicant benefiting from an enhanced level of recognition due to the link between the marks in the minds of the relevant public. In my view, the shared use of the near identical words ‘ZARAH’ and ‘ZARA’ (the latter of which carries a very strong reputation) is sufficient to result in an unfair advantage being taken of the opponent’s marks’ reputation. The applicant, by using the word ‘ZARAH’ on its goods would achieve instant familiarity in the eyes of average consumers in that they would believe that ‘ZARA’ has collaborated with ‘HABIB’ to create a new range of perfumery goods, thereby securing a commercial advantage and benefitting from the opponent’s reputation without paying financial compensation. Such commercial advantage would not exist but for the very strong reputation of the opponent’s mark. Therefore, I find it likely that the applicant’s mark would take unfair advantage of the opponent’s first and second marks.

86. As damage is made out on the basis of unfair advantage, I do not consider it necessary to go on to consider the opponent’s other heads of damage.

Final remarks under section 5(3)

87. For the avoidance of doubt, if I had focused my assessment of the present ground on the opponent’s “perfumery” goods, I consider that it would have still enjoyed the same degree of success as reached above. This is on the basis that whilst the opponent’s perfume evidence is not as strong as its evidence for clothing, it is still

sufficient to warrant a moderate degree of reputation. Given the closer connection between these goods and those of the applicant, I consider that the weaker reputation would still have been sufficient. In making this finding, I consider that a link would have been made on the basis that consumers would call to mind the opponent's 'ZARA' perfume brand when viewing the applicant's mark, causing them to assume that they were economically connected. Such a connection would have given rise to damage in the same way as discussed at paragraph 85 above.

CONCLUSION

88. The opposition succeeds in full and, subject to any successful appeal against my decision, the applicant's mark is refused registration for all of the goods applied for.

COSTS

89. The opponent succeeded in opposing the applicant's mark. Therefore, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. In the circumstances, I award the opponent the sum of £1,700 as a contribution towards its costs. The sum is calculated as follows:

Preparing a notice of opposition and considering the counterstatement:	£300
Filing evidence:	£800
Written submissions in lieu of a hearing:	£400
Official fees:	£200
Total:	£1,700

90.I hereby order AMWAJ AL HABIB PERFUME AND COSMETICS LLC to pay INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) the sum of £1,700. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 11th day of September 2026

A COOPER

For the Registrar