O/0006/24

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3805374
BY WEN CHI JOSEPH KO

TO REGISTER:

ZAREUS

AS A TRADE MARK IN CLASSES 10, 18 & 25

AND

IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 436656 BY
INDUSTRIA DE DISENO TEXTIL, S.A. (INDITEX, S.A.)

BACKGROUND AND PLEADINGS

1. On 2 July 2022, Wen Chi Joseph Ko ("the applicant") applied to register **ZAREUS** as a trade mark in the United Kingdom in respect of the following goods:

> <u>*Class 10*</u>
> *Compression garments, namely, Compression Socks, Compression stocking, Compression leggings, Compression pants, Compression shirts, Compression Jerseys, Compression Vests, Compression Sleeves.*
>
> <u>*Class 18*</u>
> *Animal skins, hides; Trunks and travelling bags; umbrellas and parasols; walking sticks; whips, harness and saddlery.*
>
> <u>*Class 25*</u>
> *Athletic jackets; Athletic apparel, namely, shirts, pants, jackets, footwear, sports caps and hats, athletic uniforms; Bomber jackets; Fleece vests; Fleece bottoms; Fleece pullovers; Fleece shorts; Fleece tops; Hoodies; Jackets and socks; Jogging outfits; Jogging pants; Jogging suits; Knit jackets; Men's and women's jackets, coats, trousers, vests; Quilted vests; Rainproof jackets; Running shoes; Ski jackets; Snowboard jackets; Sports bra; Sports bras; Sports jackets; Sports vests; Sweat shirts; T-shirts; Vests; Wind resistant jackets; Wind vests; Wind-resistant vests; Yoga pants; Graphic T-shirts; Hooded sweat shirts; Moisture-wicking sports bras; Short-sleeved or long-sleeved t-shirts; Windbreakers; Windcheaters.*

2. On 4 October 2022, the application 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 concerns all the goods in the application.

3. Under section 5(2)(b), the opponent relies on the following marks and the goods listed below:

i) UKTM No. 1574846 (“the 846 mark”)

ZARA

Filing date: 9 June 1994
Registration date: 26 February 1996

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.

Class 25
Articles of clothing for men, women and children; all included in Class 25.

ii) UKTM No. 2166165 (“the 165 mark”)

ZARA

Filing date: 8 May 1998
Registration date: 27 April 2001

Class 25
Clothing articles for men, women and children, belts, hosiery, footwear, headgear.

iii) UKTM Application No. 3640304 (“the 304 mark”)

ZARA

Filing date: 12 May 2021.
EU filing date: 5 March 2010

Class 10

Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopedic articles; suture materials; teething rings; feeding bottles; feeding bottle valves; feeding bottle teats; dummy (teats); nursing appliances; ear picks; incubators for babies; respirators for artificial respiration; breast pumps; commode chairs; orthopedic footwear (shoes); arch supports for boots and shoes.

Class 18

Leather and imitations of leather, bags, purses, briefcases, handbags, suitcases, cases, wallets, pouches, shopping bags, luggage tags, card wallets, hat boxes, credit card holders, credit card cases, key cases, document cases, empty tool bags, attaché cases, and garment bags for travel, all made of leather and imitations of leather; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery; bags for climbers, campers and the beach; handbag frames; frames for umbrellas or parasols; mountaineering sticks; bags; handbags; travelling bags; travelling sets and key cases (leatherwear); attaché cases; purses, not of precious metal; school bags; 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; school bags; school satchels; pocket wallets; briefcases; beauty boxes (unfitted); collars for animals; leather leashes; leather laces; umbrella covers; saddle cloths for horses; haversacks; horse rugs and blankets; rucksacks; rucksacks for schoolchildren; music cases; halters; bags (envelopes, pouches) of leather, for packaging; riding saddles; pads for horse saddles; umbrella rings; blinkers (harness); harness fittings of iron; harness for animals; harness fittings; shooting sticks; shoulder belts of leather; empty tool bags of leather; chain mesh purses, not of precious metal; beach bags; muzzles; bridles (harness); head-stalls; leather board; bands of leather; travelling trunks; shopping bags; straps for soldiers' equipment; harness traces; straps of leather (saddlery); straps for skates; trimmings of leather for furniture; straps of leather; butts (parts of hides); curried skins; cat o' nine tails; coverings of skins (furs); stirrup leathers; parts of rubber for stirrups; bits for animals (harness); reins; Attaches; moleskin (imitation of leather); fur-skins; chamois leather, not for cleaning purposes; nose bags (feed bags); net bags for shopping; sleeves of leather, for springs; knee pads for horses; fastenings for saddles; card cases (notecases); traces (harness); valves of leather; Stirrups.

Class 25

Ready-made clothing for men, women and children, footwear (except orthopaedic), headgear; motorists' and cyclists' clothing; bibs, not of paper; headbands (clothing);

bathrobes; swimming costumes; bathing caps and sandals; boas (necklets); underwear; baby pants; mufflers; boots for sports and beach shoes; hoods (clothing); shawls; belts (clothing); money belts (clothing); wet suits for water skiing; ties; corsets (underclothing); sashes for wear; fur stoles; corsets; scarves; caps (headwear); caps; gloves (clothing); raincoats; underwear, mantillas; stockings; socks; neckerchiefs; babies nappies of textile; dress handkerchiefs; furs (clothing); pyjamas; soles for footwear; heels; veiling (clothing); braces; paper clothing; gymnastic and sports outfits; layettes; shoulder wraps (clothing); singlets, mittens; ear muffs (clothing); inner soles; bow ties; pareo; Wristbands clothing; dress shields; masquerade costumes; beach clothes; visors (hatmaking); dressing gowns; pockets for clothing; sock suspenders; stocking suspenders; petticoats; tights; aprons (clothing); headgear (for wear); galoshes; headgear (hats, caps, etc.); gaiters; coats; esparto shoes or sandals; non-slipping devices for shoes; bath robes; bath slippers; birettas (headwear); blouses; bodies; berets; footmuffs, not electrically heated; lace boots; boots; boot uppers; studs for football boots [shoes]; ankle boots; fittings of metal for shoes and boots; tips for footwear; welts for boots and shoes; heelpieces for shoes; boxer shorts; shirts; shirt yokes; shirt fronts; t-shirts; bodices (lingerie); waistcoats; jackets; fishermen's jackets; greatcoats; combinations (clothing); slips (undergarments); detachable collars; collars; articles of clothing made of leather; imitation leather clothing; shower caps; slippers; skirts; ready-made linings (parts of clothing); topcoats; gabardines (clothing); gymnastic shoes; jerseys (clothing); pullovers; sweaters; liveries; muffs; footwear uppers; parkas; wraps; pelisses; leggings; gaiters; hosieries; knitwear [clothing]; gymnastic clothing; outer clothing; sandals; saris; briefs; hats; brassieres; wimples; togas; trouser straps; suits; turbans; dresses; slippers; sports shoes.

4. The 846 and 165 marks qualify as earlier marks under section 6(1)(a) of the Act by virtue of their earlier filing dates. As they were registered more than five years before the application date of the contested mark, they are subject to the use provisions in section 6A of the Act. The opponent has made a statement that it has used the marks for all the goods relied on.

5. The 304 mark qualifies as an earlier mark under section 6(2) of the Act which states that

> "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), subject to its being so registered (taking account of subsection (2C)).”

6. Subsection (2C) covers applications such as the 304 mark that were made under the provisions of paragraph 25 of Schedule 2A of the Act. This provided a period during which a party with an existing application for an EU Trade Mark at IP Completion Day (31 December 2020) was able to file an application for a UK trade mark and preserve the EU filing date. In the case of the 304 mark, the EU filing date was 5 March 2010.

7. The opponent claims that the marks are highly similar and that the goods covered by the marks are either identical or highly similar. Consequently, it claims that there exists a likelihood of confusion on the part of the relevant public in the UK.

8. Under section 5(3), the opponent claims the marks have a reputation for the following goods and services:

The 846 mark	<u>*Class 25*</u> *Articles of clothing for men, women and children; all included in Class 25.*
The 165 mark	<u>*Class 25*</u> *Clothing articles for men, women and children, belts, hosiery, footwear, headgear.* <u>*Class 35*</u> *The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail department store; sales promotion, compilation and provision of sale information; shop window dressing.*
The 304 mark	<u>*Class 25*</u> *Ready-made clothing for men, women and children, footwear (except orthopaedic), headgear; motorists’ and cyclists’ clothing; bibs, not of paper; headbands (clothing); bathrobes; swimming costumes; bathing caps and sandals; boas (necklets); underwear; baby pants; mufflers; boots for sports and beach shoes; hoods (clothing); shawls; belts (clothing); money belts (clothing); wet suits for water skiing; ties; corsets*

	(underclothing); sashes for wear; fur stoles; corsets; scarves; caps (headwear); caps; gloves (clothing); raincoats; underwear, mantillas; stockings; socks; neckerchiefs; babies nappies of textile; dress handkerchiefs; furs (clothing); pyjamas; soles for footwear; heels; veiling (clothing); braces; paper clothing; gymnastic and sports outfits; layettes; shoulder wraps (clothing); singlets, mittens; ear muffs (clothing); inner soles; bow ties; pareo; Wristbands clothing; dress shields; masquerade costumes; beach clothes; visors (hatmaking); dressing gowns; pockets for clothing; sock suspenders; stocking suspenders; petticoats; tights; aprons (clothing); headgear (for wear); galoshes; headgear (hats, caps, etc.); gaiters; coats; esparto shoes or sandals; non-slipping devices for shoes; bath robes; bath slippers; birettas (headwear); blouses; bodies; berets; footmuffs, not electrically heated; lace boots; boots; boot uppers; studs for football boots [shoes]; ankle boots; fittings of metal for shoes and boots; tips for footwear; welts for boots and shoes; heelpieces for shoes; boxer shorts; shirts; shirt yokes; shirt fronts; t-shirts; bodices (lingerie); waistcoats; jackets; fishermen's jackets; greatcoats; combinations (clothing); slips (undergarments); detachable collars; collars; articles of clothing made of leather; imitation leather clothing; shower caps; slippers; skirts; ready-made linings (parts of clothing); topcoats; gabardines (clothing); gymnastic shoes; jerseys (clothing); pullovers; sweaters; liveries; muffs; footwear uppers; parkas; wraps; pelisses; leggings; gaiters; hosieries; knitwear [clothing]; gymnastic clothing; outer clothing; sandals; saris; briefs; hats; brassieres; wimples; togas; trouser straps; suits; turbans; dresses; slippers; sports shoes. <u>*Class 35*</u> *Retail and wholesale services connected with the sale of ready-made clothing for men, women and children, footwear (except orthopaedic footwear), headgear …; presentation of goods on any communication media, for retail purposes.*

9. The opponent had originally relied on a longer list of services in Class 35 in respect of both the 165 and 304 marks, but reduced the number in its written submissions of 7 June 2023.

10. The opponent claims that as a result of the significant reputation and enhanced distinctiveness of the earlier marks, and the direct overlap between the relevant consumers of the two parties' goods and services, the relevant public would easily make a mental link between the two marks. It claims that use of the contested marks would, being without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the earlier mark.

11. The applicant filed a defence and counterstatement denying the claims made and putting the opponent to proof of use of the 846 and the 165 marks. In particular, the applicant claims that the marks are dissimilar.

EVIDENCE AND SUBMISSIONS

12. The opponent filed evidence in the form of a witness statement from Eliseo Oroza Rodríguez, Director of Administration of Industria de Diseño Textil, S.A. His witness statement goes to the use and reputation of the earlier marks. It is dated 20 February 2023 and is accompanied by 21 exhibits.

13. Both parties filed final written submissions as neither requested a hearing in this matter. The applicant's were filed on 6 June 2023 and the opponent's on 7 June 2023.

REPRESENTATION

14. In these proceedings, the opponent is represented by Taylor Wessing LLP and the applicant by Neo Percept IP.

DECISION

Section 5(2)(b)

15. Section 5(2)(b) of the Act is as follows:

> "A trade mark shall not be registered if because–

…

(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."

16. In its written submissions, the applicant admits that the opponent has shown that it has used the 846 and 165 marks, and so the opponent is able to rely on all the goods listed in paragraph 3 above.[1]

17. In considering the opposition under this section, I am guided by the following principles, gleaned from the decisions of the Court of Justice of the European Union ("CJEU") in *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 BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):[2]

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. The average consumer is deemed to be

[1] Paragraph 18.

[2] 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.

reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their 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 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

18. It is settled case law that I must make my comparison of the goods on the basis of all relevant factors. These include the nature of the goods, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. Goods are complementary when

> "… 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."[3]

19. The applicant's written submissions contain a comparison of the contested goods with the goods relied on by the opponent under the 846 and 165 marks. It has provided no comparison with the goods covered by the 304 mark. The opponent therefore invites me to view this absence as an admission by the applicant that the goods of the respective marks are identical. In its counterstatement, the applicant denied that the goods of the opponent's marks are similar to the contested goods. The pleadings set out the applicant's case and, except where specific admissions have been made, it would be wrong for me to interpret silence as acceptance of the opponent's position. I shall therefore compare the contested goods to the goods covered by all three marks.

[3] *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82.

Compression garments, namely, Compression Socks, Compression stocking, Compression leggings, Compression pants, Compression shirts, Compression Jerseys, Compression Vests, Compression Sleeves.

20. I understand that compression garments are worn by individuals either to relieve medical or other conditions, or, particularly in the case of compression socks, to prevent conditions such as deep vein thrombosis. They may also be worn after surgery to aid the healing process. The opponent submits that compression garments are also worn by consumers for fashion purposes and *compression leggings* in particular would be seen by the average consumer to be *"athleisure"* clothing.[4] It invites me to find that the above goods are identical to *Clothing articles/articles of clothing* (the 846 and 165 marks) or highly similar to *Orthopedic articles* (the 304 mark). The opponent has adduced no evidence to suggest that compression garments are *"typically worn as apparel in casual settings"*. I do not consider that this is a point that I can take on judicial notice.

21. I shall first compare the applicant's goods to the opponent's Class 25 *Clothing articles* and *Articles of clothing*. I accept that the Nice Classification was adopted for administrative purposes; nevertheless, it is permissible to take account of the class headings where the words used in the specification may refer to goods or services in numerous classes: see *Pathway IP Sarl (formerly Regus No. 2 Sarl) v Easygroup Ltd (formerly Easygroup IP Licensing Limited)* [2018] EWHC 3608 (Ch), paragraph 94. The heading for Class 10 is *"Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopaedic articles; suture materials; therapeutic and assistive devices adapted for persons with disabilities; massage apparatus; apparatus, devices and articles for nursing infants; sexual activity apparatus, devices and articles."* A further explanatory note states that:

> "Clothing for everyday wear is in Cl. 25 whereas clothing articles that are highly specialised in purpose or features, for example, clothing for operating rooms, for protection against fire, bullet-proof vests, etc., are in classes other than Cl. 25. The specialised compression or support characteristics of

[4] Opponent's written submissions, paragraph 79.

> compression garments are medical or therapeutic in nature and thus are correctly classified in Cl. 10."[5]

22. I find that the applicant's Class 10 goods have a therapeutic purpose. The purpose of the opponent's Class 25 goods is to protect the wearer from the elements and they may also serve to signal the wearer's membership of a group or class of people. There could also be aesthetic reasons for wearing particular items of clothing in Class 25. The purposes of the parties' goods are not, therefore, identical. The goods overlap in user and their method of use is the same, as both are worn on the body. Any similarity in physical nature is likely to be at a fairly general level, as all the goods will be made of some form of fabric. If there is any overlap in trade channels, this will be small, as I consider that general clothing retailers are unlikely to sell compression garments for therapeutic purposes. Those goods would be obtained from specialist suppliers of medical and related goods. I do not consider that there is any complementarity between the goods as one is not essential or important for the use of the other so that the average consumer assumes that they come from the same undertaking. Neither do I find them to be in competition. Taking all these factors into account, I find that there is at best a low degree of similarity between the applicant's Class 10 goods and the opponent's Class 25 goods.

23. I shall now make a comparison between these goods and the opponent's *Orthopedic articles* and *Orthopedic footwear*. I understand that *Orthopedic articles* are goods that are intended to assist people suffering from musculoskeletal problems. There is a degree of similarity between the purposes of the goods. There may be some overlap in users and trade channels. At least some of the *orthopedic articles* would also be worn on the body so there is similarity in the method of use. I do not consider there to be competition or complementarity between the goods. Overall, I find that there is a medium degree of similarity between the goods.

[5] Information note for "100233: Compression garments".

Animal skins, hides; whips, harness and saddlery

24. These terms appear in the specification for the 304 mark and so I find that they are identical.

25. I shall also compare these goods with goods covered by the 846 mark. The closest comparison to *Animal skins, hides* is with *Leather*, which is animal hide that has been treated in a particular way. The goods have a similar physical nature and are targeted towards the same users, namely manufacturers of clothing, bags, shoes, furnishings, and so on, for the same purposes. The method of use is the same and there is a degree of competition between them as at least some of the finished articles could be made from either material. There may be some overlap in trade channels. As *leather* is a treated *animal skin* or *hide*, there may also be a degree of complementarity between the goods. I find that they are similar to a high degree.

26. I consider that *Whips, harness and saddlery* are types of equestrian equipment. The purpose of these goods differs from that of any of the goods covered by the 846 or 165 marks. The physical nature and method of use also differ. They are neither in competition nor complementary. There is an overlap in user only in the sense that members of the general public may buy all the goods. I also consider that it is possible that specialist equestrian suppliers may also sell clothing. However, I consider that these factors are not sufficient for me to find that there is any similarity between the goods.

Trunks and travelling bags; umbrellas and parasols; walking sticks

27. These terms appear in the specification for the 846 mark and so I find that they are identical.

Athletic jackets; Athletic apparel, namely, shirts, pants, jackets, footwear, sports caps and hats, athletic uniforms; Bomber jackets; Fleece vests; Fleece bottoms; Fleece pullovers; Fleece shorts; Fleece tops; Hoodies; Jackets and socks; Jogging outfits; Jogging pants; Jogging suits; Knit jackets; Men's and women's jackets, coats, trousers, vests; Quilted vests; Rainproof jackets; Running shoes; Ski jackets; Snowboard

jackets; Sports bra; Sports bras; Sports jackets; Sports vests; Sweat shirts; T-shirts; Vests; Wind resistant jackets; Wind vests; Wind-resistant vests; Yoga pants; Graphic T-shirts; Hooded sweat shirts; Moisture-wicking sports bras; Short-sleeved or long-sleeved t-shirts; Windbreakers; Windcheaters.

28. Where goods in the specification of one party are included in a broader term from the other party's specification, those goods are considered to be identical: see *Gérard Meric v OHIM*, Case T-133/05, paragraph 29. All these terms are included in the opponent's broader *Articles of clothing for men, women and children; all included in Class 25* (846 mark) and *Clothing articles for men, women and children* (165 mark).

Average consumer and the purchasing process

29. The average consumer is deemed to be reasonably well informed and reasonably circumspect: see *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), paragraph 60. For the purposes 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 and services in question: see *Lloyd Schuhfabrik*, paragraph 26.

30. The average consumer of all these goods, apart from *Animal skins, hides* and (arguably) *Whips*, is a member of the general public. The consumer of *Articles of clothing* will buy the goods from a clothing retailer or a department store, either visiting a physical shop or ordering from the internet or a printed catalogue. This means that the mark will be seen and so the visual element will be the most significant: see *New Look Limited v OHIM*, Joined cases T-117/03 to T-119/03 and T-171/03, paragraph 50. However, I do not discount the aural element, as the consumer may in some cases be assisted by a member of staff. The price varies, but in many cases these goods will be frequent purchases. The consumer will pay attention to the size, the materials, the style and colours to ensure they buy a garment that fits them and achieves the effect they desire. *Trunks, travelling bags, umbrellas, parasols* and *walking sticks* are likely to be purchased less frequently, but I consider that the purchasing process will be similar. In my view, the average consumer of these goods will be paying a medium degree of attention.

31. The average consumer of *compression garments* and *orthopedic articles* will, to my mind, be paying a slightly higher degree of attention than the average consumer of general clothing articles. This is because they have a specific medical or therapeutic purpose in mind when purchasing the goods. I consider that they will choose the goods from a website, catalogue or shop and so see the mark in use, but they may also receive word-of-mouth recommendations from medical professionals, therapists or sales staff.

32. The average consumer of *Harness and saddlery* is a member of the general public who owns a horse, although I accept that there may also be some professional consumers, such as racehorse trainers or riding schools. In my view, the average consumer of *Whips* is likely to be a racehorse trainer. I consider that the average consumer of *Harness* and *Saddlery* will be paying a higher than medium degree of attention, given the importance of those goods for the comfort of both horse and rider. The level of attention paid during the purchase of *Whips* may be only medium. The goods will be purchased from equestrian suppliers, either online or in physical retail outlets. The average consumer is likely to discuss their choice with sales staff and so I consider that both visual and aural elements of the mark will be important.

33. The average consumer of *Animal skins* and *hides* is a manufacturer of goods made from those materials. Given the direct relationship between the quality of these goods and the finished articles, the level of attention paid is expected to be higher than medium. They are likely to purchase the goods from a specialist supplier, either ordering through a website, printed promotional matter or over the telephone. Both visual and aural elements of the mark are likely to play a role in the purchasing process.

Comparison of marks

34. It is clear from *SABEL* (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. It would be wrong, therefore, artificially to 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: see *Bimbo*, paragraph 34.

35. The respective marks are shown below:

Contested mark	Earlier marks
ZAREUS	ZARA

36. The earlier marks are identical and so I shall refer to them in the singular in this section.

37. Both marks consist of a single word and there are no other elements that can contribute to the overall impressions of those marks. The marks both start with the same three letters "ZAR-" but differ in length with the earlier mark having four letters and the contested mark six. The beginnings of words tend to have more visual impact than the ends: see *El Corte Inglés SA v OHIM*, Joined Cases T-183/02 and T-184/02, paragraph 81. However, the difference in length is noticeable. On balance, I find that the marks are visually similar to a medium degree.

38. The applicant accepts that the first syllables of each of the marks would be pronounced in the same way. I consider that the contested mark has three syllables and would be spoken as "ZA-RAY-US", with a short "A", while the earlier mark would be pronounced "ZAH-RAH", with a longer first "A". I find that the marks are aurally similar to a low to medium degree.

39. I turn now to the conceptual comparison. The opponent submits that the earlier mark would be recognised as the opponent's brand or as a female name. The first argument is misguided, as Mr Philip Harris, sitting as the Appointed Person, explained in *Retail Royalty Company v Harringtons Clothing Limited*, BL O/593/20:

> "74. The Opponent is trying to equate reputation in a trade mark sense with conceptual meaning. They are not the same thing. Reputation can mean

different things, and in trade mark law the term is sometimes used loosely, but in this context, it concerns the factual extent to which a sign is recognised by a significant part of the public *as a trade mark*.

75. In contrast conceptual meaning is, in simple terms, something akin to recognition in dictionaries (beyond a mere trade mark acknowledgement) or a level of immediately perceptible notoriety/independent meaning, outside the confines of a purely trade mark context, of which judicial notice can be taken. Whilst a trade mark's reputation might evolve or be converted into a conceptual meaning (possibly to its detriment in terms of genericity), it needs to be properly proven.

76. It is true that there are cases where an extensive reputation has been parlayed into conceptual meaning (for example C-361/04 *PICASSO/ PICARO* and C-449/18 *MESSI*) but these are the exception rather than the rule and depend on their own facts. Furthermore, the 'reputation' element in those cases related to the fame attached to the names of the individuals for their roles in society, rather than specifically to a trade mark function. In other words, it was a different sort of reputation."

40. I find that the average consumer would understand the contested mark to be a female name.

41. The applicant submits that the contested mark is a reference to Zagreus, who, it claims, *"is a young god who originated from Crete to Greece, and is commonly associated with the Greek god Dionysus"*.[6] The applicant goes on to say that the third letter ("G") was omitted. While I consider it is possible that the average consumer may know the names of some Greek gods or goddesses, it seems to me unlikely that any but the keenest classical scholars would be aware of Zagreus, still less recognise his name in the contested mark.

[6] Applicant's submissions, paragraph 15.

42. The opponent's submissions on the conceptual content of the applicant's mark are as follows:

> "73. The Opponent submits that in light of the enhanced distinctiveness of the Earlier Mark, the prefix ZAR- is more likely to be understood as a sub-brand or brand extension of the Earlier Mark. For example, the average consumer may perceive the Contested Mark as a brand extension referring to its EU or US markets (i.e. ZARA EU; ZARA US) which is likely to cause indirect confusion. Another possibility is that some consumers would understand ZAREUS to be a foreign language conjugation of ZARA.
>
> 74. In scenarios where the Contested Mark is perceived as ZARA EU or ZARA US, or as a foreign language conjugation of ZARA, it is respectfully submitted that the Contested Mark is conceptually similar to the Earlier Mark to a high degree."

43. The first of these scenarios is predicated on the trade mark's reputation being converted into a conceptual meaning, and I have explained why this argument takes the opponent nowhere. I can see no reason why the average consumer would believe the contested mark to be *"a foreign language conjugation"* of the female name ZARA. In my view, the average consumer is likely to believe that the contested mark is an invented word. As the earlier mark will be seen as a name, there is no conceptual similarity between the marks.

Distinctive character of the earlier marks

44. Distinctive character is a measure of how strongly a mark distinguishes the goods or services of one undertaking from those of others. The factors that I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer*:

> "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)."

45. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

46. As I have already found, ZARA will be seen in the UK as a female name. It has a medium level of inherent distinctive character for the goods relied on under this ground. The opponent has claimed that this has been enhanced through the use made of the marks. The applicant submits that the opponent did not make this claim in its TM7 notice of opposition and statement of grounds, or in its evidence. Although the claim is not mentioned in the statement of grounds under section 5(2)(b), it is made in the section referring to the opposition under section 5(3).[7]

47. For convenience, I set out below the earlier goods that are still in play.

Class 10	*Orthopedic articles.*
Class 18	*Animal skins, hides; whips, harness and saddlery.* *Trunks and travelling bags; umbrellas and parasols; walking sticks.*
Class 25	*Articles of clothing for men, women and children; all included in Class 25.* *Clothing articles for men, women and children.*

48. The UK's first Zara fashion store opened in London in 1998 and at the time of the witness statement the opponent had 58 stores operating under the earlier mark

[7] See paragraph 18.

throughout the UK.[8] The tables below show UK sales figures for a variety of different goods:

Clothing, footwear, headgear

Year	Sales (GBP) (pre-tax)
2017	Over 700 million
2018	Over 740 million
2019	Over 780 million
2020	Over 600 million
2021	Over 900 million
2022	Over 1 billion

Bags

Year	Sales (GBP) (pre-tax)
2017	Over 14 million
2018	Over 15 million
2019	Over 14.5 million
2020	Over 10 million
2021	Over 19 million
2022	Over 19.7 million

Suitcases

Year	Sales (GBP) (pre-tax)
2017	Over 350,000
2018	Over 380,000
2019	Over 360,000
2020	Over 160,000
2021	Over 180,000
2022	Over 200,000

[8] Paragraphs 4-5.

Umbrellas

Year	Sales (GBP) (pre-tax)
2017	Over 50,000
2018	Over 50,000
2019	Over 50,000
2020	Over 20,000
2021	Over 20,000
2022	Over 40,000

49. Mr Oroza Rodríguez states that the marks are promoted through word of mouth, the physical stores, social media and the Zara website. Worldwide, rather than UK, figures are given for promotional expenditure, ranging from €45 million in 2016 to €141 million in 2020.[9] More specifically to the UK, Mr Oroza Rodríguez states that in 2020 the website had 47 million unique users in the UK, generating a total of 241.8 million views that year.[10] Exhibit JMD21 contains an article from *Retail Gazette* dated 22 January 2019 entitled "How does Zara survive despite minimal advertising?" It explains that the brand actively used social media as a marketing platform before many of its competitors and was a pioneer in the use of social media influencers. Awareness of the brand is also spread through traditional media, with Zara clothing featuring in national newspapers such as *The Sunday Times, The Guardian* and *The Daily Mirror* and fashion and lifestyle magazines such as *Cosmopolitan, Marie Claire* and *Grazia*, all before the relevant date.[11] The earliest article in the evidence is dated 17 April 2016 and the latest 22 June 2022, although I note that there is also an article in Exhibit JMD15 dated 27 October 2022, which is after the relevant date. A number of these articles describe occasions on which the opponent's clothes have been worn by royalty, namely the Princess of Wales, and celebrities.[12]

50. I am satisfied that the evidence shows that the distinctive character of the earlier mark had been enhanced to a high degree for *Articles of clothing for men and women* and *Clothing articles for men and women*, but while there are a few references in the

[9] Paragraph 34.
[10] Paragraph 33.
[11] Exhibits JMD11 and JMD12.
[12] Exhibit JMD12, pages 87-93.

evidence to a children's range, these are very limited. There are two social media posts, dated 7 December 2019 and 25 October 2021 respectively.[13] In addition, Exhibit JMD14 contains documents showing the delivery of clothing, footwear and headgear to UK stores between 12 July 2016 and 12 April 2022. These goods are categorised as "Lady/Girl" or "Man/Boy" so I am unable to see the extent to which they show children's clothing.

51. Turning now to *Travelling bags*, I have overall sales figures for bags and specific figures for suitcases. An article from *The Independent* dated 3 March 2017 entitled "10 overnight bags for women" features a Zara bag described as *"a larger handbag from high street favourite Zara"*, suitable for those travelling light for a single night.[14] The only other article in this exhibit that shows something described as a travel bag is a 2018 article from a US fashion website Refinery29 showing a bowling bag priced at $69.90.[15] Mr Oroza Rodríguez states that Exhibit JMD16 contains images from the opponent's website and social media pages displaying suitcases and other luggage items. I cannot identify any suitcases, although there are social media posts showing bags which could conceivably be used as travelling bags. The same applies for the delivery documents in Exhibit JMD17. However, the sales figures do not indicate how many of such bags have been sold before the relevant date. Taking the evidence as a whole, I consider that it is not sufficient to show that the distinctive character of the earlier marks has been enhanced for these goods.

52. The evidence relating to *Umbrellas* and *parasols* is thinner. While sales figures have been given for umbrellas, the only additional piece of evidence is a social media post from 17 November 2021.[16] Again, I am unable to find that the distinctive character of the earlier marks has been enhanced for these goods.

53. Not all the goods listed in paragraph 39 are shown in the evidence. There are no examples of *Orthopedic articles; Animal skins, hides; whips, harness and saddlery;*

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[13] Exhibit JMD13, pages 122 and 116.
[14] Exhibit JMD15, page 168.
[15] *Ibid*, page 186.
[16] Exhibit JMD16, page 218.

trunks; walking sticks. Consequently, I find that the distinctive character of the earlier marks has not been enhanced for these goods.

Conclusions on likelihood of confusion

54. The likelihood of confusion must be assessed globally, taking into account all relevant factors. It is not simply a case of applying a formula and seeing what comes out. I am required to make my assessment from the perspective of the average consumer and should also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or vice versa. I keep in mind 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 they have in their mind.

55. There are two types of confusion that may occur. Direct confusion is where the average consumer mistakes one mark for the other, while indirect confusion is where the average consumer recognises that the marks are different, but for some reason assumes that the later mark also identifies the goods or services of the owner of the earlier mark, or that the two undertakings are related: see *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, paragraph 16.

56. The applicant submits that confusion will not arise, particularly in the context of the Class 10 goods, because the opponent's *"target market are normal individuals as the products offered are more inclined to fast fashion, whilst the Applicant's target market is more niche"*.[17] However, the case law is clear that I am required to consider the notional and fair use of the earlier marks: see *Roger Maier & Anor v ASOS & Anor* [2015] EWCA Civ 200, paragraph 78. In addition, the CJEU stated in *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06 P, that:

> "59. As regards the fact that the particular circumstances in which the goods in question were marketed were not taken into account, the Court of First

[17] Paragraph 10.

> Instance was fully entitled to hold that, since these may vary in time and depending on the wishes of the proprietors of the opposing marks, it is inappropriate to take those circumstances into account in the prospective analysis of the likelihood of confusion between those marks."

57. Earlier in my decision, I found that:

- the parties' goods in Classes 18 and 25 were identical, while the applicant's Class 10 goods were similar to the opponent's goods to a medium or low degree;
- the average consumer in most cases was a member of the general public who would be paying a medium or slightly higher than medium degree of attention;
- the average consumer of some of the goods in Class 18 would be a business paying a higher than medium degree of attention;
- the marks were visually similar to a medium degree and aurally similar to a low to medium degree;
- there was no conceptual similarity between the marks;
- the earlier marks had a medium degree of inherent distinctive character, which has been enhanced to a high degree for *Articles of clothing for men and women* and *Clothing articles for men and women*.

58. I shall first consider the likelihood of confusion in relation to the Class 25 goods. The identity of the goods, together with the enhanced distinctive character of the earlier marks, might be expected to point towards a likelihood of confusion. However, I must weigh all the relevant factors. I found that the marks were visually similar to a low to medium degree and that the Class 25 goods would be purchased primarily on a visual basis.

59. The opponent submits that:

> "63. … the average consumer is not always able to see the whole of a trade mark clearly when looking at the Contested Goods, whether on sale or post-

sale. It can depend on the angle from which they are being viewed and whether there might be anything partially obscuring part of the trade mark.

64. There is a particular risk of this in the context of the Contested Goods since their surface is not always smooth when being viewed. For example, there may be wrinkles or folds in the fabric or clothing bearing the Contested Mark. In addition, trade marks on bags are often embossed onto the product in a small font and partially obscured by luggage tags. Given the many different fabrics and textures of the Contested Goods, there may not always be a sufficiently clear contrast between the lettering and the background fabric such that the Contested Mark is clear. In addition, it may appear in a small, unassuming manner. It is therefore quite probably that only the first half of the Contested Mark may be visible to the average consumer at any given time."

60. In response to the opponent's submissions about the marks appearing on wrinkled or folded fabric, or in a discreet way, I recall that the average consumer will be paying a medium degree of attention. In a shop, I would expect them to handle the goods and perhaps even try them on before purchase. Even if they do not try them on, they will assess the style, colour, materials and likely fit of the clothing, suggesting that the purchase will be a reasonably considered one, not dependent on a quick view from a single angle. A mark is also likely to be encountered in more than one form. While it may be applied directly, and even subtly, to the garment, it is also likely to be seen on swing tags, labels or hangers. If the goods are bought online, I would expect the mark to be visible in the text and images describing the goods. In *ZOHARA Trade Mark*, BL O-040-20, Mr Daniel Alexander QC, sitting as the Appointed Person, made some general remarks on the assessment of the likelihood of confusion. Particularly relevant here are the following paragraphs:

"24. Fourth, in order to evaluate whether confusion is likely, a tribunal may properly (and in many cases must) consider a range of situations in which the mark is likely to be encountered in use. Equally, a tribunal must also consider the different ways in which the respective marks (and particularly the mark under challenge) may be perceived by consumers. In such case,

that is often in part an exercise of imagination as much as anything else, since in proceedings before the Registrar evidence of actual consumer responses is often unavailable.

25. However, that cannot be taken too far: consideration of the range of responses does not require a microscopic analysis of the assumed characteristics of large numbers of possible kinds of situation in which the marks might be used. Moreover, it does it [sic] follow from the fact that it is possible to envisage situations in which confusion might arise in such imagined scenarios, that this suffices for a conclusion that confusion on the part of the average consumer is likely. Consideration must be given also to how realistic or likely such situations are as well as how typical of the normal manner in which the marks in question would be encountered. The more remote such scenarios are from a situation in which a mark would normally be perceived or presented, having regard to the nature of the goods and the nature of the trade in them, the greater the caution that must be exercised before taking such into account and concluding that the statutory test is satisfied."

61. It is the likelihood, not the theoretical possibility, of confusion that I am required to evaluate. I keep in mind the case law that says the average consumer is reasonably circumspect and my findings on how they will purchase the goods. I must also take account of the distinctive character of the earlier mark, which lies in the word "ZARA" not the letters "ZAR-". The average consumer does not indulge in artificial dissection of the marks. They will not view the earlier mark as "ZAR" plus "A" and the contested mark as "ZAR" plus "EUS", but as individual words. Even with the operation of the interdependency principle and the imperfect recollection of the average consumer, there are, in my view, sufficient differences between the visual impressions of the marks for them not to be mistaken for each other, especially given the lack of any conceptual similarity between them.

62. As I have found no likelihood of direct confusion where there is identity between the goods and the earlier mark(s) have an enhanced degree of distinctive character, it

flows that there is no likelihood of direct confusion for the remaining goods. I shall therefore proceed to consider whether there is a likelihood of indirect confusion.

63. In paragraph 17 of his decision in *LA Sugar*, Mr Iain Purvis QC, sitting as the Appointed Person, gave the following examples of when indirect confusion could occur:

> "(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)."

64. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

> "12. This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition.
>
> 13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would

> prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

65. Earlier in my decision (at paragraph 42), I referred to the opponent's submissions that the contested mark would be seen as a brand extension referring to EU or US markets. I am not persuaded by this argument. It requires the average consumer to disregard the removal of the final "A" in the earlier mark and to believe that the suffix "EUS" would refer to the EU, US or both markets. I do not consider that this is plausible as the average consumer would need to analyse the various details of the mark and the case law, particularly *SABEL*, is clear that this is not how the average consumer behaves. None of the scenarios set out by Mr Purvis apply here and I see no other reason why the average consumer would assume that the contested mark is another mark of the opponent. I find there is no likelihood of indirect confusion.

66. The opposition under section 5(2)(b) fails.

Section 5(3)

67. Given the success of the opposition, I shall deal with this ground relatively briefly, for the sake of completeness.

68. Section 5(3) of the Act is as follows:

> "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 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."

69. The relevant case law can be found in the following judgments of the CJEU: *General Motors Corp v Yplon SA* (Case C-375/97), *Intel Corporation Inc v CPM United Kingdom Ltd* (Case C-252/07), *Adidas Salomon AG v Fitnessworld Trading Ltd* (Case C-408/01), *L'Oréal SA & Ors v Bellure & Ors* (Case C-487/07), *Interflora Inc & Anor v Marks and Spencer plc & Anor* (Case C-323/09) and *Environmental Manufacturing LLP v OHIM* (Case C-383/12 P). 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 and/or services, the extent of the overlap between the relevant consumers for those goods and/or 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 that 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) The more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oréal*, paragraph 44.

g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods and/or 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 and/or services for which the earlier mark is registered, or a serious risk that this will happen in the future; *Intel*, paragraphs 76 and 77, and *Environmental Manufacturing*, paragraph 34.

h) 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.

i) 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 on the earlier mark; *L'Oréal*, paragraph 40.

j) 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; *Interflora*, paragraph 74, and the court's answer to question 1 in *L'Oréal.*

70. The conditions of section 5(3) are cumulative. First, the marks at issue must be identical or similar. I have already made this finding under section 5(2)(b). Secondly, the opponent must satisfy me that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the relevant public. Thirdly, it must

be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the application. Fourthly, assuming that the first three conditions have been met, section 5(3) requires that one or more of the three types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods/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.

Reputation

71. In *General Motors*, the CJEU held that:

> "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 services 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.
>
> 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the

> absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

72. Earlier in my decision, I found that the distinctiveness of the 846 and 165 marks had been enhanced in relation to *Articles of clothing for men and women* and *Clothing articles for men and women* respectively. The same factors I considered then are relevant to the question of reputation. I am satisfied that these marks have a strong reputation in the relevant territory of the UK for these goods and that the evidence shows that this reputation is for fashionable, well-priced clothing and a business model that is based on rapid turnover of stock. I am also satisfied based on the evidence that the opponent has a strong reputation for Class 35 retail services in connection with the sale of clothing.

Link

73. In assessing whether the public will make the required mental link between the marks, I must take account of all relevant factors, which were identified by the CJEU in *Intel* at paragraph 42. These are:

- the degree of similarity between the conflicting marks;
- 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;
- the strength of the earlier mark's reputation;
- the degree of the distinctive character of the earlier mark(s), whether inherent or acquired through use; and
- whether there is a likelihood of confusion.

Degree of similarity between the conflicting marks

74. I found that the contested mark was visually similar to the earlier marks to a medium degree and aurally similar to the earlier marks to a low to medium degree, and that there was no conceptual similarity between them.

Nature of the goods or services

75. The contested Class 25 goods are identical to the goods in relation to which the earlier marks enjoy a reputation. The opponent submits that the contested Class 10 and 18 goods would be sold in the same places (for example, the clothing and accessories sections of a department store), advertised through the same channels, and be complementary and in competition with each other. It repeats its assertion that compression garments are now worn for fashion purposes, but I have found this assertion to be unsupported by any evidence. I disagree that the goods would be sold in the same places. I accept that many of the contested goods in Class 18 are likely be sold by department stores, but *Trunks and travelling bags* would be sold in the luggage department and accessories such as walking sticks and umbrellas are not necessarily sold near clothing.

76. The opponent refers me to the decision of another Hearing Officer in *Chanel's Gabrielle*, BL O/670/19, and invites me to make a similar finding that bags (and, indeed, all the contested goods in Class 18) are similar to a low degree to clothing in Class 25. However, that decision does not contain any analysis on this point as the applicant admitted that there was a low degree of similarity. I am therefore cautious about applying the findings in that decision directly to this case.

77. In *Gitana SA v OHIM*, Case T-569/11, the General Court held that there was a more than slight degree of similarity between clothing in Class 25 and some goods in Class 18, where they *"contribute, with clothing and other clothing goods, to the external image ('look') of the consumer concerned, that is to say coordination of its various components at the design stage or when they are purchased"*.[18] I consider that it is

[18] Paragraph 45.

possible that *Trunks and travelling bags; umbrellas and parasols*; and *walking sticks* may contribute to the “look” of the consumer concerned and I find a low degree of similarity between these goods and the opponent’s Class 25 goods. However, I do not think the reasoning holds in the case of *Animal skins, hides; whips, harness and saddlery*, and find that these goods are dissimilar.

78. Earlier in my decision, I found that there was at best a low degree of similarity between the contested Class 10 goods and the opponent’s Class 25 goods. I do not consider that the level of similarity is increased if I compare the applicant’s goods with the opponent’s Class 35 services.

Strength of the earlier marks’ reputation

79. I found the earlier marks’ reputation to be strong.

The degree of distinctive character of the earlier marks

80. Earlier in my decision, I found that the distinctive character of the earlier marks had been enhanced to a high degree for the Class 25 goods for which it has a reputation. I also consider that the same applies in respect of the Class 35 services.

Whether there is a likelihood of confusion

81. I found there to be no likelihood of confusion.

Findings on whether there is a link

82. I remind myself that the level of similarity for the public to make a link between the marks for the purposes of this ground may be less than the level of similarity required to create a likelihood of confusion under section 5(2)(b): see *Intra-Presse SAS v OHIM*, Joined cases C-581/13 P and C-582/13 P, paragraph 72. However, despite the strong reputation and enhanced distinctive character of the earlier marks, the similarities between the respective marks are not strong enough to result in a link being created in the mind of the relevant public when they encounter the contested mark on the

applicant's goods. If I am wrong in this, and a link does arise, it would, in my view, be a fleeting one that does not give rise to any of the possible heads of damage.

83. The opposition fails under section 5(3).

CONCLUSION

84. The opposition has failed and Application No. 3805374 may, subject to a successful appeal, proceed to registration.

COSTS

85. The applicant has been successful and is entitled to a contribution towards its costs, based on the scale published in Tribunal Practice Notice No. 2/2016. In the circumstances, I award the applicant the sum of £1100 as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Considering the notice of opposition and preparing a counterstatement:	*£300*
Considering the opponent's evidence:	*£500*
Preparing written submissions in lieu of a hearing:	*£300*
TOTAL:	***£1100***

86. I therefore order Industria de Diseño Textil, S.A. (Inditex, S.A.) to pay Wen Chi Joseph Ko the sum of £1100. This sum is to 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 5th day of January 2024

Clare Boucher,
For the Registrar
Comptroller-General