

O/0355/24

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003833327

BY ZARZAR LLC

TO REGISTER THE FOLLOWING TRADE MARK:

ZARZAR

IN CLASSES 25, 35 AND 41

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 437884 BY INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.)

Background and Pleadings

1. On 26 September 2022, ZARZAR LLC ('the Applicant'), filed an application to register the following trade mark:

ZARZAR

2. The application was published for opposition purposes in the Trade Marks Journal on 7 October 2022. Registration is sought for the following goods and services:

Class 25:	Bikinis; Shirts; Tank-tops.
Class 35:	Advertising and promotional services; Modeling agency services; Promoting the goods and services of others; Retail services relating to clothing; Online retail store services relating to cosmetic and beauty products; Retail services in relation to footwear; Retail services relating to fragrancings preparations; Retail services in relation to hair products; Online retail services relating to handbags; Retail services in relation to headgear; Talent agency services [business management of performing artists]; Wholesale services in relation to clothing.
Class 41:	Education services; Education services relating to design; Education services relating to nutrition; Educational services relating to sports; Education services relating to modelling; Educational services for teaching acting; Education services relating to health; Education services relating to fashion; Education services relating to physical fitness; Entertainment services; Providing multi-media entertainment via a website; Providing online videos, not downloadable; Online publications, namely blogs.

3. On 7 December 2022, the application was opposed by Industria de Diseño Textil, S.A. (Inditex, S.A.) ('the Opponent') based on sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ('the Act'). The Opposition is directed against the applied-for specification in its entirety.

4. The Opponent relies upon the following two earlier rights:

i) UK00002166165 (registered)

ZARA

Filing date: 8 May 1998

Date of entry in register: 27 April 2001

Registered for the following goods and services:

Class 25:	<i>Clothing articles for men, women and children, belts, hosiery, footwear, headgear.</i>
Class 35:	<i>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; advertising and business management services relating to retail fashion goods; business management and business administration services; sales promotion, compilation and provision of sale information; shop window dressing; advertising including direct distribution of advertising material and catalogues, direct-mail advertising, distribution of samples.</i>

Section 5(2)(b) ground

This mark is relied upon to oppose some of the applied-for goods and services: those in classes 25 and 35 only.

Section 5(3) ground

The Opponent claims a reputation for all of the goods and services in respect of which its earlier mark is registered. This ground is directed against the applied-for specification in its entirety.

ii) UK00003640304 (registration pending)

ZARA

Filing date: 12 May 2021

Priority date: 5 March 2010¹

Registration is sought for a large number of goods and services only the following of which are relied upon for the instant proceedings:

Class 25:	<i>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; bodices; 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);</i>
-----------	--

¹ This mark was a pending EU mark on IP completion day. It has been filed in accordance with Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union and retains its EU filing date of 5 March 2010.

	<p><i>waistcoats; jackets; fishermen's jackets; greatcoats; combinations (clothing); slippers (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; hosiery; knitwear [clothing]; gymnastic clothing; outer clothing; sandals; saris; briefs; hats; brassieres; wimples; togas; trouser straps; suits; turbans; dresses; slippers, sports shoes.</i></p>
Class 35:	<p><i>Advertisement services; business management; business administration; office functions; Retail and Wholesale services connected with the sale of ready-made clothing for men, women and children, footwear (except orthopaedic footwear), headgear, motorists' and cyclists' clothing, bibs, not of paper, headbands (clothing), bath robes, bathing suits, bathing caps and sandals, boas (necklets), underwear, babies' pants, scarves, boots for sports and beach shoes, hoods (clothing), shawls, belts, money belts, wet suits for water-skiing, neckties, corsets, sashes for wear, fur stoles, girdles, scarves, caps, gloves, waterproof clothing, underwear, mantillas, stockings, socks, ascots, babies' nappies of textile, handkerchiefs, furs (clothing), pyjamas, soles for footwear, heels, veils (clothing), suspenders, clothing of paper, gymnastics and sports suits, layettes, collars (clothing), sports jerseys, mittens, ear muffs (clothing), inner soles, bow ties, sarongs, cuffs, dress shields, masquerade costumes, beach clothes, cap peaks, dressing gowns, pockets for clothing, sock suspenders, stocking suspenders, petticoats, tights, aprons (clothing), headgear for wear, wooden shoes, caps, garters, coats, esparto shoes or sandals, non-slipping devices for boots and shoes, bath robes, bath slippers, caps, smocks, teddies (undergarments), berets, footmuffs, not electrically heated, lace</i></p>

boots, boots, boot uppers, studs for football boots, half-boots, fittings of metal for shoes and boots, tips for footwear, welts for boots and shoes, heelpieces for boots and shoes, pants, shirts, shirt yokes, shirt fronts, tee-shirts, bodices, waistcoats, jackets, fishing vests, stuff jackets, combinations (clothing), slippers (undergarments), detachable collars, collars (clothing), clothing of leather, clothing of imitations of leather, shower caps, slippers, skirts, ready-made linings (parts of clothing), overcoats, gabardines, gymnastic shoes, jerseys (clothing), pullovers, sweaters, liveries, muffs (clothing), footwear uppers, parkas, pelerines, pelisses, spats, leggings, knitwear, hosiery, gymnastic clothing, outerclothing, sandals, saris, underpants, hats, brassieres, wimples, togas, trouser straps, suits, turbans, frocks, slippers, sports shoes [...]; commercial or industrial management assistance; organisation of exhibitions for commercial and publicity purposes; promotion provided by a commercial company by means of a client loyalty card; modelling for advertising or sales promotion; publication of publicity texts; shop-window dressing; commercial management assistance in relation to franchises; demonstration of goods; organisation of trade fairs for commercial or advertising purposes; sales promotion (for others); auctioneering; Promotion and management of shopping centres; import-export agencies; on-line advertising on a computer network; Procurement for others (purchasing of goods and services for other companies); arranging newspaper subscriptions (for others); distribution of samples; computerized file management; public relations; commercial information agencies; publicity agencies; rental of vending machines; rental of advertising space; dissemination of advertisements; business management assistance; data searches in computer files, for others; compilation of data on a central computer; transcription of communications; advertising mail; professional management of artistic affairs; direct mail

	<i>advertising; updating of advertising material; document reproduction; marketing studies; outdoor advertising; opinion polling; systematization of data on a central computer; advertising; mail advertising, radio and television advertising; presentation of goods on any communication media, for retail purposes.</i>
Class 41:	<i>Education; providing of training; providing amusement services; sporting and cultural activities; publication of texts (other than publicity texts); organisation of beauty contests; arranging and conducting of conferences and congresses; organization of exhibitions for cultural or educational purposes; organisation of competitions (education or entertainment).</i>

Section 5(2)(b) ground

This mark is relied upon to oppose the applied-for specification in its entirety.

Section 5(3) ground

The Opponent claims a reputation for the following of its applied-for goods and services only:

- the class 25 goods, as set out above;
- and
- the following class 35 terms only:²
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.

This ground is directed against the applied-for specification in its entirety.

5. The Opponent claims that:

² The Opponent initially pleaded a reputation in a larger number of class 35 terms, but subsequently limited its reputation claim in its written submissions in lieu of a hearing, paragraph [35].

- the Applied-for mark is similar to the Opponent’s earlier marks and registration is sought for identical and similar goods and services and that there is a likelihood of confusion between the parties’ marks;
- the similarity between the parties’ marks is such that the relevant public will make a link between the later mark and earlier reputed marks and that the Applicant’s mark would, without due cause, take unfair advantage of, or be detrimental to the distinctive character and/or repute of the Opponent’s mark; and
- that the Opponent has made genuine use of its earlier registration UK00002166165 for all goods and services for which it is registered.

6. The Applicant filed a Defence and Counterstatement in which it:

- concedes that the following of the parties’ goods and services are identical:³

Contested goods and services:	Earlier goods and services:
Class 25: <i>Shirts</i>	Class 25: <i>Shirts</i> (UK00003640304)
Class 25: <i>Tank-tops</i>	Class 25: <i>Ready-made clothing for men, women and children</i> (UK00003640304)
Class 35: <i>Advertising and promotional services</i>	Class 35: <i>Retail and Wholesale services connected with the sale of ready-made clothing for men, women and children</i> (UK00003640304)
Class 41: <i>Education services</i>	Class 41: <i>Education</i> (UK00003640304)

- denies that the remaining applied-for goods and services are similar to those of the Opponent;
- denies that the applied-for mark is similar to the earlier marks;

³ Applicant’s Counterstatement, paragraph [5].

- denies that there is a likelihood of confusion between the parties' marks;
- puts the Opponent to proof that it has used its earlier mark UK00002166165 for the goods and services claimed;
- and
- puts the Opponent to strict proof of all aspects of its claim pursuant to section 5(3) of the Act.

7. The Opponent is represented by Taylor Wessing LLP. The Applicant is represented by Trademarkit LLP.

EVIDENCE AND SUBMISSIONS

8. Only the Opponent filed evidence. A hearing was neither requested nor thought necessary and only the Opponent filed written submissions in lieu of a hearing. I will refer to the Opponent's written submissions where necessary in my decision.

9. The Opponent filed evidence as follows:

- The Witness Statement of Javier Monteoliva Diaz, General Secretary of the Board for the Opponent, is dated 27 April 2023, and is accompanied by 20 exhibits: JMD1 – JMD20. Mr Monteoliva Diaz' evidence focuses on the use and reputation of the earlier marks. I will refer to the Opponent's evidence in my decision to the extent that it is relevant.

RELEVANCE OF EU LAW

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.

11. The following decision has been made after careful consideration of the papers before me.

PRELIMINARY MATTERS

Related proceedings

Earlier mark UK00002166165:

12. This mark is subject to revocation proceedings CA506366. The revocation sought is only partial; the Class 25 goods are not challenged, nor the Class 35 term *advertising and business management services relating to retail fashion goods*. The revocation dates sought are 28 April 2006, 29 April 2006, 29 April 2015 and 29 April 2021. In the event that the revocation action was successful for any of the revocation dates sought, and to the extent that the outcome resulted in the revocation of the mark in respect of services relied upon by the Opponent in the instant proceedings, the mark would cease to be an earlier mark for the purposes of these proceedings because it would have been revoked at the time of the filing of the applied-for mark. To the extent that my decision turns upon the Opponent's reliance on UK00002166165, my decision will be provisional.

Earlier mark UK00003640304:

13. This unregistered mark is subject to opposition proceedings Op429405. To the extent that my decision turns upon the Opponent's reliance on this mark for goods/services which are opposed, my decision will be provisional.

14. Once these two sets of related proceedings have been determined, and subject to any successful appeals, a supplementary decision will be issued for the instant proceedings.

Decisions O/789/21 and O/331/12

15. I note that the Opponent has referred to the above UK decisions in which it was found that the Opponent's mark 'ZARA' had a reputation in the UK at the relevant dates (23 July 2020 and 27 April 2009, respectively). While these findings are noted, I am not bound by these decisions and must conduct my own assessment of the evidence before me in the instant case.

DECISION

Opponent's evidence

16. I note the following from the Opponent's evidence:

- a) Mr Diaz has given narrative evidence that the first 'ZARA' store was opened in 1975 in Spain, and that the first UK store opened in London in 1998.⁴ As at the time of the Opponent filing evidence, 'ZARA' had a presence in 96 markets over five continents with a network of more than 2052 ZARA stores located in the shopping districts of major cities.⁵ There are currently 58 ZARA stores in the UK in addition to a strong online presence in 202 markets.⁶ According to the Opponent's 'Group Press Dossier', the online sale of ZARA products in Germany, France Spain, the UK and Portugal began in 2010.
- b) Net sales figures for ZARA branded clothing, footwear and headgear in the UK from 2017 to 2022 were:⁷

Year:	Sales figures (in GBP) before taxes:
2017	Over 700 million
2018	Over 740 million
2019	Over 780 million
2020	Over 600 million
2021	Over 900 million
2022	Over 1 billion

- c) The Opponent's worldwide marketing and advertising expenditure for the ZARA mark is provided as follows:⁸

Year	Total (EUR)
2016	Over 45 million

⁴ Witness Statement of Javier Monteoliva Diaz, paragraphs [7] and [8].

⁵ As above, paragraph [8].

⁶ As above, paragraph [9].

⁷ As above, paragraph [28].

⁸ Witness Statement of Javier Monteoliva Diaz, paragraph [36].

2017	Over 55 million
2018	Over 71 million
2019	Over 102 million
2020	Over 141 million
2021	Over 222 million
2022	Over 220 million

d) The global number of visits to the Zara website is said to be as follows:⁹

Year	Visits to ZARA website
2020	3.5 billion
2021	4.1 billion
2022	4.1 billion

Mr Diaz states that in the UK, the Opponent's ZARA website, together with the ZARA mobile App, had 47 million unique users for 2020, generating a total of 241.8 million views for that year.

- e) The Opponent's annual report of 2022 states that sales to third parties of products under 'ZARA' and 'ZARA HOME' were '23,902' and '19,714' in the years 2022 and 2021, respectively.¹⁰ The report itself does not provide the units of measurement for the figures, but I have no reason to doubt Mr Diaz' narrative evidence that the figures are in million (€).¹¹
- f) A report by McKinsey & Company, dated January 2019, titled 'Perspectives on retail and consumer goods', includes a table of the 'Top 20 players' in the fashion industry in 2017 by economic profit (\$million). The source is referenced as 'McKinsey Global Fashion Index, based on data from McKinsey Corporate Performance Analytics' which indicates that the sums quoted are global figures. The Opponent is ranked in first place with a profit of over 4

⁹ As above, paragraphs [34] and [35].

¹⁰ Exhibit JMD17.

¹¹ Witness Statement of Javier Monteoliva Diaz, paragraph [27].

billion (\$). I note that the brands ranked at lower positions include, *inter alia*, Nike and Gap.¹²

- g) An Article dated 18 September 2000 from the financial page of The New Yorker, titled 'The most devastating retailer in the world'. The article highlights the 'Zara' business model according to which a high throughput of limited product lines which both avoids overstocking, and ensures that new products are available frequently, is the reason for the brand's success.¹³
- h) According to a 2022 report titled 'Best Global Brands' by an organisation called 'Interbrand', the ZARA brand is ranked 47th with a value of 14,958 million (\$). Reports for the years 2017 – 2021 indicate that Zara has occupied a position in the top 50 for each of those years.¹⁴ I note that brands ranked are not limited to clothing brands but are brands at large. Some well-known brands ranked below Zara include Ford and Adidas. The report makes specific mention of Zara as follows: 'Zara, one of apparel's biggest success stories, focuses on the basics. Its online platform is a simple, streamlined extension of the brick-and-mortar experience, where it concentrates efforts. Zara's growth model is based on a clear understanding of how its customers shop'.
- i) A report by Kantar Millward Brown, a market research company, ranked ZARA at number 83 amongst the 100 most valuable global brands in 2022.¹⁵ I note that the brands featured are not limited to clothing brands but are brands at large. The report goes on to note that ZARA is the second most valuable apparel brand worldwide with a 'brand value' of \$25,400 million; with well-known brands NIKE ranked above, in first place, and ADIDAS ranked below, in third place.¹⁶

¹² Exhibit JMD1.

¹³ Exhibit JMD3.

¹⁴ Exhibit JMD4.

¹⁵ Exhibit JMD5.

¹⁶ As above.

- j) A report by Forbes,¹⁷ dated 14 October 2021, titled 'The World's most valuable brands 2020' places 'ZARA' at position 41 out of 50 with a 'brand value' of \$14.7 billion. I note that the well-known brand IKEA is ranked above ZARA, at position 40, and Sony is ranked below ZARA, at position 47.¹⁸
- k) An article in Forbes magazine, dated 15 March 2017, titled 'Why Zara is the most exciting retailer today' states that 'Zara just blew away its competition with year-end gains sure to be the envy of retailers everywhere'.¹⁹ The article further states that '[...] it should come as no surprise that Zara is the largest fashion retailer in the world by sales posting impressive annual results'.²⁰ The success of the 'ZARA' brand is attributed to 'a multi-pronged approach that creates a closed-loop' according to which the company is able to get fashions to stores quickly.²¹
- l) An article from The Independent, dated 10 December 2020, titled 'British Fashion Awards 2020: What makes the five winning brands in the environment sector so eco-friendly?' reported that 'The Fashion Pact', of which ZARA is a member, 'is a global coalition of companies in the fashion and textile industry committed to sustainable fashion'.²² Other members include the brands: Gucci, Chanel, Nike, Alexander McQueen, Prada, Hermés, Burberry, Gap and Zara'.²³
- m) An article from Hello! Magazine, dated 3 August 2021, titled 'Fashion and beauty brands that showed they cared during the COVID-19 crisis' highlighted that ZARA 'converted its factories to create masks and hospital gowns for first responders in Spain' during the pandemic.²⁴
- n) An article from Drapers,²⁵ dated 19 November 2021, titled 'Drapers Awards 2021: Best Store Design, Zara, Cardiff' praised Zara's use of technology to

¹⁷ It is my understanding that 'Forbes' is a well-known media company which reports news from the business world.

¹⁸ Exhibit JMD6; Witness Statement of Javier Monteoliva Diaz, at paragraph [15].

¹⁹ Exhibit JMD7.

²⁰ As above.

²¹ As above.

²² Exhibit JMD8.

²³ As above.

²⁴ Exhibit JMD9.

²⁵ Drapers appears to be a publication aimed at the fashion industry.

improve customer experience, which includes ‘an automated pick-up point for customers to collect online orders and self-checkout to offer a seamless experience’.²⁶

- o) An announcement from the website of ‘Licensing International’, dated 7 April 2022, titled ‘Licensing International Excellence Awards’, introduces ‘ZARA’ as a nominee for two of its product lines in the category ‘Best Licensed product – Apparel or Accessory for an Entertainment Property’: ‘Zara – Barbie 1059 Collection’ and ‘Zara – Playmobil Line’.²⁷

- p) Mr Diaz has introduced the following articles from the UK media which refer to the strength of the ZARA brand:²⁸
 - o ‘The UK’s biggest Zara has just opened and OH MY’, dated 21 April 2017 (Cosmopolitan magazine);
 - o ‘Zara uncovered; Inside the brand that changed fashion’, dated 8 August 2019 (BBC News);
 - o ‘Zara: Leading the digital concept store’, dated 9 November 2019 (Voice of London: News for Young Londoners);
 - o ‘Zara takes another step in personalization with a line of handbags’, dated 10 December 2019 (mds: The Global Fashion Business Journal);
 - o ‘First look: Zara debuts new UK store concept’, dated 2 December 2020, chronicled the opening of Zara’s ‘first concept store in the UK’ at Bluewater shopping centre, Kent (Drapers);
 - o ‘Zara Beauty Review: Is this the best high street beauty launch yet?’, dated 11 May 2021 (The Independent);
 - o ‘Zara has announced its first ever designer collaboration’, dated 8 September 2021 (Marie Claire magazine);
 - o ‘Why Zara is the most successful shop on the high street’, dated 16 September 2021 (The Telegraph);
 - o ‘Zara just launched eight delicious new perfumes with Jo Malone CBE’, dated 22 November 2021 (You magazine);

²⁶ Exhibit JMD10.

²⁷ Exhibit JMD11.

²⁸ Witness Statement of Javier Monteoliva Diaz, at paragraph [21]; Exhibit JMD12.

- 'Zara owner's sales jump by 36% as shoppers return to high streets', dated 8 June 2022 (The Guardian);
 - 'Zara's owner reports surging sales despite cost of living pressures', dated 14 September 2022 (The Guardian).
- q) A number of articles from the UK press in which particular ZARA products are featured:²⁹
- Article from a publication named 'Refinery 29', dated 3 April 2019, highlighting ZARA's new swimwear offering and including photographs of the following items: bikini tops and bottoms; one-piece swimsuits; hair scrunchies; turban-style hairbands; sandals; bags; sunhats; sunglasses; scarves. The 'ZARA' mark appears in every product description featured and each includes a link 'buy' which, in my view, is likely a direct link to enable the reader to buy the product.
 - Article from The Guardian, dated 11 September 2019, titled 'Zara's hit £40 polka-dot dress propels firm's worldwide sales growth' reports that the dress in question had its own page on Instagram.
 - Article from Marie Claire magazine, dated 24 March 2020, titled 'Zara home's secret loungewear section is just brilliant' features photographs, and what appear to be links directly to the product listings, for the following goods: nightdresses; soft knit polo shirts; soft knit trousers; bed jackets; pyjamas; vest tops; shorts; silk shirts.
 - Article from Grazia magazine, dated 31 August 2020, titled 'Here's how to get the Zara pieces that nobody else knows about yet' features photographs of the following items of clothing under the ZARA home brand: embroidered dress; shirt; platform sandals; shorts; linen bottoms; silk shirt.
 - Article from Vogue magazine, dated 23 October 2020, titled 'Zara's first ever lingerie collection prioritizes comfort and style' features the following

²⁹ Exhibit JMD13.

clothing items under the ZARA mark: bra and knickers; robe; cardigan; knit shorts; top; trousers; camisole top.

- Article from Hello! Magazine, dated 18 March 2021, titled 'Kate Middleton rocks bold Zara blazer and meaningful jewellery for new appearance' featured a photograph of the blazer in question and noted that the product had 'already sold out'.
 - Article from yahoo!life website, dated 1 June 2022, titled 'Kate Middleton just wore a gorgeous and affordable dress on a day out with Prince George' reported that the Duchess of Cambridge had been seen wearing 'a subtle blue floral dress from Zara' that retailed at 'less than \$70' and that the popularity of the dress had 'skyrocketed'. The article contained a photograph of the dress in question.
 - Article from Hello! Magazine, dated 11 June 2022, titled 'Frankie Bridge wows in the pettiest [sic] Zara dress'.
 - Article from The Independent, dated 22 June 2022, titled 'Zara's summer sale is here for all your wardrobe needs – here's what we're shopping' highlights the following goods under the Zara mark: dress; jeans; shirt; tote bag; blazer; mini skirt; trench coat; linen trousers; floral print dress; T-shirt.
 - Article from You magazine, dated 8 August 2022, titled 'Queen Letizia's £32.99 Zara dress is still available to buy' chronicled that the Queen of Spain and her two daughters have been seen wearing dresses from ZARA.
 - Article from the Mail online, dated 9 August 2022, titled 'Zara does it again! From European royalty to York racegoers, £32.99 dress is being hailed as THE dress of the summer' chronicles the popularity of a particular summer dress sold under the ZARA mark.
- r) Extracts from the 'ZARA' Instagram account, including 'posts' dated from 10 February 2017 to 4 July 2022, showing photographs of the following goods under the ZARA mark: blazers; boots; trousers; sportswear; hats; dresses; sunglasses; jumpers; skiwear for children; trainers; blouses. The majority of the

posts feature clothing/accessories/footwear for women. There are just 4 posts featuring males modelling items of clothing including: hats; jackets; coats; jeans; belts; trainers; T-shirts; trousers; hoodies; joggers. I note that the posts appear to have 'likes' that number in the tens or hundreds of thousands.³⁰

- s) 13 invoices to UK business customers covering a selection of dates between 13 July 2016 and 12 April 2022. Mr Diaz has stated that the invoices are for deliveries of clothing, headgear and footwear to be retailed in the UK.³¹ The invoices are addressed to retailers in London, UK, and the goods sold include: shoes; boots; cardigans; skirts; sweaters; blouses; belts; trousers; scarves; hats; tank tops; dresses; shirts; blazers; jackets; coats; and handbags. For many of the goods, several hundreds of units have been purchased. With the exception of one invoice dated 13 July 2016, the invoices punctuate the relevant period at fairly even intervals.
- t) The Opponent has provided reports from 'Newsworks.org.uk' which show the UK 'circulation figures and online reach' of the some of the newspapers/magazines in which articles on 'ZARA' have featured.³² The reports appear to quote figures as at 29 August 2018 and examples include:
- The Times newspaper: total reach of 1,620,000.
 - Daily Mail newspaper: total reach of 6,787,000.
 - The Guardian newspaper: total reach of 4,775,000.
- u) Article from Forbes magazine, dated 23 April 2018, titled 'Why Zara succeeds: It focuses on pulling people in, not pushing product out', praises the brand for its focus on the customer experience to draw people into its stores, which has contributed to its success as a brand.³³
- v) Article from the Retail Gazette, dated 22 January 2019, titled 'How does Zara survive despite minimal advertising?', reported that 'the brand name gets over

³⁰ Exhibit JMD14.

³¹ Witness Statement of Javier Monteoliva Diaz, at paragraph [25].

³² As above, at paragraph [26].

³³ Exhibit JMD19.

one million searches per month in the UK' and that the brand 'currently [as at date of article] boasts over 30 million followers and 28 million Facebook fans'.³⁴

The section 5(2)(b) claim

17. Section 5(2)(b) of the Act reads as follows:

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

(a)...

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

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

Earlier marks

18. In accordance with section 6 of the Act, the Opponent's marks are earlier marks by virtue of their respective filing and priority dates (UK00002166165, 8 May 1998; UK00003640304, 5 March 2010) both of which preceded the filing date of the Applicant's mark (26 September 2022).

PROOF OF USE

19. I will begin by assessing whether there has been genuine use of the Opponent's earlier mark UK00002166165. The relevant law is as follows:

“6A(1) This section applies where:

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

³⁴ Exhibit JMD20.

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

(b) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

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

(3) The use conditions are met if –

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

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

(4) For these purposes –

a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5)-(5A) [Repealed]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the 8 purposes of this section as if it were registered only in respect of those goods or services.”

20. Section 100 of the Act states that:

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

21. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-

141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

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

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

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

22. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real” because the use would not be “viewed as warranted in the

economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark” is, therefore, not genuine use.

Relevant date for proof of use

23. Section 6A of the Act provides that where the date on which the registration procedure of the earlier mark was completed more than 5 years prior to the application date (or priority date) of the applied-for mark, the Opponent may be required to prove use of the earlier mark. In the instant case, section 6A is engaged in respect of earlier mark UK00002166165 by virtue of it having been registered for more than 5 years on the date on which the Applicant’s mark was filed. The Applicant has requested proof of use of the earlier mark in respect of all of the services upon which the Opponent seeks to rely.
24. The Opponent has made a statement that it has made genuine use of all of the goods and services for which its earlier mark is registered. The relevant time period for this purpose is the five years prior to and ending on the application date of the applied-for mark: 27 September 2017 to 26 September 2022.
25. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.³⁵
26. I have considered carefully the totality of evidence before me. It is my view that the Opponent has succeeded in demonstrating that it has made genuine use of its earlier mark in the UK for various items of clothing/hats/footwear/headgear for men, women and children. The net sales figures provided for the UK covering the relevant 5-year period are impressive. The lowest figure is £600 million and, unsurprisingly, relates to 2020, when the global coronavirus pandemic was at its peak. Sales figures of £900 million by 2021 indicate an impressive recovery from the dip in the previous year. By 2022, the figures have climbed to over £1 billion. The Opponent has provided numerous articles, in the UK press, for dates within the relevant period, which make frequent mention of ‘ZARA’ in relation to clothing. Of particular note is the ‘Refinery29’ article (2 April 2019) which includes many

³⁵ *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

product listings for clothing items (and bags, sunglasses and footwear), each of which includes: the ZARA mark; the price of the goods expressed in £GBP and a direct link to enable the reader to buy the goods at the click of a mouse. Furthermore, the 22 June 2022 article from The Independent, also includes photographs of clothing items; the accompanying product descriptions ascribing the 'ZARA' mark to the items and including 'buy now' links which I presume take the reader directly to the ZARA website to make a purchase. The invoices provided demonstrate the sale to UK-based retailers of substantial consignments of clothing and fashion accessories on dates punctuating the relevant period at fairly evenly-spaced intervals.

27. The Instagram posts for the Opponent's 'ZARA' account demonstrate clear and consistent use of the ZARA mark in relation to photographs of clothing and accessories retailed under the ZARA brand for the duration of the relevant period. The level of engagement with the posts, i.e. the number of 'likes' is high. It is not possible to discern from this piece of evidence alone what proportion of 'likes' can be attributed to consumers based within the UK. Mr Diaz has, however, given narrative evidence that the ZARA website, together with the ZARA mobile phone App, had 47 million unique users for 2020, generating a total of 241.8 million views for that year. The observation by the Retail Gazette, on 22 January 2019, that the ZARA brand name is the subject of over one million searches per month in the UK supports Mr Diaz' statement in this regard. Although no examples of pages from the ZARA website have been included in the body of evidence, I have no reason to doubt that the ZARA mark will likely have appeared frequently on its pages as part of the product descriptions, in a similar manner to the product listings in the aforementioned 'Refinery29' article. Considering the totality of evidence before me, I find that the earlier mark UK00002166165 has been put to genuine use in the relevant period for various items of clothing/hats/footwear/headgear for men, women and children.

28. I now consider for which terms in the specification in respect of which the earlier mark is registered there has been genuine use. The specification as registered is set out above at [4].

Fair Specification

29. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

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

30. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation³⁶ as follows (at [47]):

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

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

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

³⁶ Although these principles were espoused in the context of a revocation action, they are relevant to the issue of *genuine use*, whether the substantive claim is a revocation, invalidation or opposition etc.

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

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

31. Having considered the body of evidence available to me, I am of the view that the following is a fair specification for the Opponent's mark:

Class 25:
<i>Clothing articles for women, belts, footwear, headgear.</i>
Class 35:
<i>The bringing together, for the benefit of others, of a variety of goods, namely clothing articles for women, belts, footwear and headgear, enabling customers to conveniently view and purchase those goods in a retail store.</i>

32. My view is that the Opponent has demonstrated use of the mark sufficient to justify the terms set out above. The vast majority of the evidence relates to clothing items for women. There is only scant evidence in relation to clothing items for men and children, by way of photographs from Instagram posts. In the absence of any other material demonstrating specific instances of men's and children's clothing being

sold or held out for sale under the ZARA mark (e.g. invoices; product listings), it is my view that there is insufficient material available to me to justify a finding that the Opponent has made genuine use of its mark in the UK for clothing for men and children. The evidence contains many specific instances of items of clothing for women being retailed in the UK covering a wide array of different garments, as well as specific examples of the sale of belts, hats and footwear. I consider that given such a multitude of clothing items for women being sold/held out for sale, it is appropriate to find that the broad term 'clothing articles for women, belts, footwear, headgear' is a fair specification for class 25. There is no evidence of *hosiery*, which I understand to include tights, stockings and suspender belts/garters etc, being sold under the mark.

33. I consider that the class 35 term *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* is too broad to reflect the extent of use shown in the evidence, for two reasons. Firstly, the wording 'a variety of goods' will cover goods beyond *clothing, belts, footwear and headgear*. Secondly, the wording 'retail department store' will cover retailers selling goods besides the aforementioned.

34. For the remaining class 35 terms for which the earlier mark stands registered, the evidence does not indicate use. Taking the example of the term *advertising and business management services relating to retail fashion goods*, although a clothing retailer will almost always advertise their own wares, the ordinary construction of this term is, in my view, the provision of an advertising or business management service to a third-party (e.g. a retailer). The recipient of the service will be a business, not a purchaser of the goods being retailed. Advertising and associated business activities performed by a retailer in relation to the retail of its own goods are, in my view, simply internal tasks performed by that retailer and not a service offered to others.

35. To the extent that the Opponent relies on its earlier mark UK00002166165, the Opponent may therefore only rely on the terms set out above at [31].

Section 5(2)(b) case law

36. The following principles are derived 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 B.V.* Case C-342/97; *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98; *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (‘OHIM’)*, Case C-3/03; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C120/04; *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P; and *Bimbo SA v OHIM*, Case C-591/12P:

(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 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 great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public 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

37. Section 60A of the Act provides:

(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the 'Nice Classification' means the system of classification under the Nice Agreement Concerning the International Classification of Goods

and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1975.

38. The CJEU in *Canon*, Case C-39/97, stipulates that all relevant factors relating to the parties' goods and services must be taken into account:

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

39. Goods or services will be found to be in a competitive relationship only where one is substitutable for the other.³⁷ In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (“GC”) described “complementary” in the following terms: “[...] 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”.³⁸ In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods.

40. Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281³⁹, identified the following factors for assessing similarity of the respective goods and services:

- (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;

³⁷ *Lidl Stiftung & Co KG v EUIPO*, Case T-549/14.

³⁸ Paragraph 82

³⁹ *British Sugar Plc v James Robertson & Sons Ltd* [1996] R. P. C. 281, pp 296-297.

(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.

41. Goods (or services) may be grouped together for the purposes of assessment, as Geoffrey Hobbs QC (as he then was), sitting as the Appointed Person, said in *Separode Trade Mark* BL O-399-10:

“The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision.”

42. In making an assessment between the competing goods and services, I bear in mind the decision of the GC in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05:

“29. ... 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”.

43. In construing the terms used in the parties' specifications, I will follow the guidance of Floyd J. (as he then was) in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch):

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49].

Nevertheless, the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

44. The goods and services to be compared are set out at Annex 1 to this decision.

Class 25

45. The Applicant has conceded that the following of its goods are identical to those of the Opponent (earlier mark UK2166165): ***Shirts; Tank-tops.***⁴⁰ The Applicant's goods will also be encompassed by the Opponent's broad terms *Clothing articles for women [...]* (UK00002166165) and *Ready-made clothing for men, women and children* (UK00003540304) and, therefore, identical according to the principle in *Meric*.

Contested goods: ***Bikinis***

46. The contested goods are items of clothing and will be encompassed by the Opponent's broad terms *Clothing articles for women [...]* (UK00002166165) and

⁴⁰ As noted above at paragraph [6] of this decision.

Ready-made clothing for men, women and children (UK00003540304). The parties' goods are therefore identical according to the principle in *Meric*.

Class 35

47. The Applicant has conceded that its *Advertising and promotional services* are identical to the Opponent's services (UK00003540304).⁴¹

Contested services: ***Retail services relating to clothing; Retail services in relation to footwear; Retail services in relation to headgear; Wholesale services in relation to clothing.***

48. The contested services will be encompassed by the Opponent's broad term *Retail and Wholesale services connected with the sale of ready-made clothing for men, women and children, footwear (except orthopaedic footwear), headgear [...]* (UK00003540304). The parties' services are therefore identical according to the principle in *Meric*.

Contested services: ***Promoting the goods and services of others***

49. The contested services are synonymous with the Opponent's term *sales promotion (for others)* (UK00003540304) and are, therefore, identical according to the principle in *Meric*.

Contested services: ***Modeling agency services***

50. The contested term will encompass the Opponent's *modelling for advertising or sales promotion* (UK00003540304). The parties' services are therefore identical according to the principle in *Meric*.

Contested services: ***Online retail store services relating to cosmetic and beauty products; Retail services relating to fragrancings preparations; Retail***

⁴¹ As above.

services in relation to hair products; Online retail services relating to handbags

51. I compare these services to the Opponent's *Retail [...] services connected with the sale of ready-made clothing for men, women and children, footwear (except orthopaedic footwear), headgear* (UK00003540304). Both parties' offerings are retail services, albeit for different respective goods. The respective services will overlap in purpose to the broad extent that both are intended to bring together and make available for sale a variety of goods. They will differ in purpose to the extent that the goods being brought together and held out for sale are, in the Opponent's case, clothing, footwear and headgear, versus the Applicant's cosmetics/beauty products, fragrancing preparations, hair products and handbags. Users will overlap; both parties' services will be accessed by the general public. Trade channels will likely overlap sometimes; the same department store may retail the goods to which both parties' services relate. The parties' services will also overlap in term of their nature because the acts of service will be very similar, albeit for different goods. The parties' services are neither competitive nor complementary; neither is substitutable or necessary or important for the other. In the light of the foregoing, I find the parties' services to have a low to medium level of similarity.

Contested services: Talent agency services [business management of performing artists]

52. I compare these services to the Opponent's *modelling for advertising or sales promotion* (UK00003540304). In my view, the Applicant's services will entail the administrative/management tasks required to enable an artist to earn money for their craft. In my view, these will likely include promoting the artist, touting for work on their behalf and negotiating contracts or assignments for them. It is my view that 'models' can be considered as performers and, therefore, 'talent' because a core part of their role will often entail poise, movement, expression and, in many cases, acting. Users of these services will fall into two groups: professional artists, i.e. actors, musicians, models or dancers etc; and other parties (e.g. producers) seeking to engage the services of the performers. The Opponent's services, on the other hand, will entail the provision of models for various advertising

campaigns/promotional events. The users of these services will be predominantly businesses promoting their goods or services. The respective offerings will therefore differ in terms of their purposes. Users will overlap where the purchaser is a professional seeking to engage the services of a model. Trade channels will overlap because a talent agency will likely offer both services; the management of models as well as provision of those models for assignments. The nature of the respective acts of service will be similar. The parties' services may be in competition; a consumer might deliberate over whether to seek the services of a model via a 'talent agency' or an agency specifically focused on models. I do not find complementarity, neither service being necessary or important for the other. All things considered, I find the parties' services to have at least a medium level of similarity.

Class 41

53. The Applicant has conceded that its *Education services* are identical to the Opponent's services (UK00003540304).⁴²

Contested services: *Education services relating to design; Education services relating to nutrition; Educational services relating to sports; Education services relating to modelling; Educational services for teaching acting; Education services relating to health; Education services relating to fashion; Education services relating to physical fitness*

54. Each of the contested terms will be encompassed by the Opponent's broad term *Education* (UK00003540304). The parties' services are therefore identical according to the principle in *Meric*.

Contested services: *Entertainment services*

55. The contested term is a broad term which will encompass the Opponent's *providing amusement services* (UK00003540304), the essential purpose of amusements

⁴² As noted above at paragraph [6] of this decision.

being to entertain. The parties' services are therefore identical according to the principle in *Meric*.

Contested services: *Online publications, namely blogs.*

56. I compare the Applicant's services to the Opponent's *publication of texts (other than publicity texts)* (UK00003540304). In my view, the Opponent's broader term will encompass the Applicant's services. The parties' services are therefore identical according to the principle in *Meric*.

Contested services: *Providing multi-media entertainment via a website; Providing online videos, not downloadable*

57. It is my understanding that 'multi-media entertainment' comprises entertainment which features text, sound, images, video and animation, or any combination of those things. I compare the Applicant's services to the Opponent's *providing amusement services* (UK00003540304). The Applicant's term is a very broad one which will cover the provision of services relating to a vast array of amusements. I consider 'amusement' to be synonymous with 'entertainment'. I consider that the Opponent's term will encompass the Applicant's services. It is my view that the parties' services are in fact identical according to the principle in *Meric*. However, given that the Opponent has submitted that they are merely 'highly similar', I am unable to raise its case above that pleaded. I therefore find the parties' services to be highly similar.

Average consumer and the purchasing act

58. The average consumer is deemed to be reasonably well-informed and reasonably observant and circumspect. The word "average" denotes that the person is typical. 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*.

59. The average consumer of the class 25 goods and the 'retail' services within class 35 will be the general public. The purchasing act will be primarily visual. The services will be accessed by entering the physical retail premises or visiting a retailer's website. Typically, the goods will be picked up or examined in physical shops, or, in the case of online purchases, product information will be read, before making a purchase. There may also be an aural aspect to the purchasing process, for instance, where a purchaser has accessed the services having first been alerted to the retailer by 'word of mouth'. In my view, the average consumer would pay no more than a medium level of attention when accessing the services or selecting the goods, taking into account factors such as, *inter alia*: the range of goods available for sale (class 35 services); fit, style, colour and materials (class 25 goods).
60. The average consumer of *wholesale services in relation to clothing* will be the professional public, e.g. clothing retailers. The purchasing act will be primarily visual and the services will be used in the manner described above at [59]. I consider that the purchaser will typically purchase in bulk and will likely pay a medium to high level of attention during the purchasing act. Factors influencing the purchasing decision will likely include, *inter alia*: business needs and whether the supplier can fulfil them; the range and quality of the goods offered.
61. For the remainder of the class 35 services (i.e. those relating to advertising, promotional activities and modelling services), the average consumer will be predominantly the professional public. I consider that the purchasing act will be primarily visual to the extent that the service provider will likely be encountered online or having seen or read promotional material. There will also be an aural aspect in some cases where word-of-mouth recommendations are made by third parties, or where the purchaser has heard radio adverts or podcasts etc. I find that a level of attention in the medium to high range will be paid during the purchasing act. Factors influencing the purchasing decision will likely include the effect that the services are likely to have on the impression created in the minds of the customers purchasing the average consumers goods/services.

62. I find that the average consumer of the 'education' services in class 41 will be both the general and the professional public. The broad terms will relate to a broad range of subject areas/fields of expertise. I consider that the purchasing act will be primarily visual to the extent that the service provider will likely be encountered online, in printed promotional literature or by way of signage on physical premises in the street. There will also be an aural aspect in some cases where word-of-mouth recommendations are made by third parties, or where the purchaser has heard radio adverts or podcasts etc. I find that a level of attention in the medium to high range will be paid during the purchasing act. Factors influencing the purchasing decision will likely include, *inter alia*: the subject areas in which the consumer has an interest/needs to learn; training needs.

63. Those of the class 41 services with a focus on entertainment and amusements will be engaged predominantly by the general public. The purchasing act will be primarily visual; service providers will likely be encountered online, in printed or television advertising, or on the street. Entertainments and amusements cover a broad range of services; from an opera performance to a game on a slot machine. The price point of the services will therefore vary greatly. I find that a fairly low level of attention will be paid for more casual purchases (e.g. slot machine games); a medium level of attention might be paid for cinema tickets; whereas a higher level of attention, at least medium, will likely be paid when purchasing tickets for the opera or theatre.

64. The average consumer of the class 41 services *online publications* and *publication of texts (other than publicity texts)* will comprise both the general and professional consumer. The purchasing act will be primarily visual; service providers will likely be encountered online or in printed matter. The level of attention paid will likely vary according to the type of publication being sought. The average consumer looking to read a blog, for example, might pay a fairly low level of attention regarding the service-provider of that blog. On the other hand, a professional consumer considering purchasing a subscription to a specialised professional database might pay a higher level of attention; perhaps, of at least medium.

Comparison of the marks

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

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

66. It would be wrong, therefore, to artificially dissect the trade 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.

67. The marks to be compared are as follows:

Opponent's marks:	Holder's mark:
ZARA	ZARZAR

Overall impression of the marks

68. The Opponent's marks are identical. Any reference to the Opponent's mark, therefore, includes both. Both parties' marks are word marks⁴³ comprising a single string of characters rendered in a plain typeface: 'ZARA' versus 'ZARZAR'.

Visual comparison

69. The parties' marks share the first three characters 'ZAR', in that order. Both marks are fairly short; the difference in length by two characters will, in my view, therefore be particularly apparent to the average consumer. The other points of difference between the marks are:

- the presence of the 'A' at the end of the Opponent's mark, which is absent from the Applicant's mark;
- the presence of the characters 'ZAR' at the end of the Applicant's mark, which are absent from the end of the Opponent's mark.

70. In the light of the foregoing, I find the marks to have a fairly low level of visual similarity.

Aural comparison

71. The Opponent's mark 'ZARA' will likely be articulated as 'ZAR-RUH'. The Applicant's mark will likely be articulated as 'ZAR-ZAR'. Both marks are two syllables in length, the first syllables being identical. The point of aural difference resides in their second syllables; 'RUH' versus 'ZAR'. The repetitious quality of the

⁴³ In *LA Superquimica v EUIPO*, Case T-24/17, at paragraph [39] it was held that:

'[...] it should be noted that a word mark is a mark consisting entirely of letters, words or groups of words, without any specific figurative element. The protection which results from registration of a word mark thus relates to the word mentioned in the application for registration and not the specific figurative or stylistic aspects which that mark might have. As a result, the font in which the word sign might be presented must not be taken into account. It follows that a word mark may be used in any form, in any colour or font type (see judgment of 28 June 2017, *Josel v EUIPO — Nationale-Nederlanden Nederland (NN)*, T-333/15, not published, EU:T:2017:444, paragraphs 37 and 38 and the case-law cited).'

'ZAR' sound in the Holder's mark will also be discerned aurally. I find the parties' marks to have a medium level of aural similarity.

Conceptual comparison

72. The Opponent has submitted that the Opponent's mark will be perceived by the average UK consumer as a female name and that the Holder's mark 'ZARZAR' will be perceived as a diminutive of that name.⁴⁴ The Applicant has submitted that 'ZARA' and 'ZARZAR' will be perceived by 'most English speakers' as two different names.⁴⁵

73. I agree that 'ZARA' will be perceived by a significant proportion of average UK consumers as a female name. However, I am not convinced that a significant proportion of average UK consumer would perceive 'ZARZAR' as a diminutive of the name 'Zara' or as a name at all. My view is that 'ZARZAR' will likely be perceived as an invented word to which no concept will attach. All things considered, I find the parties' marks to be conceptually neutral.

Distinctive character of the earlier marks

74. 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).

⁴⁴ Opponent's written submissions in lieu of a hearing, paragraph [11].

⁴⁵ Applicant's counterstatement, paragraph [8].

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).”

75. Registered trade marks possess varying degrees of inherent distinctive character. Where a mark is suggestive or allusive of a characteristic of the goods or services, it tends to be low. Inherent distinctive character may range up to a high level for marks which consist of invented words with no allusive qualities.

76. The distinctive character of a trade mark can be appraised only, first, by reference to the goods and services specified in the registration and, secondly, by reference to the way that it is perceived by the relevant public.⁴⁶

77. It is my view that the word ‘Zara’ will be perceived as a female name. Although ‘Zara’ will neither describe nor allude to the goods and services in respect of which the marks are registered, or found to have been put to genuine use, the average consumer will be accustomed to the use of names as badges of origin. I find the Opponent’s mark to have a level of inherent distinctive character of no more than medium.

78. I now consider whether the mark enjoys an enhanced level of distinctive character. In my view, it is clear from the evidence that by 26 September 2022 (being the relevant date, on which the contested application was filed) the ‘ZARA’ mark had a high level of distinctive character in relation to women’s clothing goods and fashion accessories, and retail thereof. This is borne out by the UK sales figures, which exceeded £600 million even during the global pandemic, steadily rising to

⁴⁶ *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

over £1 billion for 2022. Evidence of marketing and advertising expenditure has been provided by way of worldwide figures from which it is not possible to discern expenditure for the UK in particular. However, Mr Diaz' evidence that, in the UK, the Opponent's 'ZARA' website, together with the 'ZARA' mobile App, had 47 million unique users which generated a total of 241.8 million views for that year. It is evident from the many articles in UK media publications, with wide readerships, that 'ZARA' has an image for producing a high throughput of goods to ensure that it is at the cutting edge of affordable fashion. In August 2022, the 'ZARA' brand was lauded by the retail Gazette for its success despite minimal advertising and reported that the brand gets over 1 million search per month in the UK. Grazia magazine's article, published in August 2020, titled 'Here's how to get the Zara pieces that nobody else knows about yet', indicates a likely anticipation by the public in advance of new collections being launched. Several other UK articles have a particularly laudatory tone; for example, Cosmopolitan magazine, on 21 April 2017, headed an article with the words 'The UK's biggest Zara has opened and OH MY'. BBC News, a well-known mainstream media outlet, in August 2019 published a feature titled 'Zara uncovered: Inside the brand that changed fashion'. The Telegraph newspaper ran an article on 16 September 2021 titled 'Why Zara is the most successful shop on the high street'. The Guardian newspaper, on 11 September 2019, reported that a particular '£40 polka-dot dress' from ZARA was received with such excitement that it had its own page on Instagram and helped to propel the brand's 'worldwide sales growth'. Other articles report that ZARA-branded clothing is being endorsed by well-known public figures such as Catherine, the Duchess of Cambridge (Hello! Magazine 18 March 2021; and yahoo!life website, 1 June 2022) and Queen Letizia of Spain (You Magazine, 8 August 2022). I therefore have no doubt that the distinctiveness of the 'ZARA' mark had been enhanced to a high degree by 26 September 2022.

Likelihood of confusion

79. Confusion can be direct or indirect. Mr Iain Purvis Q. C., (as he then was) as the Appointed Person, explained the difference in the decision of *L.A. Sugar Limited v*

*By Back Beat Inc*⁴⁷. Direct confusion occurs when one mark is mistaken for another. In *Lloyd Schuhfabrik*⁴⁸, the CJEU recognised that the average consumer rarely encounters the two marks side by side but must rely on the imperfect picture of them that they have kept in mind. Direct confusion can therefore occur by imperfect recollection when the average consumer sees the later mark but mistakenly matches it to the imperfect image of the earlier mark in their ‘mind’s eye’. Indirect confusion occurs when the average consumer recognises that the competing marks are not the same in some respect, but the similarities between them, combined with the goods/services at issue, leads them to conclude that the goods/services are the responsibility of the same or economically linked undertakings.

80. I must keep in mind that a global assessment is required taking into account all of the relevant factors, including the principles a) – k) set out above at [36]. When considering all relevant factors ‘in the round’, I must bear in mind that a greater degree of similarity between goods/services *may* be offset by a lesser degree of similarity between the marks, and vice versa.

81. It is my view that, despite the identity and similarity between the parties’ goods and services, the net effect of the visual and aural differences is sufficient to overcome the similarities that I have identified. Notwithstanding the principle of imperfect recollection, the average consumer will, in my view, notice the differences between the parties’ marks (i.e. the difference in the length and spelling of the marks). Aurally speaking, despite both marks being of two syllables, I have found that the average consumer will discern the difference in sound residing in the second syllables of the parties’ marks (i.e. ‘RUH’ versus ‘ZAR’). I also consider the ‘repetitive’ aspect of ‘ZAR’ in the mark ‘ZARZAR’ to be another marked aural difference. I have borne in mind that the Opponent’s mark ZARA enjoys a high level of distinctive character by virtue of the use that has been made of it. Even so, I do not consider that factor to diminish the impact of the visual and aural differences that I have identified between the parties’ marks. I find that there is no

⁴⁷ Case BL O/375/10 at [16].

⁴⁸ *Lloyd Schuhfabrik Meyer and Co GmbH v Klijsen Handel BV* (C-34297) at [26].

likelihood of confusion between the marks. I find this to be the case even where a fairly low level of attention is paid during the purchasing process.

82. I now consider whether there is a likelihood of indirect confusion. I note that in the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [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.

83. I bear in mind that in *L.A. Sugar Limited v Back Beat Inc*⁴⁹ Mr Iain Purvis Q. C. (as he then was), as the Appointed Person, explained that [my words in parentheses]:

“17. Instances where one may expect the average consumer to reach such a conclusion [i.e. to conclude that marks relate to the same or economically linked undertakings] 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.).

⁴⁹ Case BL O/375/10

(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)"

84. My view is that the instant case does not fall within any of the categories identified above. It is acknowledged that these categories are not intended to be exhaustive. The distinctiveness of the earlier mark resides in the word 'ZARA', and that distinctiveness has been enhanced by the use made of it in relation to women's clothing goods and accessories, and retail thereof. The only shared element between the parties' marks is the string of characters 'ZAR'. This string of characters cannot be said to be a separable element of either mark. To my mind, there is no logical or commercially sensible rationale for 'ZARZAR' to be a brand extension of 'ZARA'. Furthermore, I can conceive of no mental process by which the average consumer may notice the differences between the marks but conclude that both parties' marks originate from the same or economically-related undertakings. I can find no proper basis for a finding of a likelihood of indirect confusion between the parties' marks.

85. The opposition pursuant to section 5(2)(b) therefore fails in its entirety. I now proceed to consider the Opponent's claim pursuant to section 5(3) of the Act.

The section 5(3) claim

86. 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."

87. 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'Oréal 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*).

88. The conditions of section 5(3) are cumulative. There must be similarity between the marks, the Opponent must also show that its marks have achieved a level of knowledge, or reputation, amongst a significant part of the public. The Opponent must also establish that the public will make a link between the marks, in the sense of the earlier marks being brought to mind by the later mark. Assuming that these conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the opponent will occur. It is unnecessary for the purposes of section 5(3) that the goods 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.

89. The relevant date for the assessment under section 5(3) is the deemed date of the application at issue, being 26 September 2022.

Reputation

90. In *General Motors*, Case C-375/97, the CJEU held that:

“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.”

91. Under its section 5(3) ground, the Opponent relies on both of its earlier marks. I remind myself that its earlier mark UK00002166165 was subject to proof of use and, while it was successful in proving genuine use, the specification was, as a result, limited as set out above at [31]. The Opponent relies upon its earlier mark UK00003640304 for the following goods and services only:

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.

Class 35:

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.

92. I note that the Opponent, for its mark UK00003640304, relies upon a lengthy specification in class 25. I do not consider it necessary to make a detailed assessment of whether the mark enjoys a reputation in respect of each and every clothing item enumerated. The marks are identical, and it will suffice to consider reputation in relation to the term *Ready-made clothing for men, women and children, footwear (except orthopaedic), headgear* which, in any event, encompasses the individual clothing items subsequently set out in the specification.

93. I have found the mark 'ZARA' to have an enhanced level of distinctive character by virtue of the use made of it in relation to clothing items, which has resulted in the mark enjoying a high level of distinctive character. Although enhanced distinctiveness and reputation are different, the same factors are required to be considered. The evidence supporting my finding in respect of enhanced distinctiveness, set out above at [77], also leaves me in no doubt that the mark enjoys a very strong reputation in the UK for the sale of clothing.

Link

94. 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.

95. I have found the parties' marks to be visually similar to a low degree and aurally similar to a medium degree. I have found no conceptual nexus between the parties' 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.

96. The class 25 goods relied upon by the Opponent under this ground are identical to the Applicant's class 25 goods. The class 35 services relied upon by the Opponent under this ground are identical to the Applicant's 'retail services' relating to clothing, footwear and headgear. I consider that the Applicant's retail services in relation to goods other than clothing, footwear and headgear bear no more than a low level of similarity to the Opponent's class 35 retail services. I find the remainder of the Applicant's services in class 35, and its services in class 41, to be dissimilar to the Opponent's goods and services relied upon under this ground.

The strength of the earlier mark's reputation

97. The earlier marks enjoy a strong reputation in the UK. This is evident from, *inter alia*, the notably laudatory tone of many of the UK press articles and the documented instances of well-known public figures wearing ZARA products which has helped to shine a 'spotlight' on the ZARA mark. Several online publications showcasing ZARA clothing, footwear and headgear include direct links to the retailer's online store to enable the goods to be purchased readily by readers of the articles etc. I consider that the ZARA mark enjoys a reputation that goes beyond the mere goods themselves and extends to the retail services relating thereto.

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

98. The earlier marks enjoy a high level of distinctive character in relation to the goods and services relied upon under this ground.

Whether there is a likelihood of confusion

99. I have found that there is no likelihood of either direct or indirect confusion.

Conclusion on link

100. Success under section 5(3) does not require a likelihood that the average consumer would be confused as to the origin of the goods. The purpose of section 5(3) is to afford the proprietor of a mark that has acquired a reputation a form of

extended protection that guards against the use of a later mark that is sufficiently similar to call to mind the reputed mark in such a way that it would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier mark.

101. I now consider whether for the average consumer, when encountering the Applicant's mark 'ZARZAR', the earlier reputed mark 'ZARA' would be called to mind. I have taken into account all of the relevant factors set out above. I bear in mind that the earlier mark has a strong reputation in the UK for clothing goods and retail services relating thereto. Visually and aurally speaking, there is some similarity between the marks; although I have found that the average consumer would not perceive any conceptual nexus between them. 'ZARA' will likely be perceived as a female name, whereas 'ZARZAR' will likely be perceived as an invented word. That said, it is my view that there may be a significant proportion of average consumers for whom the mark 'ZARZAR' does at least call to mind, however fleetingly, the reputed mark 'ZARA' in so far that one is reminded of it upon hearing or seeing the mark 'ZARZAR'. I find that the calling to mind of the earlier mark is too fleeting to 'crystallise' into a definite mental link. In case I am wrong in my finding, I proceed to consider whether damage would arise if there were a definite mental link in the minds of a significant proportion of average consumers.

Damage

102. I now consider whether the link is sufficient to give rise to any of the three types of damage: unfair advantage ('freeriding'); tarnishing ('detriment to repute'); or dilution (detriment to distinctive character).

103. Taking unfair advantage is also described as 'parasitism' or 'free-riding' and entails the later mark seeking to benefit from the attractive force enjoyed by the earlier mark without itself making any marketing or promotional efforts, or paying any financial compensation to the proprietor of the earlier mark.⁵⁰ Taking unfair

⁵⁰ Case C-487/07 – *L'Oréal v Bellure*.

advantage also occurs in cases of 'image transfer' according to which the image of the earlier mark is projected onto the goods/services of the later mark. This is often described in the case law as 'riding on the coat-tails of the mark with a reputation'.⁵¹ It is my view that, even if the average consumer *did* make a mental link between the competing marks in this case, such a link would be too insubstantial for this type of damage to occur. I consider that any mental link arising in the mind of the average consumer will be fleeting and, at its highest, a mere reflection that 'ZARZAR sounds a little like the clothing brand ZARA'. The earlier mark enjoys a reputation for affordable fast fashion (i.e. clothing, footwear and headgear) and the retail services through which those goods are sold. I find that the mental link is too fleeting and tenuous to result in the calling to mind of the earlier mark 'ZARA' casting any sort of 'halo' effect over the later mark 'ZARZAR' such that the consumer is rendered more likely to purchase clothing from 'ZARZAR' than if it had not made the mental link to 'ZARA'. Of the three types of damage that might occur under section 5(3), unfair advantage is the type most readily proven. Given my finding, I consider it unnecessary to consider whether any of the remaining types of damage might ensue. The opposition pursuant to section 5(3) has failed in its entirety.

Outcome

104. The Opposition has failed in its entirety. Subject to a successful appeal, the Application may proceed to registration in full. In the light of my finding, it is unnecessary for this decision to be provisional.

COSTS

105. The Applicant is the successful party and is entitled to a contribution to its costs based upon the scale published in Tribunal Practice Notice 2/2016, calculated as follows:

⁵¹ As above.

Consideration of Opposition and preparation of Defence and Counterstatement	£300
Consideration of the Opponent's evidence	£200
Total:	£500

106. I therefore order Industria De Diseno Textil, S.A. (Inditex S.A.) to pay to Zarzar LLC the sum of £500. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 17th day of April 2024

N. R. Morris

For the Registrar,

the Comptroller-General

Annex 1

The goods and services to be compared are set out in the table below. Earlier mark UK00002166165 is relied upon only for the opposed goods and services marked in bold. Earlier mark UK00003640304 is directed against all of the opposed goods and services.

Earlier marks:	Applied-for mark:
<p>(i) UK00002166165</p> <p>Class 25: <i>Clothing articles for women, belts, footwear, headgear.</i></p> <p>Class 35: <i>The bringing together, for the benefit of others, of a variety of goods, namely clothing articles for women, belts, footwear and headgear, enabling customers to conveniently view and purchase those goods in a retail store.</i></p>	<p>Class 25 <i>Bikinis; Shirts; Tank-tops.</i></p> <p>Class 35: <i>Advertising and promotional services; Modeling agency services; Promoting the goods and services of others; Retail services relating to clothing; Online retail store services relating to cosmetic and beauty products; Retail services in relation to footwear; Retail services relating to fragrancings preparations; Retail services in relation to hair products; Online retail services relating to handbags; Retail services in relation to headgear; Talent agency services [business management of performing artists]; Wholesale services in relation to clothing.</i></p>
<p>(ii) UK00003640304</p> <p>Class 25: <i>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</i></p>	<p>Class 41</p>

<p><i>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</i></p>	<p>Education services; Education services relating to design; Education services relating to nutrition; Educational services relating to sports; Education services relating to modelling; Educational services for teaching acting; Education services relating to health; Education services relating to fashion; Education services relating to physical fitness; Entertainment services; Providing multi-media entertainment via a website; Providing online videos, not downloadable; Online publications, namely blogs.</p>
--	---

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); slippers (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.

Class 35:

Advertisement services; business management; business administration; office functions; Retail and Wholesale services connected with the sale of ready-made clothing for men, women and children, footwear (except orthopaedic footwear), headgear, motorists' and cyclists' clothing, bibs, not of paper,

headbands (clothing), bath robes, bathing suits, bathing caps and sandals, boas (necklets), underwear, babies' pants, scarves, boots for sports and beach shoes, hoods (clothing), shawls, belts, money belts, wet suits for water-skiing, neckties, corsets, sashes for wear, fur stoles, girdles, scarves, caps, gloves, waterproof clothing, underwear, mantillas, stockings, socks, ascots, babies' nappies of textile, handkerchiefs, furs (clothing), pyjamas, soles for footwear, heels, veils (clothing), suspenders, clothing of paper, gymnastics and sports suits, layettes, collars (clothing), sports jerseys, mittens, ear muffs (clothing), inner soles, bow ties, sarongs, cuffs, dress shields, masquerade costumes, beach clothes, cap peaks, dressing gowns, pockets for clothing, sock suspenders, stocking suspenders, petticoats, tights, aprons (clothing), headgear for wear, wooden shoes, caps, garters, coats, esparto shoes or sandals, non-slipping devices for boots and shoes, bath robes, bath slippers, caps, smocks, teddies (undergarments), berets, footmuffs, not electrically heated, lace boots, boots, boot uppers, studs for football

boots, half-boots, fittings of metal for shoes and boots, tips for footwear, welts for boots and shoes, heelpieces for boots and shoes, pants, shirts, shirt yokes, shirt fronts, tee-shirts, bodices, waistcoats, jackets, fishing vests, stuff jackets, combinations (clothing), slippers (undergarments), detachable collars, collars (clothing), clothing of leather, clothing of imitations of leather, shower caps, slippers, skirts, ready-made linings (parts of clothing), overcoats, gabardines, gymnastic shoes, jerseys (clothing), pullovers, sweaters, liveries, muffs (clothing), footwear uppers, parkas, pelerines, pelisses, spats, leggings, knitwear, hosiery, gymnastic clothing, outerclothing, sandals, saris, underpants, hats, brassieres, wimples, togas, trouser straps, suits, turbans, frocks, slippers, sports shoes [...]; commercial or industrial management assistance; organisation of exhibitions for commercial and publicity purposes; promotion provided by a commercial company by means of a client loyalty card; modelling for advertising or sales promotion; publication of publicity texts; shop-window dressing; commercial management assistance

in relation to franchises; demonstration of goods; organisation of trade fairs for commercial or advertising purposes; sales promotion (for others); auctioneering; Promotion and management of shopping centres; import-export agencies; on-line advertising on a computer network; Procurement for others (purchasing of goods and services for other companies); arranging newspaper subscriptions (for others); distribution of samples; computerized file management; public relations; commercial information agencies; publicity agencies; rental of vending machines; rental of advertising space; dissemination of advertisements; business management assistance; data searches in computer files, for others; compilation of data on a central computer; transcription of communications; advertising mail; professional management of artistic affairs; direct mail advertising; updating of advertising material; document reproduction; marketing studies; outdoor advertising; opinion polling; systematization of data on a central computer; advertising; mail advertising, radio and television

advertising; presentation of goods on any communication media, for retail purposes.

Class 41:

Education; providing of training; providing amusement services; sporting and cultural activities; publication of texts (other than publicity texts); organisation of beauty contests; arranging and conducting of conferences and congresses; organization of exhibitions for cultural or educational purposes; organisation of competitions (education or entertainment).