

O/1083/22

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3351526
IN THE NAME OF MARK TUCKER FOR THE TRADE MARK**

Zaranda

IN CLASSES 41 and 43

AND

THE OPPOSITION THERETO UNDER NUMBER 415483

BY

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

Background

1. On 7 November 2018, Mark Tucker (“the applicant”) filed trade mark application number 3351526 for the mark Zaranda for the following services:

Class 41: *Entertainment services, night club and disco services, dance club, provision of live or recorded entertainment.*

Class 43: *Services for providing food and drink, public house, wine bar, restaurant.*

2. The application was published for opposition purposes in the *Trade Marks Journal* on 16 November 2018. It was opposed under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”) by Industria de Diseno Textil, S.A. (Inditex, S.A.) (“the opponent”).¹

3. The opponent claims a likelihood of confusion between the parties’ marks under section 5(2)(b), relying upon some of the services covered by two earlier trade mark registrations, as shown below:

(i) European Trade Mark (“EUTM”) 008929952

ZARA

Filing date: 5 March 2010; date registration procedure completed: 11 August 2022.

Class 41: *Providing amusement services.*

Class 43: *Temporary accommodation; hotel services.*²

¹ Section 5(4)(a) as also pleaded, but withdrawn by the opponent in its written submissions in lieu of a hearing.

² The EUTM was opposed at the time this opposition was filed. Under section 5(2)(b), the notice of opposition pleaded reliance on “Restaurant services (food); temporary accommodation; self service restaurants, cafeterias, hotel services”, but the EUTM was later refused in respect of Restaurant services (food); self service restaurants, cafeterias.

(ii) International Registration 752502

ZARA

International registration date: 1 February 2001; priority date (Spain): 1 August 2000; date protected in the UK: 24 August 2001

Class 35: *Retail outlet services.*

4. I will say more about the pleadings for marks (i) and (ii) in the section of this decision which compares the parties' services under section 5(2)(b) of the Act. The opponent also relies on the above earlier marks for its section 5(3) ground, along with two other earlier UK trade mark registrations. Under section 5(3), the opponent originally relied upon a reputation in a very lengthy list of goods and services of earlier mark (i), in classes 1 to 45. In relation to earlier mark (ii), the opponent pleaded reliance upon a reputation in *Ready-made clothing for women, men and children, footwear (except orthopaedic footwear) and headgear; clothing for motorists and cyclists; bibs, not of paper; head bands (clothing); bathrobes; swimming costumes; bathing caps and sandals; boas (to wear around the neck); underwear; babies' pants; scarves; hoods; shawls; belts; wet suits for waterskiing; ties; corsets; scarves; fur stoles; headscarves; woolly hats; gloves; underwear; mantillas; stockings; socks; neckscarves; textile nappies; furs (clothing); pyjamas; soles; heels; veils (clothing); braces; paper clothing; gym and sportswear; baby clothes; collars (clothing); insoles; bow ties; pareos* in class 25 and *retail outlet services; window dressing* in class 35. However, in its written submissions in lieu of a hearing, the opponent narrowed its reliance on a reputation as follows:

"5. The Opponent limits the goods and services relied upon as the basis of its opposition under Section 5(3) to the goods and services in which the Applicant admits the Opponent has a reputation, (i.e., articles of clothing for men and women (class 25), handbags, shoulder bags, purses and clutch bags (class 18), jewellery (class 14), and retail outlet services in respect of these goods (class 35) (its "**Reputed Goods and Services**")."

5. The other two earlier marks relied upon for section 5(3) are as follows:

(iii) UK 1574846

ZARA

“The mark consists of the Spanish word meaning “Maize””.

Filing date: 9 June 1994; registration date: 26 February 1996

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

(iv) UK 2166165

ZARA

Filing date: 8 May 1998; registration date: 27 April 2001

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

Class 35: 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.

6. The opponent claims that its reputation in its marks is such that the relevant public will believe that the parties’ marks are used by the same undertaking or an economically linked undertaking. The opponent also claims that use of the application will tarnish the reputation of the earlier marks, erode their distinctiveness, and give an unfair advantage to the applicant by virtue of the reputation of the earlier marks.

7. The applicant filed a defence and counterstatement, denying the opponent’s grounds but admitting that the opponent has goodwill and reputation in the UK “as a fashion brand”. Following a change of professional representation, this was clarified in written submissions during the evidence rounds and in lieu of a hearing as “the

Opponent is known in the UK for selling clothing and associated retail services” (paragraph 9 of submissions in lieu) and “The Applicant agrees that the Opponent has some reputation in the mark ZARA when used in relation to retail outlet services relating to sales of articles of clothing for men and women and handbags, jewellery, shoulder bags, purses and clutch bags...” (page 11 of submissions filed with evidence).

8. The opponent is not put to proof of use of marks (ii), (iii) and (iv) which are potentially subject to proof of use under section 6A of the Act as a result of having been registered for five years or more at the date on which the contested application was filed. The applicant expressly ticked ‘no’ on Form TM8, the defence and counterstatement, to the question as to whether the opponent was required to submit proof of use. Since no request for proof of use has been made, the opponent may rely upon all the goods and services identified in its (narrowed) pleadings.

9. Both parties filed evidence and written submissions in lieu of a hearing. The opponent is represented by Taylor Wessing LLP. The applicant is represented by Roome Associates Limited. The opponent filed evidence relating to some third-party fashion retailers offering entertainment services and having cafés in their stores.³ The applicant filed evidence about the use of and inspiration for their mark.⁴ I make this decision after a careful reading of all the papers, referring to the evidence and submissions as necessary.

Decision

10. Section 5(2)(b) of the Act states:

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

[...]

³ Witness statement of Jocelyn Clarke, an attorney at Taylor Wessing LLP, dated 19 August 2019 and exhibits; and witness statement of Julia King, an attorney at Taylor Wessing LLP, dated 17 March 2020 and exhibits.

⁴ Witness statement of Mark Tucker, dated 3 December 2019, and exhibits.

(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.”

11. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.⁵

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

⁵ Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

(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.

Preliminary issue

12. Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019. Tribunal Practice Notice (“TPN”) 2/2020 ‘End of Transition Period – impact on tribunal proceedings’ sets out the arrangements when EUTMs are relied upon in opposition proceedings:

“Practice for:

All tribunal proceedings launched before IP Completion Day (i.e. before 11pm on 31 December 2020) and,

Oppositions filed on, or after, IP Completion Day against trade mark applications filed before IP Completion Day

3. The transitional provisions provide that these proceedings should continue to be dealt with under the Act as it existed before IP Completion Day (i.e. the old law continues to apply). Users should note the following:

- EUTMs and IR(EU)s will continue to constitute earlier trade marks for the purpose of these proceedings. This applies to both registered and pending marks, although, in the case of the latter, this is subject to the earlier mark subsequently being registered or protected.
- it will not be possible to substitute in, or add, comparable marks or re-filed EUTM/IR(EU)s into these proceedings.
- we are aware that in some UK Tribunal cases, a small number of users may have an earlier EU mark pleaded against them which, in turn, is the subject of ongoing proceedings at EU level based on an even earlier UK right, and that it may no longer be possible to pursue those (EU) proceedings. We will issue further guidance in early 2021 setting out how such relevant UK Tribunal proceedings should be

managed. In the meantime, the impacted party may request a stay of any relevant UK proceedings until the practice is published.”

13. The EUTM in these proceedings was pending when the opposed application was filed and was still pending after IP Completion Day. The opponent did not re-file the mark in the UK during the 9-month window following IP Completion Day in order to retain the EU filing date and create a comparable mark. This complicates matters because although the legislation states that the ‘old law’ applies because the contested application was applied for before IP Completion Day, and therefore the opponent can rely on the EUTM (now a registered EUTM), a further piece of legislation was enacted, which forms the basis of TPN 1/2021 ‘Legal changes to the end of Transition Period transitional arrangements’. This has direct relevance to these proceedings because of the lack of a UK version of the EUTM (lack of a comparable mark).

14. A table of potential scenarios in TPN 1/2021 states:

Pending EU mark	The owner of the EU application did not re-file the application in the UK during the relevant period for doing so	The Tribunal may decide to not enforce the EU mark in such circumstances
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15. The TPN goes on to state:

“4. The new practice and required behaviour

The Tribunal will not limit the enforceability of a relied upon EU mark of its own motion. A party who wishes the Tribunal to take any of the actions set out below must, therefore, make an application (in writing) to the Tribunal at the earliest opportunity, the actions being:

1. To wait for any challenge against the comparable mark or refiled UK mark to be determined, and/or
2. To wait for any pending re-filed UK application to be determined, and/or
3. To request that the Tribunal does not enforce the EU mark at all, or only in part.

For absolute clarity, if no application is received, the UK opposition/invalidation proceedings will continue without reference to the status of the comparable mark or re-filed UK mark. The party making any application under these new provisions should identify the number of any comparable/re-filed UK mark and, where applicable, the cancellation/revocation number of any proceedings which have been launched against the comparable/re-filed UK mark. The Tribunal will only consider requests to stay proceedings to await the outcome of invalidation or revocation proceedings if those challenges have already been lodged.

Parties should note that the Tribunal will look to consider favourably any requests made under these new provisions. However, there may be circumstances where the Tribunal does not consider it appropriate to grant such requests. For example, if a challenge against a comparable/re-filed UK mark stands no real prospect of success, this will be seen as a delaying tactic and the request will likely be refused.

Where it is determined that the Tribunal should wait until any challenge to the comparable mark/re-filed UK mark has been decided, or until the registrability of a pending re-filed UK application has been determined, this may result in the original UK opposition/invalidation proceedings being stayed or, alternatively, in certain proceedings, being consolidated. Which course of action to follow will be decided on a case-by-case basis, using the Tribunal's case-management powers. The parties can request a case management conference if they do not agree.

5. Timing

The new law came into force on 26 November 2021. A party can now avail itself of the new law by making an application in accordance with the above practice. As stated above, applications should be made as soon as is practical.”

16. There has been no application to request that the Tribunal does not enforce the EU mark. The applicant’s written submissions filed in lieu of a hearing simply say that the registered EUTM does not extend to the UK and is irrelevant to these proceedings. That is all that is said and it does not, in my view, constitute an application to request that the Tribunal does not enforce the EUTM. As it stands, because the EUTM is now registered and the old law applies owing to the date on which the contested application was filed, it is a valid earlier mark in the absence of such an application to request that the Tribunal does not enforce the EU mark.

Comparison of services

17. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU stated at paragraph 23 of its judgment:

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

18. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

19. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court of the European Union (“GC”) stated that “complementary” means:

“82 ... there is a close connection between [the goods], 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...”.⁶

20. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12] Floyd J said:

“... 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.”

21. In *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16, Jacob J. stated that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

⁶ In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is capable of being the sole basis for the existence of similarity between goods and services.

22. In its written submissions in lieu of a hearing, the opponent makes a comparison between all of the class 41 services covered by its EUTM and the services in the application. This is wrong because the notice of opposition only identifies the EUTM as relied upon in respect of *providing amusement services* in class 41. The International Registration, which is the other mark relied upon for section 5(2)(b), does not cover class 41, so the submission cannot have meant to relate to the International Registration, earlier mark (ii). Further, although the notice of opposition states that the International Registration is relied upon under section 5(2)(b) in respect of “Class 35: retail outlet services”, in its written submissions in lieu of a hearing, the opponent states (my emphasis):

“30. The Opponent requests that these statements are dismissed as irrelevant; the Opponent has not claimed similarity between the Contested Services and its class 25 goods and class 35 retail outlet services under its section 5(2)(b) opposition.”

31. Overall, all of the Applicant’s Contested Services are identical and similar to the Opponent’s Contested Services in classes 41 and 43.”

23. The consequence of this submission is that the opponent does not rely upon earlier mark (ii) for its section 5(2)(b) ground. In any event, applying the above caselaw, there is no apparent similarity between retail outlet services in class 35 and the applicant’s services.

24. The parties’ respective services are:

Earlier mark	The application
Class 41: <i>Providing amusement services.</i>	Class 41: <i>Entertainment services, night club and disco services, dance club, provision of live or recorded entertainment.</i>

Class 43: <i>Temporary accommodation; hotel services.</i>	Class 43: <i>Services for providing food and drink, public house, wine bar, restaurant.</i>
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25. The opponent submits that its *providing amusement services* is identical to the class 41 *entertainment services* in the application because amusement “is another way of referring to the capability to entertain a person i.e., the phrases ‘to keep someone amused’, and ‘to keep someone entertained’ are synonymous.” The applicant submits that amusement services relate to the provision of amusement and theme parks, fairs, amusement arcade services, etc. I prefer the applicant’s submissions; the average consumer would construe the natural and core meaning of amusement services in a commercial context in the same way as the applicant. At the most, the respective services may share the same purpose: to amuse or entertain. However, in case I am wrong about this, I will approach the global assessment from the opponent’s perspective and treat the parties’ class 41 services as identical. The opponent has not made any submissions that its class 43 services are similar to the applicant’s class 41 services. I cannot see any obvious similarity, so decline to make a comparison between these.

26. The opponent has also not made any submissions that its class 41 services are similar to the applicant’s class 43 services. The opponent confines its submissions to similarity between the applicant’s class 43 services and its own class 43 services. The applicant admits some similarity between the parties’ class 43 services in its written submissions filed with its evidence (at page 4). Although the nature and purpose of hotels and temporary accommodation is different to *Services for providing food and drink, public house, wine bar, restaurant*, and they are not in competition or complementary in the sense of the caselaw, there is an overlap in trade channels and users. This is because hotels often provide bars and restaurants, and public houses often provide accommodation. There is a low degree of similarity between the parties’ class 43 services.

The average consumer and the purchasing process

27. As the caselaw cited above indicates, it is necessary to decide who the average consumer is for the services at issue and how they purchase them. “Average consumer” in the context of trade mark law means the “typical consumer.”⁷ The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. The parties’ services are aimed at the general public. There is likely to be at least an average degree of attention paid to the purchase, and more where consumers are choosing somewhere to stay. The purchasing process will be primarily visual, by way of websites, physical premises or brochures, but I do not ignore the potential for an aural aspect to the purchase, if recommendations are made, for example.

Comparison of marks

28. 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 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.”

⁷ *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch).

29. It is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

30. The marks to be compared are:

Opponent's mark	Applicant's mark
ZARA	Zaranda

31. The overall impression of each mark resides in the single word of which each is composed.

32. The earlier mark is four letters long and the applicant's mark is seven letters long. The first four letters of the applicant's mark are identical in sequence to the opponent's mark. UK consumers read from left to right. The opponent quotes the following from a decision by Mr Iain Purvis QC, sitting as the Appointed Person, in *Groupement Des Cartes Bancaires v China Construction Bank Corporation*, BL O/281/14, at paragraph 21:

“It is well established that a ‘word mark’ protects the word itself, not simply the word presented in the particular font or capitalization which appears in the Register of Trade Marks. See for example Present-Service Ullrich GmbH & Co. KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Case T-66/11 at [57]. A word may therefore be presented in a different way (for example a different font, capitals as opposed to small letters, or hand-writing as opposed to print) from that which appears in the Register whilst remaining ‘identical’ to the registered mark.”

33. The opponent draws a conclusion from this that the applicant's mark could be used notionally as ZARA^NDA, ZARA^NdA, ZARA^Nda, ZARA^Nda or ZARA^Nda and that such use would bring it visually closer to ZARA. I note that in *Herno S.P.A. v Miss Sparrow Ltd.*

BL O/954/22, Mr Purvis, sitting as the Appointed Person, considered the mark 'mr heron', observed that it is a word mark and stated at paragraph 15:

"... the mark applied for ('mr heron') is a word mark, and therefore the monopoly is not limited by any features such as fonts or capitalisation appearing on the Register.

MR HERON

mr heron

Mr Heron

Mr HERon

Mr HERON

would therefore all be considered to be 'identical' to the registered mark for the purposes of assessing infringement under s10.¹

¹ Of course, there comes a point of complexity at which the sign ceases to be merely the presentation of the words mr heron and would instead be seen by the average consumer as a single device which included the words mr heron (thus being 'similar' rather than 'identical')."

34. I note that the fourth version of 'mr heron' is represented as 'Mr HERon', which is analogous to the opponent's argument about various lower and upper case versions of Zaranda. Mr Purvis went on to say:

"39. The stylisation of a word in a device mark is part of the overall impression given by the device and it therefore cannot be ignored when assessing the likelihood of confusion with a different, word mark. It is self-evident that the way in which a word is styled may detract from the impact of its similarities with a different word, or it may increase that impact, either visually or conceptually. At the simplest level, a stylisation which serves to emphasise the letters which are common between the two marks is likely to increase the risk of visual confusion, and vice versa. At a more complex level, the stylisation may serve to emphasise a distinct concept conveyed by the word which distinguishes it from the word which is the subject of the word mark."

35. Even considering the opponent's examples of variations of Zaranda, there is still no more than a medium level of visual similarity. The marks are still, respectively, four letters and seven letters in length.

36. The opponent's two-syllable mark will be heard as "Zar-ruh", with the first syllable being a long 'a' sound (as in how someone with an accent from the south-east of England might pronounce the word 'bath'). This is because ZARA is a known female forename in the UK (as to which, see below) and that is how it is pronounced. The opponent submits that the applicant's mark could be pronounced in various ways: ZAA-RA-EN-DEE-AY, ZAA-RA-ND-AY, ZAA-RA-NN-DAA or ZAA-RAN-A. The contested mark consists of three syllables. This is not a known word and a UK consumer is likely to pronounce it as Za-rand-a, with short 'a' sounds in the first and second syllables, a longer 'a' in the third syllable, and with the emphasis on the second syllable (as in 'veranda' and 'Miranda'). It could also be pronounced with a long 'a' in the first syllable: Zar-rand-a. Either way, there is no more than a low degree of aural similarity. There are far more differences, aurally, than similarities.

37. ZARA will be seen in the UK as a reasonably well known female forename.⁸ The opponent submits that Zaranda will be perceived as an invented word. The applicant submits that for average UK consumers, Zaranda has no recognisable meaning, except for those who are familiar with it as the name of a location in Nigeria. I agree with both parties that the average UK consumer will see Zaranda as an invented word. The opponent submits that:

" (r) In scenarios where the Contested Mark is perceived as Zara NDA, Zaran d A, or Zaran DA, the ZARA element will be understood as bearing identical semantic content to the Opponent's Earlier Mark, coupled with additional words which indicate a sub-brand or brand extension of the Opponent's Earlier Mark. Zara NDA will be understood as the ZARA brand coupled with an acronym NDA which relates to the Contested Services (e.g., Newly Distributed Audio). Zaran d A will be understood as the Zara brand in collaboration with an artists named

⁸ See the decisions of Mr Daniel Alexander QC, sitting as the Appointed Person in BL O/331/12 *Industria De Diseno Textil, S.A. (Inditex, S.A.) v Zainab Ansell & Roger Ansell* and BL O/040/20 *Industria De Diseno Textil, S.A. (Inditex, S.A.) v Hilary-Anne Christie*.

'A', and Zara n DA will be understood as the Zara brand in collaboration with a 'DA' brand."

38. These submissions appear to me to stretch the bounds of possibilities and probabilities to breaking point. There is no evidence that NDA is known to be an acronym for Newly Distributed Audio. I do not know of it and it is not a fact so well-known as to be taken on judicial notice. There is, however, a more fundamental point. The opponent's submissions are predicated on its brand having a meaning as a brand. Firstly, there is no evidence in relation to the services relied upon that ZARA has an enhanced degree of distinctiveness. Secondly, conceptual comparisons do not take into account the reputation of the earlier mark. In *Ravensburger AG v OHIM*, the GC stated:⁹

"27.... The reputation of an earlier mark or its particular distinctive character must be taken into consideration for the purposes of assessing the likelihood of confusion, and not for the purposes of assessing the similarity of the marks in question, which is an assessment made prior to that of the likelihood of confusion (see, to that effect, judgment of 27 November 2007 in Case T-434/05 Gateway v OHIM – Fujitsu Siemens Computers (ACTIVY Media Gateway), not published in the ECR, paragraphs 50 and 51)."

39. In *Retail Royalty Company v Harringtons Clothing Limited*, Phillip Harris, as the Appointed Person, considered the argument that the letters "AE" had, through their use, acquired an independent conceptual significance which would mean that the average consumer would always perceive them as meaning "AMERICAN EAGLE".¹⁰ Mr Harris said:

"74. The Opponent is trying to equate reputation in a trade mark sense with conceptual meaning. They are not the same thing. Reputation can mean different things, and in trade mark law the term is sometimes used loosely, but

⁹ Case T-243/08.

¹⁰ BL O/593/20.

in this context, it concerns the factual extent to which a sign is recognised by a significant part of the public *as a trade mark* [original emphasis].

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

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

40. Accordingly, it is not correct to attribute to the earlier mark a 'brand' meaning. The submissions about various forms of the applicant's mark in the conceptual comparison, based on the opponent's mark meaning its brand, therefore, have no basis. Since ZARA will be seen as a female forename and the application as an invented word with no meaning or evocation of any meaning, the marks are conceptually neutral.

Distinctive character of the earlier mark

41. There is a greater likelihood of confusion where an earlier mark has a highly distinctive character, either per se or because of the use that has been made of it.¹¹ Distinctive character is a measure of how strongly an earlier mark identifies the goods or services for which it is registered; determined, according to *Lloyd Schuhfabrik*

¹¹ *Sabel BV v Puma AG*, Case C-251/95.

Meyer & Co., partly by assessing the proportion of the relevant public which, because of the mark, identifies the goods or services as originating from a particular undertaking.¹²

42. The opponent did not file evidence because of the applicant's concession about its reputation, as set out earlier in this decision. However, the concession does not relate to the services upon which the opponent relies under section 5(2)(b) of the Act. The opponent has not filed any evidence of use of its mark in respect of the services relied upon for its section 5(2)(b) ground. I have, therefore, only the inherent position to consider. ZARA will be seen in the UK as a female forename. The mark has no more than a medium level of inherent distinctive character for the services relied upon for this ground of opposition.

Likelihood of confusion

43. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. The opponent submits that the parties' class 41 services are identical. I do not accept that, for the reasons given earlier in this decision, but to give the opponent its best case, I will test the likelihood of confusion on the basis that the opponent is right and will proceed on the basis that the parties' class 41 services are identical and the parties' class 43 services are similar to a low degree.

44. I find that there is no likelihood of confusion, despite the identity of some of the services, the medium degree of attention and the medium level of distinctiveness of the earlier mark. There is no conceptual similarity between the marks (they are conceptually neutral). One will be seen as a known female forename and the other an invented word. There is no more than a low level of aural similarity, at best, for services which will be bought primarily visually; and, at best, no more than a medium

¹² Case C-342/97.

degree of visual similarity between the marks assuming the opponent is right about the various combinations of capitals and lower case letters. Taken as they are presented, in block capitals, the visual similarity would be low, rather than medium. The impressions of the marks which are left upon the mind of the average consumer will be entirely different, even if I am wrong about a medium level of attention and that it would be lower than medium. There is no basis for a finding of a likelihood of confusion of the direct kind, which flows from the principle that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them which has been retained in the mind. It is inherently improbable that the average consumer will only recall ZARA and mix it up with Zaranda, as contended for by the opponent. Imperfect recollection the other way around is even more unlikely.

45. There is also no basis for a finding of indirect confusion.¹³ In *Industria De Diseno Textil, S.A. (Inditex, S.A.) v Hilary-Anne Christie*, Mr Daniel Alexander QC, sitting as the Appointed Person observed:¹⁴

“24. Fourth, in order to evaluate whether confusion is likely, a tribunal may properly (and in many cases must) consider a range of situations in which the mark is likely to be encountered in use. Equally, a tribunal must consider the different ways in which the respective marks (and particularly the mark under challenge) may be perceived by consumers. In such case, that is often in part an exercise of imagination as much as anything else, since in proceedings before the Registrar evidence of actual consumer responses is often unavailable.

25. However that cannot be taken too far: consideration of the range of responses does not require a microscopic analysis of the assumed characteristics of large numbers of possible individual consumers or possible kinds of situation in which the marks might be used. Moreover, it does it follow from the fact that it is possible to envisage situations in which confusion might

¹³ Mr Iain Purvis QC, sitting as the Appointed Person, in *Back Beat Inc v L.A. Sugar (UK) Limited*, BL O/375/10.

¹⁴ O/040/20.

arise in such imagined scenarios, that this suffices for a conclusion that confusion on the part of the average consumer is likely. Consideration must be given also to how realistic or likely such situations are as well as how typical of the normal manner in which the marks in question would be encountered. The more remote such scenarios are from a situation in which a mark would normally be perceived or presented, having regard to the nature of the goods and the nature of the trade in them, the greater the caution that must be exercised before taking such into account and concluding that the statutory test is satisfied.

26. A tribunal is also entitled to be alert to the fact that it may be possible to provide evidence to show that notwithstanding that a particular manner in which confusion is said to arise appears prima facie unlikely, in fact, it takes place to a significant extent. In the absence of evidence where such could be obtained in principle a tribunal is entitled to proceed on the basis that such is not realistically likely: a tribunal cannot be criticised for not assuming the worst if the worst remains a speculative rather than proven possibility.

...

28. Sixth, a tribunal must carry out a global assessment and evaluate whether even if one kind of confusion (which in this case has particularly focussed on aural) is possible, that is really likely in the light of the fact that goods of the kind in question are predominantly selected by reference to visual or other criteria...[quotation from *New Look v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03 at paragraphs 49 to 50, General Court.]

29. Finally, the required approach has an impact on how these matters are considered on appeal. It is one thing for a tribunal to leave out of account in its consideration of likelihood of confusion a significant class of persons to which the mark is realistically directed. It is another where the tribunal does not focus on or gives only limited weight to possibilities of situations in which confusion might occur but which are either removed from a typical situation in which a mark would be encountered or involve presentation of the mark in a different

form from that naturally intended, especially where there is no evidence that happens or is really likely to happen with any degree of regularity. In such a latter situation, the tribunal is entitled to proceed on the basis that the mere possibility of confusion in that kind of scenario does not translate into a likelihood of confusion and an appellate tribunal should, in my view, respect that unless it is convincingly shown to be wrong.”

46. Neither party’s mark will be perceived as a brand extension, collaboration, or variant mark used by the same or economically linked undertakings. The opponent’s arguments are predicated on an artificial dissection of the later mark, including putting spaces where there are none (such as ZARA n DA, or ZARA nd A). There is nothing about the marks which would lead the average consumer to consider that Zaranda must be a variation or derivative of Zara (or vice versa). The opponent’s evidence relates to goods and services which it does not rely upon for this ground and so is without relevance to the question of whether there is a likelihood of confusion. The section 5(2)(b) ground fails.

47. The ground of opposition under section 5(2)(b) fails.

Section 5(3) of the Act

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

“(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 and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

49. Section 5(3A) states

“(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

50. The relevant case law in relation to section 5(3) can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

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

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

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel*, paragraph 42.

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark; *L'Oreal v Bellure NV*, paragraph 40.

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

51. The opponent pleaded reliance upon marks (i) to (iv) for this ground. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its marks are similar to the applicant's mark. Secondly, that the earlier marks have

achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier marks being brought to mind by the later mark. Fourthly, assuming that the first three conditions have been met, section 5(3) requires that one or more of the three types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

52. The first condition, of some level of similarity between the marks, is satisfied. The next condition is reputation. The applicant stated at paragraph 4 of its counterstatement:

“The Applicant accepts that the Opponent has goodwill and reputation in the UK as a fashion brand but zero reputation for any goods and services in Class [sic] and 43.”

53. On the basis of the applicant’s admission, the opponent chose not to file evidence about its marks, the applicant having admitted the reputation of the earlier marks “as a fashion brand”. Further, in its written submissions in lieu of a hearing, the opponent narrowed its reliance upon a reputation as follows:

“5. The Opponent limits the goods and services relied upon as the basis of its opposition under Section 5(3) to the goods and services in which the Applicant admits the Opponent has a reputation, (i.e., articles of clothing for men and women (class 25), handbags, shoulder bags, purses and clutch bags (class 18), jewellery (class 14), and retail outlet services in respect of these goods (class 35) (its “**Reputed Goods and Services**”).”

54. This seems to me to have been a reasonable interpretation of the applicant’s concession of a reputation as a ‘fashion brand’. Following a change of professional representative, the counterstatement concession was subsequently narrowed in written submissions to an admission that the opponent is known in the UK for “selling

clothing and associated retail services” (paragraph 9 of submissions in lieu of a hearing) and “The Applicant agrees that the Opponent has some reputation in the mark ZARA when used in relation to retail outlet services relating to sales of articles of clothing for men and women and handbags, jewellery, shoulder bags, purses and clutch bags...” (page 11 of submissions filed with evidence). This ignores the goods which the opponent has included in its interpretation of the counterstatement concession. The counterstatement concession was part of the applicant’s pleadings. Pleadings form the basis for parties to decide what evidence is necessary to support or rebut a claim. As stated in Tribunal Practice Notice 1/2000, at paragraph 24:

“The purpose of the counterstatement is to narrow down the field of dispute, because the claimant will not need to prove any allegations which the defendant admits.”

55. I will proceed on the basis that the applicant has conceded a reputation in:

Jewellery (class 14)

Articles of clothing for men and women (class 25)

Handbags, shoulder bags, purses and clutch bags (class 18)

Retail outlet services in respect of these goods (class 35)

56. These goods and services are all covered by one or more of the four earlier marks relied upon for this ground. They are all for the word only mark ZARA or for ZARA as a stylised word in an ordinary font and can all be treated as ZARA.

57. The next requirement is that the relevant public will make a link between the marks. It is unnecessary for there to be a likelihood of confusion to find a link (*Adidas-Salomon*), but for a link to be made the earlier marks must be brought to mind by the relevant public when encountering the later mark (*Intel*).

58. Julia King, one of the opponent’s witnesses, states that the opponent has previously offered restaurant services in its ZARA stores, exhibiting a floorplan of a

ZARA store in Belgium, which Julia King states shows the café area in 1995.¹⁵ Not only is this over twenty years prior to the relevant date, it has no relevance to the perception of the UK public as there is no evidence that the opponent's UK stores contained cafés. Exhibit JCK2 is said to contain articles relating to cafés offered in UK retail stores including H&M and Primark. The evidence regarding Primark is after the relevant date. There is no evidence in the exhibit about H&M. Cafés inside Parisian stores are mentioned, as is a New York example, but the article is after the relevant date and the evidence is not relevant to whether the UK relevant public will make a link between the marks for the goods and services relied upon and the applicant's services. The evidence contained in Exhibits JCK3 and JCK4 concerning a collaboration with a French lifestyle blogger and homewares sold by the opponent is not relevant because the opponent does not rely upon a reputation in homewares (and it is far from clear that the articles would have been seen in the UK, in addition to them being dated after the relevant date).

59. Exhibit JCK5 contains prints from a website called lifestyleasia.com regarding "10 cafés around the world by luxury fashion brands." The screenshots date from 10 March 2020, well after the relevant date in these proceedings. One café is located in the UK, and this is called "Thomas's at Burberry". Another, similar, article is also dated after the relevant date on a website called hypebae.com and includes reference to a Fendi café at Harrods which only ran as a pop-up from the summer of 2019 until 1 November 2019, after the relevant date. Jocelyn Clarke, the other of the opponent's witnesses, provides in Exhibit JMC2 a copy of an article about a Dior Café in Harrods, but this is dated 20 March 2019 and is on a website called 'WGSN Insider'. I do not know the readership location of this website: the date format is American and the article is headed 'Travel'. It is after the relevant date. I note that some stores have cafés that bear entirely different names, such as Blue Box Café at Tiffany's New York store and Thomas's at Burberry. Jocelyn Clarke provides an undated article about the chef Gino D'Acampo opening a restaurant in Next's Manchester store, but the restaurant is called My Pizza & Prosecco Bar, not 'Next'.¹⁶ Exhibit JMC2 contains an

¹⁵ Exhibit JCK1.

¹⁶ Exhibit JMC1. The article has a copyright date of 2019, so must date from after the relevant date.

article dated 3 December 2018 which concerns a café opening at H&M in a London shopping centre, but this is called It's Pleat.

60. Exhibit JMC1 includes what are said to be examples of third party fashion retailers that also offer entertainment services in the UK. There is an undated article about the clothing brand Vans opening a subterranean skatepark in London and an article about the clothing brands Topman and Topshop launching a mini-series about a competitive dating show. There were six episodes of three and a half minutes each, where participants were given two minutes to assemble an outfit from Topman/Topshop stores and then another participant chose who to date based on the outfits the participants had chosen. The article is dated 10 July 2019, after the relevant date. These episodes appeared on the brands' websites. This is more likely to have been viewed as an advertising gimmick than Topman and Topshop branching out into the field of entertainment.

61. Even with *Intel* factors in the opponent's favour such as a high degree of distinctive character and a strong reputation, a link would not be made.¹⁷ The assessment of similarity between the marks is undertaken in the same way as for section 5(2)(b) of the Act, by reference to the visual, aural and conceptual similarities or differences between the marks (*Adidas-Salomon*). The level of similarity may be less than is necessary for a likelihood of confusion, but there must still be a sufficient degree of similarity for a link to be made.¹⁸ I find that the marks are too different and the goods and services too far apart for the earlier marks to be brought to mind by the applicant's mark. Even taking the opponent's evidence into account regarding retailers offering food and drink services or entertainment, the marks are still too different. There would not even be a fleeting bringing to mind: it would not happen at all. As the conditions are cumulative, without a link there can be no damage. **The ground of opposition under section 5(3) fails.**

¹⁷ The opponent has filed no evidence about the use of its marks, so this is assuming the best case for the opponent.

¹⁸ *Intra-Press SAS v OHIM*, Joined cases C-581/13 P & C-582/13 P, CJEU.

Overall outcome

62. The opposition fails. The application may proceed to registration. Given this outcome, there is no need to consider the applicant's evidence about their use of Zaranda, a bar with an African theme, or that the name was inspired by the applicant's fiancée having lived near Zaranda, in Nigeria.

Costs

63. The applicant has been successful and is entitled to a contribution towards the costs of the proceedings. Costs are usually based upon the scale of costs published in Tribunal Practice Notice 2/2016, the scale allowing for the range of procedural and substantive issues that are generally found in cases before this Tribunal. The breakdown of the cost award is as follows:

Considering the opposition and filing the counterstatement	£400
Considering the opponent's evidence and submissions and filing evidence and submissions	£600
Preparing and filing written submissions in lieu of a hearing	£400
Total	£1400

64. I order Industria de Diseno Textil, S.A. (Inditex, S.A.) to pay Mark Tucker the sum of **£1400**. 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 8th day of December 2022

Judi Pike

For the Registrar,

the Comptroller-General