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Zara vs Zara

Simon Casinader and Dan Cartmell of K&L Gates discuss the recent EU case involving the well-known Zara clothing brand.

IN TODAY'S WORLD, fashion is not only fast but it is also expanding into adjacent markets and sectors. The recent EU General Court ruling in *Inditex v EUIPO* suggests that tourism is a potential area of expansion for fashion brands and that well-known brands may be able to stop competitors using similar marks for a broad range of goods and services which seem on the face unrelated to fashion goods.

Zara in Opposition

In April 2009, Mrs Zainab Ansell and Mr Roger Ansell, who operated a travel agency under the name ZARA Tanzania Adventures, filed an application to register a logo featuring their business name as an EU trade mark.

The application was filed in Nice classes 39 (travel and tourism) 41 (wildlife education and training services, ecology, safaris) and 43 (travel agency services). In August 2009, Inditex – one of the biggest fashion groups in the world and owner of brands such as Zara, Zara Home, Massimo Dutti and Pull and Bear – opposed the registration of the 'ZARA Tanzania Adventures' logo mark, relying on its own well known 'Zara' mark, which had earlier been registered in the EU in classes 25 (clothing), 35, 39 and 42.

In 2011, Inditex's opposition was partially successful, being upheld in respect of classes 41 and 43 and almost all services in class 39 (except for services in "rail, inland waterway and air transport [and] hiring of vehicles"). The trade mark applicants appealed this decision and, in July 2017, the Board of Appeal allowed the ZARA Tanzania Adventures mark to be registered in Classes 39 and 43. Finally, Inditex appealed the 2017 decision to the EU General Court and was successful.

Zara v Zara

You may ask how can a fashion brand object to a mark in the travel and tourism sector in the first place? Inditex pointed to the current trend of fashion brands evolving into new adjacent markets, such as food, travel, hotels and restaurants. Some could even argue that fashion marks are slowly becoming lifestyle brands with examples of this cross sector branding being seen in hospitality (think Gucci's restaurant in Florence and Ralph Lauren's coffee café and bar in London) to food and drinks

(such as Chandon and Seafolly's collaboration, D&G's collaboration with Martini, Moët's collaboration with Charlotte Olympia and even Cath Kidston creating unique labels from Heinz).

Inditex argued that the areas of fashion and travel have become intrinsically linked, for example fashion magazines often combine fashion and travel articles, and social media influencers and bloggers commonly document travel, fashion, hotels and restaurants in the same post. This interplay between sectors can also be seen in areas such as airline uniforms (with collaborations like Martin Grant and Qantas and Vivienne Westwood and Virgin Atlantic), hotel collaborations (eg Collette Dinnigan redesigning two penthouse suites at Bannisters By The Sea, Mollymook, or the Coco Chanel designed suite at the Ritz, Paris), and the recent collaborations between Aesop, Rimowa and SuperDry, and Subaru and STA Travel. The argument followed that while the goods in class 39 and 43 may not be considered to be similar to ZARA's registered goods (currently just clothing and accessories), they are still linked to the same commercial sector and the strength of Inditex's reputation in the Zara marks leads to a risk that the registration of the opposed mark may impact Inditex's mark.

The Court found in favour of Inditex on the basis that it could not rule out the risk of unfair advantage despite the differences between the relevant goods and services. The Court also emphasised the importance of considering all relevant circumstances of a particular case in ascertaining this risk.

Sew what does it all mean?!

This case reminds us that even though trade marks operate within the class categorisation system, the potential for confusion can occur across many classes. The case shows that brand owners may seek to use their trade mark registrations in limited classes to stop other traders using similar marks in areas where they may later expand into. ■

For more information about issues relating to Trade Marks, European Filings and/or Brand Protection please contact Simon Casinader, Senior Associate at K&L Gates (simon.casinader@kkgates.com). This article is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer.

