Application No. 9615/2002

IN THE MATTER of the Trade Marks Ordinance (Cap. 43)

AND

IN THE MATTER of an application by Tungtex (Holdings) Company Limited to register the mark

ZARIAH

in Part A of the Register in Class 25

AND

IN THE MATTER of an opposition thereto by Industria De Diseno Textil, S.A. (Inditex, S.A.)

DECISION
OF

Ms. Fanny Shuk Fan Pang acting for the Registrar of Trade Marks after a hearing on 18 March 2008.

Appearing : Mr Ling Chun Wai instructed by Messrs. Robertsons for the applicant.

Mr Colin Shipp instructed by Messrs. Wilkinson & Grist for the opponent.

Application for Registration

1. On 25 June 2002 (“the application date”), Tungtex (Holdings) Company Limited (“the applicant”) applied to register, pursuant to the provisions of the Trade Marks Ordinance Cap. 43 (“the Ordinance”), in Part A of the register in Class 25, the trade mark, a representation of which appears below :

ZARIAH

(“the suit mark”).

2. The goods intended to be covered by the registration were “clothing in Class 25” (“the specified goods”). The Registrar of Trade Marks (“the Registrar”) accepted the suit mark for registration in Part A of the register. The application was advertised in the Government of the Hong Kong Special Administrative Region Gazette on 11 October 2002.

Pleadings and evidence

3. On 11 March 2003, Industria De Diseno Textil, S.A. (Inditex, S.A.) (“the opponent”) filed notice of opposition to the application. The grounds of opposition state, *inter alia*, that the opponent is organized and existing under the laws of Spain. It is the registered proprietor in Hong Kong of the trade mark “ZARA” in respect of goods of different classes including class 25. The opponent’s mark has also been registered in Spain, the country of origin, and many other countries over the world. It is the opponent’s case that the suit mark is confusingly similar to the opponent’s mark which has been registered in Hong Kong and the specified goods are goods of a closely related nature to goods and/or services covered by some of the registrations of the opponent’s mark. The grounds of opposition comprise sections 2, 9, 10, 12, 13, 20 and 23 of the Ordinance.

4. In the applicant’s counter-statement, each and every allegation of the grounds of opposition is either denied or not admitted by the applicant. The applicant specifically denies that the suit mark is confusingly similar or closely resembles the opponent’s mark “ZARA”. The applicant pleads that the suit mark and the opponent’s mark are visually and phonetically different. It is the applicant’s

case that the suit mark is a registrable trade mark which was specifically created by the applicant's chief designer who is a Malaysian Chinese by nationality in or about the beginning of 2002. The suit mark "ZARIAH" is a Muslim Malaysian female name which adds to the feminine and mysterious image of the brand.

5. Trade Marks Rules, Cap. 43 Sub. Leg. ("Rule/s") 25 evidence consists of a statutory declaration from Peter Robert Kovolsky, an English language communication and business skills trainer and teacher in Hong Kong, together with exhibits, which was declared on 16 January 2004 and another statutory declaration by the same Kovolsky declared on 22 March 2004 which serves to confirm his full name. The third statutory declaration under Rule 25 is from David Konn, an authorized representative of the opponent and the General Manager of Inditex Asia, Limited, a subsidiary company in Asia wholly owned by the opponent.

6. Under Rule 26, the applicant filed a statutory declaration of Yip Yin Yin, an expert involved in research projects concerning forensic linguistics, translation and interpreting at university level, together with exhibits, which was declared on 6 April 2005 and a statutory declaration of George Harper Adams, a sociolinguist and practical language teacher, together with exhibits, which was declared on 6 May 2005. In addition, a statutory declaration of Lam Yiu On, Alan, the managing director of the applicant, together with exhibits, which was declared on 4 April 2005, was filed pursuant to Rule 26. The Rule 27 evidence comprises the second and third statutory declarations by the same David Konn, together with exhibits, which were declared on 6 February 2006 and 31 March 2006 respectively.

Decision

7. Though, by 18 March 2008, the date the matter was fixed to be heard, the Trade Marks Ordinance Cap. 559 had come into operation, by virtue of section 10(1) and (2) of Schedule 5, oppositions to registrations still pending as of 4 April 2003 are to be determined under the provisions of the repealed ordinance, Cap. 43.

8. Although a number of grounds were pleaded in the notice of opposition, Mr Shipp for the opponent indicated at the hearing that the opponent only relies on section 20 of the Ordinance for the purposes of the present opposition.

Under section 20(1)

9. At the application date, section 20(1) of the Ordinance insofar as it relates to goods provided :

> “**20. Prohibition of registration of identical and resembling trade marks**
>
> (1) Except as provided by section 22, no trade mark relating to goods shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a trade mark belonging to a different proprietor and already on the register in respect of –
>
> (a) the same goods;
>
> (b) the same description of goods; or
>
> (c) …. ”

10. The following registered mark is relied on by the opponent in mounting the opposition under section 20(1) :

Trade Mark	Registration No.	Class	Part	Goods
ZARA	8875 of 1995	25	A	clothing, footwear, headgear

11. Under section 20(1), the first question for me is whether the goods for which the suit mark is sought to be registered, the same goods or description of goods as those of the opponent’s registered mark. The answer to this question must be yes as both the specifications of the parties’ marks cover clothing. The opponent is therefore able to overcome the first limb of section 20(1).

12. It follows that the second issue for my determination is whether the suit mark so nearly resembles the opponent’s registered mark as to be likely to deceive or cause confusion.

13. The accepted test to be applied under section 20(1) of the Ordinance is

that stated by Evershed J. in *Smith Hayden & Co.'s Application* [1946] 63 RPC 97. Adapted to the matter in hand, the test may be expressed as follows :

> "Assuming user by the opponent of its mark " ZARA " in a normal and fair manner for any of the goods covered by the registration, is the tribunal satisfied that there will be no reasonable likelihood of deception or confusion amongst a substantial number of persons if the applicant also uses its mark " ZARIAH " normally and fairly in respect of any goods covered by its proposed registration?"

14. The onus is on the applicant to satisfy the Registrar that the trade mark applied for is not reasonably likely to deceive or cause confusion. In cases in which the tribunal considers that there is doubt as to whether deception is likely the application should be refused (*Kerly's Laws of Trade Marks and Trade Names*, 12th Edition, paragraph 17-03).

15. The established test for the comparison of word marks is that promulgated by Parker J. in *Pianotist Co. Ltd.'s Application* (1906) 23 R.P.C. 774 at 777.

> "You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. "

16. In my judgment, both the suit mark "ZARIAH" and the opponent's registered mark "ZARA" are word marks in plain block capitals without any degree of stylization. Mr Ling submitted that visually, the two words are clearly distinguishable by the interposition of the letter "I" and the ending "H" in "ZARIAH" which creates a totally different impression from the shorter word "ZARA". On the other hand, Mr Shipp contended that upon a visual comparison, there is without a doubt, similarity. Speaking for myself, even taking into account the principles of first impression and imperfect recollection, I do not consider that the respective marks as a whole look alike. The suit mark "ZARIAH" is a six-letter word whereas the opponent's mark "ZARA" is a four-letter word, one third shorter than "ZARIAH". There is clearly a difference in the length of the words. One appears to be a short

word and another a word of ordinary length. Although both marks start with the letters "ZAR", the overall arrangement of the letters and spellings of the words do not resemble one another. The differences in the remaining parts of the words do overshadow the common three letters in the beginning of the words visually. On the whole, I conclude that the visual impact conveyed by the respective marks is not similar.

17. So far as aural comparison is concerned, Mr Shipp for the opponent rightly pointed out that the parties have filed evidence by language teachers as to how the local population in Hong Kong would pronounce the suit mark "ZARIAH" and the opponent's mark "ZARA" according to their own opinions in the statutory declarations of Peter Kovolsky, Yip Yin Yin and George Adams. Mr Shipp submitted that their opinions are rather not helpful for various reasons. First, the comparison of marks is essentially one of first impression. It is not profitable to indulge in minute analysis of letters and syllables. Further, the opinion evidence does not take into account of careless pronunciation and imperfect recollection but dwells on the idiosyncratic accentuation of the Cantonese speaking population and it also completely ignores the importance of the first syllable or letter in word comparison. In respect of all these, Mr Ling sensibly agreed with Mr Shipp that the opinions of the so-called experts are really not so helpful as the likelihood of deception or confusion has to be assessed in the light of the nature and kind of customers who would be likely to buy the specified goods, not phonetic experts. It follows that neither Mr Shipp nor Mr Ling referred me to any evidence of the experts in the course of their submissions at the hearing. In the circumstances, I do not see that I should place any weight on the expert evidence.

18. Mr Ling submitted that phonetically, the suit mark "ZARIAH" can be pronounced as "ZAH ree uh" or "ZAH RY uh". It is a word of three syllables, with emphasis on the middle syllable, in contrast with the bi-syllabic "ZARA" the emphasis of which is on the first syllable. Mr Ling argued that for the majority of Cantonese speakers in Hong Kong, they would accentuate the three syllables in "ZARIAH" rather than slurring them. Furthermore, it was the contention of Mr Ling that the letter "I" in "ZARIAH" produces a distinctive sound which provides a strong phonetic differentiation between the two words. I was referred to the observations of Fox LJ. in *Lancer* [1987] RPC 303 at 324, lines 35-40 as follows :-

"(1) LANCIA is a word of three syllables, whereas LANCER has two. No

> doubt, by some elision of the second syllable, or slurring of the "I", LANCIA can be rendered as a two-syllable word. But, in general, the letter "I" in LANCIA will produce a distinctive sound. If the three-syllables in LANCIA are pronounced, there is a strong differentiation phonetically between the two words."

19. Mr Shipp submitted that there is aural similarity, as opposed to identity, between "ZARA" and "ZARIAH". The decided cases stress emphasis on the importance of the first syllable. He further contended that allowance has to be made for imperfect or mispronunciation of the two words.

20. To counter, Mr Ling contended that even allowing for the risk of aural confusion by virtue of imperfect or mispronunciation, the nature of the goods and channels of sale are such that the risk of verbal confusion would not survive a visual impression of the marks. Items of clothing are likely to be subjected to a careful visual examination by any intending purchaser, and not usually sold over the phone.

21. Mr Ling drew my attention to the following passage in *Conde Nast Publications Pty Ltd v Taylor* (1998) 41 IPR 505 at 510, per Burchett J. :

> "This aspect of the matter seems to me to have greater importance in a case, such as the present, where the goods sold under a trade mark are goods likely to be subjected to a careful visual examination by any intending purchaser, or even by any person whose interest in them is at all aroused. The appearance of ladies' clothing and men's casual wear is very important. Consumers will not purchase these items over the telephone, or otherwise by a spoken reference to the mark, but will examine them and very often try them on in boutiques or shops. Recognition of the mark will be visual. Thus "the circumstances in which the goods will be bought and sold, and the character of the probable purchasers of the goods", mentioned by Kitto J, are factors which, in the present case, place particular emphasis on the appearance of the opposed mark, and the great difference between its impression of ornateness and the simplicity of the applicant's mark and title. The importance of observing the impact that appearance may make is emphasised by the case Kitto J cites in the quoted passage : *Jafferjee v Scarlett* (1937) 57 CLR 115. There, Latham CJ (at 120-1) and Dixon J (at 126) make it clear that the appearance of the mark, as it would be seen in the ordinary course of trade, is an important matter – Dixon J describes it as "the more important" of the two considerations influencing his decision. See also *Johnson & Johnson v Kalnin* at 439, and the case there cited, *Mars GB Ltd v Cadbury*

Ltd [1987] RPC 387 at 395."

22. Mr Ling further relied on the following observations made in *Taiwan Yamani Inc v Giorgio Armani SpA* (1989-90) 17 IPR 92, at 96, per MA Homann :

> "At the end of the day, however, I think the opponent's case under s 33 must fail because, in relation to the goods in question here, I regard the visual impact of the marks, which is very different, to be of more importance than any aural similarity. The commercial reality today is that articles of clothing are simply not purchased over the counter on a verbal request but are selected by a potential customer from a rack in the shop and very carefully inspected and compared with other similar articles. The "label", as a trade mark is known in the industry, is of supreme importance both to the manufacturer and to the purchaser of clothing. In those circumstances I think it highly unlikely that any trader in or end consumer of clothing would be deceived or confused by the use of the applicant's mark which visually is so different from any of the opponent's marks."

23. For my part, it is apparent that "ZARIAH" is a word of three syllables, whereas "ZARA" has two. I agree that the letter "I" in "ZARIAH" produces a distinctive sound which provides a strong phonetic differentiation between "ZARIAH" and "ZARA". Even if I take that by some elision of the second syllable, or slurring of "I", "ZARIAH" can be rendered as a two-syllable word and there is a degree of phonetical similarity between the respective marks, I accept Mr Ling's submission that as the respective goods of the parties, ready-made clothing, are always purchased over the counter by self-selection, rather than being ordered orally, the visual impact of the marks, which is rather different, is of more importance than aural similarity, if there is any.

24. I now turn to the conceptual comparison. Mr Shipp placed great emphasis in arguing that the idea conveyed by the marks is the same as if this is his strongest point. Mr Shipp submitted that the respective marks are commonly recognized in Hong Kong as girl's names and "ZARIAH" is in fact a variant of "ZARA". To support his argument, Mr Shipp sought to rely on some materials downloaded from two websites, namely http://thinkbabynames.com and http://babynamesworld.com. At this juncture, I wish to point out that these materials were never filed by way of statutory declarations at any stage of the proceedings, but were only included in the List of Authorities of the opponent filed prior to the present

hearing. In reply, Mr Ling submitted that he objected to the production of the computer printouts which should be filed by way of evidence instead of being slipped in as part of the submissions of the opponent. Mr Ling asked me to ignore the materials as the applicant was not given any opportunity to reply to see how frequent the two words are used as girl's names in Hong Kong.

25. Even if one is to look at those materials from the websites, Mr Ling pointed out what is stated in them in relation to the word "ZARIAH" is as follows :-

> "the girl's name Zariah is a variant of Zara. The baby name Zariah sounds like Zaria, Zarah and Sariah … Zariah is a very rare female first name and a very rare surname (source : 1990 U.S. Census) …."

Mr Ling submitted that for what it is worth, the information shows that Zariah is not a common name at all even if it has ever been used as a name.

26. As regards the origin of the word "ZARA", Mr Ling referred to me the following information stated in another computer printout :-

> "the girl's name Zara is pronounced ZR-ah. It is of Arabic origin, and its meaning is "radiance". … Zara is a very rare female first name and a very rare surname (source: 1990 U.S. Census) …."

Mr Ling contended that even if I were to take into account the materials downloaded from the websites as evidence, they do not take the opponent's case further because of the uncommonness of the two words being used as girl's names. To an ordinary person in Hong Kong, Mr Ling argued, neither of the two words conveys any meaning or signification and they are therefore simply invented words.

27. I am of the opinion that the materials downloaded from the websites are evidence which, according to section 83 of the Ordinance, shall be given by statutory declaration. Moreover, pursuant to Rule 28, no further evidence after the Rule 27 evidence shall be adduced by either side except with leave of the Registrar. There is neither statutory declaration nor application for leave to file further evidence under Rule 28 before me. It follows that I should ignore those computer printouts downloaded from the websites. In any event, I accept Mr Ling's submissions that even if I were to take into account the computer printouts from the websites as

evidence in the present opposition, they cannot take the opponent's case further so far as the issue of conceptual similarity between the respective marks is concerned. It is plain for me to say that the information from the websites concerning the rarity of the two marks as names according to the 1990 U.S. Census does not amount to evidence to support the assertions that the respective marks are commonly recognized in Hong Kong as girl's names and "ZARIAH" is commonly known as a variant of "ZARA". I consider that both "ZARIAH" and "ZARA" are not well-recognized words, names or otherwise, amongst the general public in Hong Kong. They are made up words which do not convey any meaning or idea to the likely purchasers in Hong Kong. There is nothing from which I can make a finding that the respective marks are conceptually similar, not to mention identical.

28. To conclude, as I have found above, the respective marks are neither visually nor conceptually similar. On balance, I also do not consider that they are phonetically similar although, comparatively speaking, there may be a degree of aural similarity between the respective marks if the second syllable in "ZARIAH" is slurred in imperfect or mispronunciation. However, to my mind, as discussed above, this possible degree of phonetic similarity between the two marks is counter-balanced to a considerable extent by the nature of trade concerning ready-made clothing.

29. I now move on to consider the goods in respect of which the marks are to be applied. As the goods of the parties overlap, it follows that the nature and kind of purchasers likely to buy the parties' goods are the same. Goods in the nature of the parties' goods are generally purchased with normal care and attention.

30. I take note and accept Mr Shipp's submissions that for the opponent to succeed under section 20(1), it is not necessary that the actual purchasers will ultimately be deceived, it is sufficient that they are caused to wonder whether the goods come from the same source (*Edward Hack's Trade Mark* (1941) 58 RPC 91 at 102). That said, I consider the doubt as to origin must be a reasonable doubt and the persons to be considered are assumed to exercise reasonable care and possess reasonable intelligence. Romer J. in *Jellinek's Trade Mark* (1946) 63 RPC 59 at 78, in a passage adopted by Lord Upjohn in *Bali* [1969] RPC 472, added the further qualification that the court :

> "has to be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion if the mark which it is sought

to register is put on the Register."

31. There is no direct evidence before me as to how a member of the public in Hong Kong would react on seeing the suit mark in relation to clothing in the absence of the opponent's mark "ZARA", and in view only of his general recollection of what the nature of the other mark was, and whether he would be liable to be deceived and think that the trade mark before him is the same as the other, of which he has a general recollection (*Sandow Limited's Application* (1914) 31 RPC 196 at 205). In the absence of such evidence, I am left to draw my own conclusion and when I put myself in a position of the relevant consumer, I do not see that I would call to mind "ZARA" on seeing a clothing item sold by reference to the suit mark "ZARIAH". I have thus come to the conclusion that there is no real tangible danger of confusion or deception amongst a substantial number of persons if the suit mark is put on the register.

32. The onus is upon the applicant to show that there would be no reasonable likelihood of deception or confusion arising if the suit mark is used upon clothing. I find that the applicant has discharged its onus. It follows that the section 20(1) opposition fails.

Under section 13(2)

33. The discretion under section 13(2) arises when the opponent has failed in his opposition under section 20(1) of the Ordinance and the suit mark is registrable under either section 9 or 10 of the Ordinance.

34. I remind myself that the register has been created by the Ordinance for the purpose of enabling marks to be entered therein. If no proper evidence can be adduced as to why the registration should be refused for a qualifying mark, the exercise of discretion should not be adverse to the applicant. As no proper evidence has been adduced, I therefore decline to exercise my discretion adversely to the applicant.

Costs

35. The applicant has sought costs and there is nothing in the circumstances or conduct of this case which would warrant a departure from the general rule that the

successful party is entitled to its costs. I accordingly order that the opponent pays the costs of these proceedings.

36. Subject to any representations as to the amount of costs or calling for special treatment, which either party makes within one month from the date of this decision, costs will be calculated with reference to the usual scale in Part I of the First Schedule to Order 62 of the Rules of the High Court (Cap. 4A) as applied to trade mark matters, with one counsel certified unless otherwise agreed between the parties.

Original Signed

(Ms Fanny Pang)
p. Registrar of Trade Marks
29 April 2008