

## JUDGMENT OF THE GENERAL COURT (Seventh Chamber)

11 April 2019 (\*)

(EU trade mark — Opposition proceedings — Application for the EU figurative mark ZARA TANZANIA ADVENTURES — Earlier EU word marks ZARA — Relative ground for refusal — Article 8(5) of Regulation (EC) No 207/2009 (now Article 8(5) of Regulation (EU) 2017/1001) — Unfair advantage taken of the distinctive character or the repute of the earlier trade marks — Detriment to the distinctive character or the repute of the earlier trade marks)

In Case T-655/17,

**Industria de Diseño Textil, SA (Inditex)**, established in Arteixo (Spain), represented by G. Marín Raigal, G. Macías Bonilla, P. López Ronda and E. Armero Lavie, lawyers,

applicant,

v

**European Union Intellectual Property Office (EUIPO)**, represented by V. Ruzek, acting as Agent,

defendant,

the other parties to the proceedings before the Board of Appeal of EUIPO being

**Zainab Ansell** and **Roger Ansell**, residing in Moshi (Tanzania),

ACTION brought against the decision of the Second Board of Appeal of EUIPO of 5 July 2017 (Joined Cases R 2330/2011-2 and R 2369/2011-2), relating to opposition proceedings between Industria de Diseño Textil, on the one hand, and Mrs Ansell and Mr Ansell, on the other hand,

THE GENERAL COURT (Seventh Chamber),

composed of V. Tomljenović, President, E. Bieliūnas (Rapporteur) and A. Marcoulli, Judges,

Registrar: E. Hendrix, Administrator,

having regard to the application lodged at the Court Registry on 25 September 2017,

having regard to the response of EUIPO lodged at the Court Registry on 24 January 2018,

further to the hearing on 22 November 2018,

gives the following

## Judgment

### Background to the dispute

- 1 On 27 April 2009, Mrs Zainab Ansell and Mr Roger Ansell filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO) pursuant to Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), as amended (replaced by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1)).

2 Registration as a mark was sought for the following figurative sign in green and yellow:



3 The services in respect of which registration was sought are in Classes 39, 41 and 43 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond, for each of those classes, to the following description:

- Class 39: ‘Travel and tourism services; arrangement of vacations; arranging, provision and conducting of safaris, expeditions, tours and cruises; transfer, transport and escorting of travellers and passengers; sightseeing (tourism); railway, river and air transport; reservation services relating to transport, travel, tourist activities and vacations; rental of vehicles; booking of seats; information services relating to airtravel, air transport, timetables, fares, schedules, connecting transport and tourist information; providing information concerning travel and travel-related topics; providing guidebooks, travel maps, city directories and listing for use by travellers available electronically via a global computer network, providing travel information over computer networks and global communication networks’;
- Class 41: ‘Educational and training services relating to wildlife, ecology, African geography and history and relating to the organisation and conduct of safaris, tours, cruises and transport; entertainment services for tourists and holidaymakers; organisation of activity sports and cultural events for tourists and holidaymakers; arranging and conducting conferences, symposiums, exhibitions and seminars relating to wildlife, ecology, geology, topography and ethnic cultural matters; advice, information and consultancy services relating to all the aforementioned services’;
- Class 43: ‘Travel agency services for booking accommodation; hotel services; resort and lodging services; provision of safari, tour and temporary accommodation; restaurant, catering and bar services; provision of food and drink; booking and reservation services for hotel and holiday accommodation; reservation and information services; advice, information and consultancy services relating to all the aforementioned services’.

4 The EU trade mark application was published in *Community Trade Marks Bulletin* No 2009/031 of 17 August 2009.

5 On 31 August 2009, the applicant, Industria de Diseño Textil, SA (Inditex), filed a notice of opposition pursuant to Article 41 of Regulation No 207/2009 (now Article 46 of Regulation 2017/1001), to registration of the mark applied for in respect of all the services referred to in paragraph 3 above.

6 The opposition was based on the following earlier rights (‘the earlier marks’):

- the earlier EU word mark ZARA, which was registered on 3 January 2001 under the number 112 755 in respect of, inter alia, ‘clothing, footwear [and] headgear’ in Class 25, ‘services in relation to the transport and distribution of goods, packaging and storage of merchandise, in particular, articles of clothing, shoes and accessories, perfumery and cosmetics’ in Class 39 and ‘providing of food and drink; temporary accommodation; medical, hygienic and beauty care; veterinary and agricultural services; legal services; scientific and industrial research; computer

programming; services that cannot be placed in other classes; rental of evening dress, uniforms and clothing, industrial design, dress designing, design of interior decor, knitting machine rental, fashion information, technical and chemical research, textile testing' in Class 42;

- the earlier EU word mark ZARA, which was registered on 13 October 2005 under the number 732 958 in respect of 'store services; commercial or industrial management assistance by the issuing and administration of charge cards; business management services; business administration services; advertising, including advertising services undertaking the distribution of advertising and commercial prospectuses and pamphlets, either directly or by mail, as well as the distribution of product samples' in Class 35 and 'providing of education; training; entertainment [and] sporting and cultural activities' in Class 41.
- 7 The grounds relied on in support of the opposition were those set out in Article 8(1)(b) of Regulation No 207/2009 (now Article 8(1)(b) of Regulation 2017/1001) and Article 8(5) of Regulation No 207/2009 (now Article 8(5) of Regulation 2017/1001).
  - 8 On 20 September 2011, in the first place, the Opposition Division partially upheld the opposition brought on the basis of Article 8(1)(b) of Regulation No 207/2009, namely in respect of all the services in Classes 41 and 43 and all the services in Class 39, except for 'railway, river and air transport [and] rental of vehicles'. In the second place, the Opposition Division rejected the opposition brought on the basis of Article 8(5) of that regulation in respect of the services 'railway, river and air transport [and] rental of vehicles' in Class 39.
  - 9 Both the applicant (Case R 2330/2011-2) and Mrs and Mr Ansell (Case R 2369/2011-2) filed notices of appeal with EUIPO, on 11 and 16 November 2011 respectively, pursuant to Articles 58 to 64 of Regulation No 207/2009 (now Articles 66 to 71 of Regulation 2017/1001), against the decision of the Opposition Division.
  - 10 On 24 October 2011, Mrs and Mr Ansell filed an application for revocation of the earlier word mark ZARA, registered under the number 112 755, in respect of the services in Classes 39 and 42. The appeal proceedings were suspended until a final decision was given regarding the application for revocation. On 30 April 2013, the Cancellation Division revoked the earlier mark in respect of 'services in relation to the transport and distribution of goods, packaging and storage of merchandise, in particular, articles of clothing, shoes and accessories, perfumery and cosmetics' in Class 39 and in respect of the services 'providing of food and drink [and] temporary accommodation' in Class 42. The decision became final on 26 October 2016.
  - 11 By decision of 5 July 2017 ('the contested decision'), the cases having been joined, the Second Board of Appeal of EUIPO, first, dismissed the applicant's appeal (Case R 2330/2011-2) and, secondly, partially upheld Mrs and Mr Ansell's appeal (Case R 2369/2011-2). Consequently, the Board of Appeal allowed the mark applied for to proceed to registration in respect of all the services in Classes 39 and 43, as described in paragraph 3 above.
  - 12 As regards more specifically the ground of opposition based on Article 8(5) of Regulation No 207/2009, the Board of Appeal stated, first, that the marks at issue had to be considered to be similar overall; secondly, that the earlier marks had a reputation for 'clothing, footwear [and] headgear' in Class 25 and 'store services' in Class 35; thirdly, that the applicant had not sufficiently proved either that the use of the sign applied for might give rise to a risk of unfair advantage being taken of the repute of the earlier marks or that it might be detrimental to the distinctive character or the repute of the earlier marks. The Board of Appeal therefore found that the necessary conditions for the application of Article 8(5) of Regulation No 207/2009 were not satisfied in the case before it.

### **Forms of order sought**

- 13 The applicant claims that the Court should:
  - partially annul the contested decision and reject the application for registration of the mark ZARA TANZANIA ADVENTURES in respect of the services in Classes 39 and 43 covered by

that application;

- order EUIPO, Mrs and Mr Ansell to bear the costs, including the costs necessarily incurred in the opposition proceedings before EUIPO and the proceedings before the Second Board of Appeal.
- 14 During the hearing, the applicant stated that it was no longer requesting the Court to rule on the costs incurred in the course of the opposition proceedings before EUIPO, formal note of which was taken in the minutes of the hearing.
- 15 EUIPO contends that the Court should:
- dismiss the action;
  - order the applicant to pay the costs.

## Law

### *The claim for annulment of the contested decision*

- 16 In support of its action, the applicant puts forward a single plea in law, alleging infringement of Article 8(5) of Regulation No 207/2009. In particular, the applicant complains that the Board of Appeal incorrectly assessed the factors which have to be taken into account in analysing the risks referred to in Article 8(5) of Regulation No 207/2009 and therefore erred in finding that the conditions for the application of that article were not satisfied in the present case.
- 17 It is apparent from the wording of Article 8(5) of Regulation No 207/2009 that its application is subject to the following conditions: (i) the marks at issue must be identical or similar; (ii) the earlier mark cited in opposition must have a reputation; and (iii) there must be a risk that the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark. Those three conditions are cumulative and failure to satisfy one of them is sufficient to render that provision inapplicable (see judgment of 9 March 2012, *Ella Valley Vineyards v OHIM — HFP (ELLA VALLEY VINEYARDS)*, T-32/10, EU:T:2012:118, paragraph 18 and the case-law cited). Furthermore, the existence of one of the abovementioned types of risk is sufficient for that provision to apply (judgment of 22 March 2007, *Sigla v OHIM — Elleni Holding (VIPS)*, T-215/03, EU:T:2007:93, paragraph 36).
- 18 In addition, according to the case-law, the existence of one of the types of injury referred to in Article 8(5) of Regulation No 207/2009, or a serious risk that such injury will occur in the future, must be assessed globally, taking into account all factors relevant to the circumstances of the case, which include the strength of the mark's reputation and the degree of distinctive character of the mark, the degree of similarity between the marks at issue and the nature and degree of proximity of the goods or services concerned (judgments of 6 July 2012, *Jackson International v OHIM — Royal Shakespeare (ROYAL SHAKESPEARE)*, T-60/10, not published, EU:T:2012:348, paragraph 54, and of 4 October 2017, *Gappol Marzena Porczyńska v EUIPO — Gap (ITM) (GAPPoL)*, T-411/15, not published, EU:T:2017:689, paragraph 186).
- 19 It is necessary, at the outset, to uphold the Board of Appeal's finding in paragraphs 35 and 36 of the contested decision that the relevant public is, in the present case, the public in the European Union, which consists both of the general public, the level of attention of which is average, and of consumers who are professionals, the level of attention of which is generally higher than that of the general public. However, since the goods and services covered by the marks at issue are aimed both at the general public and at professionals, it will be necessary to take into account the part of the public with the lowest level of attention, namely the general public (judgment of 30 September 2016, *Flowil International Lighting v EUIPO — Lorimod Prod Com (Sylvania Food)*, T-430/15, not published, EU:T:2016:590, paragraph 19).

### *The degree of similarity between the marks at issue*

20 In paragraph 54 of the contested decision, the Board of Appeal found that the signs at issue were similar overall. In that regard, it found that the signs were highly similar visually, phonetically similar and, for part of the relevant public, conceptually similar.

21 The applicant submits that, in the assessment as to the similarity between the signs at issue, the Board of Appeal should have found that those signs were highly similar. In particular, although the applicant agrees with and endorses the Board of Appeal's finding that the signs at issue are highly similar visually, it complains that the Board of Appeal incorrectly assessed the phonetic and conceptual similarities of those signs.

22 EUIPO disputes the applicant's arguments.

23 Consequently, it must be ascertained whether the Board of Appeal erred in assessing the phonetic and conceptual similarities between the marks at issue.

– *The phonetic comparison of the signs at issue*

24 From a phonetic standpoint, the Board of Appeal found, in paragraph 48 of the contested decision, first, that the signs at issue were partially identical phonetically, inasmuch as they 'share[d] the same pronunciation of ... two syllables', namely 'za' and 'ra'. Secondly, it pointed out that those signs differed in the pronunciation of the additional elements 'tanzania' and 'adventures', which are present only in the contested sign. However, it found that that partial phonetic identity between the signs at issue was not, in the present case, called into question by the presence of the additional elements. The Board of Appeal therefore found that the signs in question were phonetically similar.

25 The applicant submits that the Board of Appeal's reasoning regarding the phonetic similarity between the signs at issue should have led it to the logical conclusion that the signs at issue were highly similar phonetically.

26 It must be pointed out that, contrary to what the applicant submits, the Board of Appeal's finding regarding the phonetic similarity between the signs at issue is correct. The Board of Appeal's finding that the partial phonetic identity between those signs was not, in the present case, called into question by the presence of additional elements in the mark applied for must be understood as meaning solely that those additional elements were not capable of ruling out any phonetic similarity between the signs. Taking into account the existence of those additional elements, the Board of Appeal did not err in finding that the signs at issue were phonetically similar and not highly similar as the applicant submits.

27 It follows that the Board of Appeal did not err in its assessment of the phonetic similarity between the signs at issue.

– *The conceptual comparison of the signs at issue*

28 From a conceptual standpoint, the Board of Appeal found, in paragraph 49 of the contested decision, that, whereas the term 'zara' had no specific meaning in any of the relevant territories, it might be perceived as a woman's first name, at least for part of the relevant public. Furthermore, the Board of Appeal stated that it was likely that part of the relevant public would understand the expression 'tanzania adventures' as referring to adventures taking place in Tanzania, which differentiated those signs from a conceptual standpoint. It therefore found, in paragraph 53 of the contested decision, that, conceptually, part of the relevant public would perceive the signs as similar to the extent that they had the element 'zara' in common, whereas another part of the public would perceive them as being different.

29 The applicant claims that, given that the earlier marks enjoy a high degree of recognition, the relevant public will associate the term 'zara' with the earlier marks rather than with a female first name. Consequently, according to the applicant, since the signs at issue have the word 'zara' in common, the Board of Appeal should have found that they were conceptually identical.

30 It must be pointed out, as observed by EUIPO, that the applicant, in its reasoning, disregarded the fact that the signs at issue differed conceptually on account of the presence of the terms 'tanzania' and

‘adventures’ in the mark applied for. In particular, the term ‘tanzania’, which is understood by the whole of the relevant public, refers to a country in East Africa and therefore to a concept which the earlier marks do not convey.

- 31 In the light of, in particular, the differences mentioned in the preceding paragraph, the applicant’s argument that the Board of Appeal should have found that the marks at issue were conceptually identical must be rejected and the Board of Appeal’s findings in that regard must therefore be endorsed.
- 32 On the basis of all of the considerations set out in paragraphs 20 to 31 above, it must be held that the Board of Appeal did not err in its assessment of the degree of similarity between the signs at issue.

*The strength of the earlier marks’ reputation*

- 33 In paragraph 65 of the contested decision, the Board of Appeal found, in essence, that the earlier marks had a reputation for the ‘clothing, footwear [and] headgear’ in Class 25 and the ‘store services’ in Class 35 covered by those marks.
- 34 Furthermore, although the Board of Appeal did not expressly establish the strength of the earlier marks’ reputation, it agreed, also in paragraph 65 of the contested decision, with the Opposition Division’s view that the earlier marks enjoyed a high degree of recognition among the relevant public.
- 35 The applicant submits, in essence, that the Board of Appeal should, in its assessment, have acknowledged that the earlier marks have an exceptionally strong reputation.
- 36 At the hearing, EUIPO stated that the applicant had requested that the Board of Appeal confirm the Opposition Division’s assessments relating to the strength of the earlier marks’ reputation and consequently find that its marks enjoyed a high degree of recognition. By contrast, it maintained that the applicant had not requested that the exceptionally strong reputation of the earlier marks be acknowledged.
- 37 In that context, it must be borne in mind that pursuant to Article 76(1) of Regulation No 207/2009 (now Article 95(1) of Regulation 2017/1001), in proceedings relating to relative grounds for refusal of registration, EUIPO’s examination is to be restricted to the facts, evidence and arguments provided by the parties and the relief sought. It follows from that provision that it is also for the parties to provide the facts and evidence in support of the relief sought (see, to that effect, judgment of 13 June 2002, *Chef Revival USA v OHIM — Massagué Marín (Chef)*, T-232/00, EU:T:2002:157, paragraph 45).
- 38 In the light of the file relating to the proceedings before EUIPO, it must be stated that, during the proceedings, the applicant submitted that the evidence provided proved that the earlier marks have a high reputation. By contrast, it did not, before EUIPO, put forward any arguments relating either to the exceptionally strong reputation of its marks or to the consequences which could arise if such a strength of reputation had been acknowledged.
- 39 The Board of Appeal was not required to rule on that aspect of its own motion. Since the reputation of a mark is in principle a purely conjectural matter, it is for the parties to provide sufficient precision in their line of argument to enable the adjudicating bodies of EUIPO to rule on their claims in a comprehensive manner (see, by analogy, judgments of 22 June 2004, *Drie Mollen sinds 1818 v OHIM — Nabeiro Silveria (Galáxia)*, T-66/03, EU:T:2004:190, paragraph 32, and of 18 May 2011, *IIC-Intersport International v OHIM — McKenzie (McKENZIE)*, T-502/07, not published, EU:T:2011:223, paragraph 61).
- 40 Consequently, the Board of Appeal cannot be criticised for having found, in accordance with the arguments set out by the applicant, that the earlier marks had a high reputation.

*The condition relating to the existence of one of the risks of injury*

- 41 It is apparent from the case-law that the purpose of Article 8(5) of Regulation No 207/2009 is not to prevent registration of any mark which is identical or similar to a mark with a reputation. The objective of that provision is, notably, to enable the proprietor of an earlier national or EU trade mark with a reputation to oppose the registration of marks which are likely either to be detrimental to the repute or the distinctive character of the earlier mark or to take unfair advantage of that repute or distinctive character. In that connection, it should be made clear that the proprietor of the earlier mark is not required to demonstrate actual and present harm to his mark. He must however provide prima facie evidence of a future risk, which is not hypothetical, of unfair advantage or detriment (see judgment of 22 March 2007, *VIPS*, T-215/03, EU:T:2007:93, paragraph 46 and the case-law cited).
- 42 Furthermore the Court of Justice has also stated that the stronger the earlier mark's distinctive character and reputation, the easier it will be to accept that harm has been caused to it (judgment of 27 November 2008, *Intel Corporation*, C-252/07, EU:C:2008:655, paragraph 69). In that regard, it should also be borne in mind that, while it is one of the cumulative conditions for the application of Article 8(5) of Regulation No 207/2009, the reputation of the earlier trade mark and, in particular, the strength of that reputation is one of the factors to be taken into account in the assessment both of whether there is an association on the part of the public between the earlier trade mark and the contested mark and of whether there is a risk that one of the types of injury referred to in that provision may occur (see, by analogy, judgments of 18 July 2013, *Specsavers International Healthcare and Others*, C-252/12, EU:C:2013:497, paragraph 39 and the case-law cited, and of 2 October 2015, *The Tea Board v OHIM — Delta Lingerie (Darjeeling)*, T-627/13, not published, EU:T:2015:740, paragraph 81 and the case-law cited).
- 43 As regards the risk of unfair advantage being taken of the distinctive character or the repute of the earlier trade marks, the Board of Appeal found, in paragraphs 75 to 78 of the contested decision, that the applicant had not put forward any information which made it possible to understand satisfactorily how the risk of an unfair advantage could have arisen. According to the Board of Appeal, the applicant confined itself to making general allegations in that regard. Furthermore, the Board of Appeal pointed out that the applicant had not taken into considerations the huge differences between the goods and services concerned, having regard to their nature, purpose, method of use, service provider, manufacturer and the means by which they are marketed.
- 44 The applicant submits that it provided evidence that proves the current trends with regard to marks that are present on the fashion market, which are evolving outside of the market on which they are normally present towards adjacent markets, such as those in respect of foodstuffs, restaurant services and hotel and temporary accommodation. It maintains that, on account of that trend, even though the contested services in Classes 39 and 43 may not be considered to be strictly similar to the goods and services for which the reputation of the earlier marks has been established, they are still linked to the relevant commercial sector.
- 45 It adds that it is not unusual for fashion magazines to combine fashion articles and articles on travel trends. It submits that, on social media it is also very usual for bloggers and influencers travelling worldwide to comment both on the clothing and accessories that they wear during their trips and on the trip itself, including destinations, hotels and restaurants. The applicant maintains that, on account both of those factors and of the strength of the earlier marks' reputation and the high degree of distinctiveness of those marks, there is a risk that the proprietors of the mark applied for might, without incurring significant costs, introduce and popularise their mark on the market.
- 46 EUIPO submits that the applicant has not adduced prima facie evidence of a future risk, which is not hypothetical, of the types of injury invoked. It adds that the applicant has failed to identify the positive image associated with its marks and how that image could then be transferred to the mark applied for.
- 47 In the first place, it must be borne in mind that it is apparent from the case-law cited in paragraph 41 above, that, in the context of the application of Article 8(5) of Regulation No 207/2009, the applicant is required to provide prima facie evidence of a future risk, which is not hypothetical, of unfair advantage or detriment.

- 48 However, it must be pointed out that the case-law states, in that regard, that such a conclusion may be established, in particular, on the basis of logical deductions made from an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case (judgments of 10 May 2012, *Rubinstein and L'Oréal v OHIM*, C-100/11 P, EU:C:2012:285, paragraph 95, and of 9 April 2014, *EI du Pont de Nemours v OHIM — Zueco Ruiz (ZYTeL)*, T-288/12, not published, EU:T:2014:196, paragraph 59).
- 49 In the light of that case-law, it must, first of all, be held that the Board of Appeal erred in finding that the applicant confined itself to making general allegations regarding the existence of a risk of unfair advantage being taken of the distinctive character and the repute of the earlier trade marks. It is apparent from the applicant's arguments, as set out in paragraphs 44 and 45 above, arguments which had also been put forward before the adjudicating bodies of EUIPO, that it made a number of allegations based on the specific circumstances of the case, namely, inter alia, the current trends with regard to the evolution of marks that are present on the fashion market.
- 50 Furthermore, contrary to what EUIPO maintains, the applicant identified the specific image associated with its marks, namely an image of excellence, reliability and quality, which was referred to in paragraph 74 of the contested decision. However, it is not apparent from that decision that the Board of Appeal considered whether the image thus identified by the applicant could actually be established. In paragraph 75 of the contested decision, the Board of Appeal directly found that the applicant's allegations were not sufficient to prove that there was a risk of unfair advantage.
- 51 In the second place, as regards the differences between the goods and services covered by the marks at issue, it must be pointed out that, in the present case, those differences are not, in themselves, capable of precluding any risk of unfair advantage being taken by the use of the mark applied for. It must be held, as the applicant submits, that there is currently a trend for trade marks present in the fashion market to evolve towards other markets and business sectors. For that reason, it cannot be ruled out that, in spite of the differences between those goods and services, the mark applied for might bring the earlier marks to the mind of the relevant public, particularly because the goods and services covered by the marks at issue are intended for, inter alia, the general public.
- 52 In the third place, it must be borne in mind that, according to the case-law referred to in paragraph 18 above, it is necessary, in order to ascertain whether the claims made by the applicant are sufficient to conclude that there is a risk of a type of injury referred to in Article 8(5) of Regulation No 207/2009, to carry out an overall assessment, taking into account all factors relevant to the circumstances of the case.
- 53 In particular, it is apparent from the case-law cited in paragraph 42 above, that there is interdependence between, on the one hand, inter alia, the reputation and distinctive character of the earlier marks and, on the other hand, the existence of a risk that one of the three types of injury covered by Article 8(5) of Regulation No 207/2009 might arise, inasmuch as the stronger that distinctive character and reputation, the easier it will be to accept that those risks exist, which also means that it will be easier for the applicant to meet his obligation of proving that there is a risk of one of the three types of injury covered by Article 8(5) of Regulation No 207/2009 arising.
- 54 It must be observed that, in the present case, although the Board of Appeal confirmed, in paragraph 65 of the contested decision, the Opposition Division's assessment that the earlier marks had a high reputation for the relevant public, it did not subsequently consider the impact of the strength of the earlier marks' reputation on the existence of a risk of unfair advantage being taken of the distinctive character or the repute of the earlier marks.
- 55 Furthermore, it is not apparent from the contested decision that the Board of Appeal, in its assessment as to whether there was a risk of unfair advantage being taken of the distinctive character or the repute of the earlier marks, took into account the distinctive character of the earlier marks. In that regard, it must be stated that, as EUIPO itself observed in its response, a finding of reputation necessarily entails a finding of enhanced distinctiveness. A trade mark with a reputation necessarily has distinctive character, at the very least acquired through use (judgment of 27 November 2008, *Intel Corporation*,

C-252/07, EU:C:2008:655, paragraph 73). Consequently, in view of the high reputation of the earlier mark, which was, moreover, acknowledged by the Board of Appeal, it should also have acknowledged that the earlier marks have enhanced distinctiveness through use and subsequently taken that relevant factor into account in its assessment as to whether the risk in question existed.

- 56 In view of the foregoing, it must be held that, in the present case, the Board of Appeal did not carry out an overall assessment of the risk, covered by Article 8(5) of Regulation No 207/2009, of injury linked to unfair advantage being taken of the distinctive character or the repute of the earlier marks, since it did not, in assessing the claims made by the applicant in that regard, take into account the strength of the earlier marks' reputation or their degree of distinctiveness.
- 57 It must therefore be held that the grounds on which the Board of Appeal based the contested decision cannot suffice to justify the rejection of the opposition based on Article 8(5) of Regulation No 207/2009, since a risk of unfair advantage being taken of the distinctive character or the repute of the earlier marks may more or less readily be found to exist depending on the strength of the earlier marks' reputation and degree of distinctiveness, which the Board of Appeal did not take into account in its assessment.
- 58 In conclusion, it follows from the above that the Board of Appeal erred in assessing the claims which the applicant made regarding the existence of a risk of unfair advantage being taken by the use of the mark applied for and, consequently, erred in finding that the use of the sign applied for ought not to result in any risk of unfair advantage being taken of the distinctive character or the repute of the earlier marks.
- 59 In view of the fact that the existence of one of the three risks is sufficient for Article 8(5) of Regulation No 207/2009 to apply, the finding in the preceding paragraph means that the contested decision must be partially annulled, without it being necessary to examine the Board of Appeal's assessment of the other risks of injury covered by that article.
- 60 The plea alleging infringement of Article 8(5) of Regulation No 207/2009 must therefore be upheld and consequently the contested decision must be annulled in so far as the Board of Appeal partially upheld the appeal brought by Mrs Ansell and Mr Ansell (Case R 2369/2011-2) and allowed the mark applied for to proceed to registration in respect of the services in Classes 39 and 43, as described in paragraph 3 above.

### *The claim for alteration of the contested decision*

- 61 As regards the part of the applicant's first head of claim seeking that the Court reject the application for registration of the mark ZARA TANZANIA ADVENTURES, it must be pointed out that the power of the Court to alter decisions pursuant to Article 65(3) of Regulation No 207/2009 (now Article 72(3) of Regulation 2017/1001) does not have the effect of conferring on that Court the power to carry out an assessment on which that Board of Appeal has not yet adopted a position. Exercise of the power to alter decisions must therefore, in principle, be limited to situations in which the Court, after reviewing the assessment made by the Board of Appeal, is in a position to determine, on the basis of the matters of fact and of law as established, what decision the Board of Appeal was required to take (judgment of 5 July 2011, *Edwin v OHIM*, C-263/09 P, EU:C:2011:452, paragraph 72).
- 62 In the present case, the conditions for the exercise of the General Court's power to alter decisions, as set out in the judgment of 5 July 2011, *Edwin v OHIM* (C-263/09 P, EU:C:2011:452), are not satisfied.
- 63 As has been held in paragraph 56 above, the Board of Appeal did not, in the present case, carry out the overall assessment that is necessary in order to find that one of the three risks covered by Article 8(5) of Regulation No 207/2009 exists. It is not therefore for the Court to carry out that overall assessment for the first time in the context of its review of the legality of the contested decision.
- 64 As the Court is not able to exercise its power to alter the contested decision, that part of the applicant's first head of claim must be rejected.

**Costs**

- 65 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Consequently, it must, first, be held that, since EUIPO has been largely unsuccessful, it must be ordered to pay the costs, in accordance with the form of order sought by the applicant. Secondly, in view of the fact that Mrs Ansell and Mr Ansell were not party to the present proceedings, the applicant's head of claim requesting that they be ordered to pay the costs of the present action must be rejected.
- 66 The applicant also applied, in essence, for EUIPO, Mrs Ansell and Mr Ansell to be ordered to pay the costs incurred in the course of the proceedings before the Board of Appeal. In that regard, it must be pointed out that it is for the Board of Appeal to decide, in the light of the present judgment, as to the costs relating to those proceedings (see, to that effect, judgment of 28 June 2011, *ATB Norte v OHIM — Bricocenter Italia (Affiliato BRICO CENTER)*, T-483/09, not published, EU:T:2011:316, paragraph 69).

On those grounds,

THE GENERAL COURT (Seventh Chamber)

hereby:

- 1. Annuls the decision of the Second Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 5 July 2017 (Joined Cases R 2330/2011-2 and R 2369/2011-2) in so far as the Board of Appeal partially upheld the appeal brought by Mrs Ansell and Mr Ansell (Case R 2369/2011-2) and allowed the mark applied for to proceed to registration in respect of the services which are listed in point 3 of the operative part of that decision and are in Classes 39 and 43 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended;**
- 2. Dismisses the action as to the remainder;**
- 3. Orders EUIPO to bear its own costs and to pay those incurred by Industria de Diseño Textil, SA (Inditex) in the course of the proceedings before the General Court.**

Tomljenović

Bieliūnas

Marcoulli

Delivered in open court in Luxembourg on 11 April 2019.

E. Coulon

V. Tomljenović

Registrar

President

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- Language of the case: English.