



THE REPUBLIC OF UGANDA

THE TRADEMARKS ACT, CAP 225

IN THE MATTER OF TRADEMARK APPLICATION No. UG/T/ 2023/78755 “ZARA GARDEN HOTEL” IN CLASS 43 IN THE NAME OF ZEREGABER GENERAL TRADING (U) LIMITED

AND

OPPOSITION THERETO BY INDUSTRIA DE DISENO TEXTIL, S.A

INDUSTRIA DE DISENO TEXTIL, S.A OPPONENT

VS

ZEREGABER GENERAL TRADING (U) LIMITED..... APPLICANT

RULING

Before: Kukunda Lynette Africa, Asst. Registrar of Trademarks

Background:

1. On 27th March 2023, the Applicant Zeregaber General Trading (U) Limited, a company incorporated in Uganda, filed application no. UG/T/2023/78755 for the trademark “ZARA GARDEN HOTEL AND APARTMENTS” in class 43. The application was examined and a gazette notice was issued. The mark was subsequently advertised in the Uganda Registration Services Bureau (URSB) Journal on 12th May, 2023.
2. The Opponent, Industria De Diseno Textil , S.A, a company incorporated in Spain, filed a notice of opposition on the 10th July, 2023 on grounds that the Applicant’s mark wholly incorporates its prior registered and well known trademarks “ZARA” registered in classes 18, 25, 35 and “ZARA HOME” in classes 20, 21, 24 and that the Applicant’s mark so nearly resembles the Opponent’s registered and well known ZARA trademark, that confusion or deception is likely to arise among consumers.

3. A hearing was held on 1st October, 2024 wherein the Opponent was represented by Counsel Paul Asiimwe of Sipi Law Associates and the Applicant was represented by Counsel Oscar Kamusiime of Birungyi, Barata & Associates.
4. The following issues were agreed upon at the hearing:
 - 1) Whether the Applicant's mark is confusingly similar to the Opponent's "ZARA" trademark?
 - 2) Whether the Opponent's trademark is well known in Uganda?
 - 3) What remedies are available to the parties?
5. It is worth noting that during the hearing, the Registrar inquired whether the parties were open to exploring Alternative Dispute Resolution mechanisms, such as mediation, which could assist both parties to reach a mutually beneficial agreement. Counsel for both parties indicated that they would consult their respective clients and provide feedback on the same. However, no further communication on this option was received from either party.
6. The parties subsequently filed written submissions on the agreed issues.

Determination of issues:

Issue One: Whether the Applicant's mark is confusingly similar to the Opponent's "ZARA" trademark?

7. The Opponent claims that the Applicant's mark "ZARA GARDEN HOTEL AND APARTMENTS" in Class 43 should not be registered because it incorporates the Opponent's well-known and prior registered trademark "ZARA", making it visually and phonetically similar and therefore likely to confuse or deceive consumers. Counsel for the Opponent argues that the addition of descriptive words like "Garden," "Hotel," and "Apartments" does not distinguish the mark from ZARA, especially since consumers tend to remember the dominant part of a mark. The Opponent states that ZARA is a globally recognized and well-known trademark, with extensive use, high reputation, and legal protection worldwide, including in Uganda. The Opponent further states that they own rights to "ZARA HOME" and that under The ZARA HOME collection, the Opponent sells furnishings, furniture, mirrors, lamps, photo frames, bedding, tableware, bath linen, soaps, detergents, cleaning products and accessories,

home fragrances, shampoos and hair products, dishware, cutlery, glassware, home decor objects and accessories etc. Counsel argues that the Applicant's use of a mark that is similar to the Opponent's may lead consumers to wrongly believe the services are connected to or endorsed by ZARA and that the Applicant may take unfair advantage of ZARA's reputation, and may potentially damage its goodwill. The Opponent also asserts that this registration would violate Ugandan trademark law and international protection of well-known marks under Article 6bis of the Paris Convention.

8. The Applicant on the other hand argues that the Opponent's trademark "ZARA" is registered in Class 25 for clothing and related goods while their mark "ZARA GARDEN HOTEL AND APARTMENTS & Device" is distinctive, used in good faith, and applies to entirely different services in Class 43, namely hotel, accommodation, and food services. Counsel for the Applicant states that their mark has been extensively used, marketed, and acquired distinctiveness in Uganda, with an online presence (e.g website, social media, TripAdvisor listings), and is strongly associated with their hotel services alone. The Applicant denies any likelihood of confusion or deception, asserting that the word "ZARA" is a common English or Arabic-derived name that means "blooming flower" or "princess," which was not invented by the Opponent, and thus cannot be monopolized. Counsel for the Applicant argues that the goods and services of the two parties differ conceptually and commercially, that the average Ugandan consumer would not assume any connection with the Opponent, and that the Opponent has no trademark rights in Class 43 in Uganda. The Applicant contends that their mark was adopted lawfully, has acquired reputation and distinctiveness through use, and therefore should be allowed registration. The Applicant prays the Opposition is dismissed with costs.
9. A trademark is defined under section 2 of the Trademark Act, Cap 225 to mean a *sign or mark or combination of the signs or marks capable of being represented graphically and capable of distinguishing goods or services of one undertaking from those of another undertaking.* This is reiterated under Section 4 (1) which provides that;

A sign or combination of signs, capable of distinguishing goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark.

10. It is evident from the foregoing definitions that a fundamental characteristic of a trademark is its ability to distinguish the goods or services of one entity from those of another and that the primary function of a trademark is to enable consumers to identify the source or origin of particular goods or services. It is because of this principle that Section 25 of the Trademarks Act, provides that:

(1) *Subject to section 27, a trademark relating to goods shall not be registered in respect of goods or description of goods that is identical with or nearly resembles a trademark belonging to a different owner and already on the register in respect of —*

- (a) *the same goods;*
- (b) *the same description of goods; or*
- (c) *services or a description of services which are associated with those goods or goods of that description.*

(2) *Subject to section 26, a trademark relating to services shall not be registered in respect of services or description of services that is identical with or nearly resembles a trademark belonging to a different owner and already on the register in respect of—*

- (a) *the same services;*
- (b) *the same description of services; or*
- (c) *goods or a description of goods which are associated with those services or services of the description.* [emphasis mine]

11. In simple terms, Section 25 prohibits registration of similar marks owned by different persons, for similar goods or services. Therefore, my duty is to determine whether the marks in question are similar and whether the goods or services of the marks are also similar based on the evidence and arguments presented.

12. It is important to note that the burden of proof lies with the party that makes an allegation. In this case, that burden rests with the Opponent. Accordingly, it is the Opponent's primary responsibility to demonstrate that the marks in question are similar and that such similarity is likely to cause confusion among consumers. (**See Section 101 and 103 of the Evidence Act Cap. 8).**

13. The test for determining whether two marks are similar so as to cause likelihood of confusion was laid down in **Pianotist Co's Application (1906) 23 RPC 774**, where the court stated;

“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 these goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trademarks is used in a normal way as a trademark for the goods by the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be confusion - that is to say, not necessarily that one man will be injured and the other gain illicit benefit, but there will be a confusion in the minds of the public which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse registration in that case”. [emphasis mine]

14. Guided by the above case, I will therefore start by assessing the representation of the marks side by side:

OPPONENT'S MARKS	APPLICANT'S MARK
ZARA	
ZARA HOME	

15. The Opponent's marks are quite straight forward as they are word marks. Its first mark is the word "ZARA" and the second mark is "ZARA HOME". The Opponent's first mark

is short, simple and straight to the point. The Opponent's second mark retains the core element "ZARA" while the addition of the word "HOME" suggests a line or extension of goods and services related to the home, such as household items, furnishings, or home décor.

16. The Applicant's mark on the other hand consists of a combination of words and images. The mark features five overlapping leaves in varying shades of green, arranged symmetrically to form a stylized image that resembles a blooming flower. Below the leaf image, appear the words "Zara Garden" in a dark green colour, followed by the words "Hotel and Apartments" in capital letters but in a smaller font size. The consistent use of varying green tones against a white background conveys an overall impression of nature, freshness, and harmony, suggesting services associated with tranquility, gardens, or a natural setting.
17. It is seen that in the Applicant's mark, the dominant element is the image of the five overlapping green leaves. Courts have consistently emphasized that, when comparing marks, greater weight is placed on the dominant and distinctive elements rather than on components that are descriptive, non-distinctive, or visually insignificant. In **Sabel BV v. Puma AG (1997) (Case C-251/95)**, the Court stated that the likelihood of confusion must be assessed based on the overall impression created by the marks, with particular regard to their dominant elements. This position was re-echoed in **Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijzen Handel BV (Case C-342/97)**, where the Court noted that consumers generally retain an imperfect recollection of marks and tend to remember the features that stand out most. Applying these principles, the dominant visual element of the Applicant's mark is the stylized cluster of overlapping green leaves, which carries significantly greater weight in the overall impression of the mark in comparison to the words in the mark.
18. However, the Opponent's main claim is in relation to the Applicant's use of the word "ZARA" in their mark, which the Opponent states they have exclusive rights over. The above is a pertinent issue as whereas the dominant element of the Applicant's mark is the leaf device, practically, a consumer would not refer to the Applicant's services as the "leaf hotel", but would refer to it by its verbal name i.e "Zara Garden Hotel."

19. The Opponent further contends that the word "ZARA" is distinctive to the Opponent and that the word was coined and invented by the Opponent's founder. The Applicant however contends that "Zara" is a common name of Arabic and Hebrew origin meaning "blooming flower" or "princess." The Applicant relates that it is because of the Hebrew meaning of the name Zara i.e "blooming flower" that inspired the flower image in their mark.

20. In **Schweppes Limited vs E. Rowlands Proprietary Limited [1910] HCA 36** which cited **Re Eastman Photographic Materials Co's Application (1898) 15 R.P.C. 476** with approval expounded on what amounts to an invented mark. Court stated that;

"....There must be invention, and not the appearance of invention only. It is not possible to define the extent of invention required ; but the words, I think, should be clearly and substantially different from any word in ordinary or common use. The employment of a word in such use, with a diminutive or a short and meaningless syllable added to it, or a mere combination of two known words, would not be an invented word; and a word would not be ' invented ' which, with some trifling addition or very trifling variation, still leaves the word one which is well known or in ordinary use, and which would be quite understood as intended to convey the meaning of such word. Of course, a mere colourable omission has the same effect as a mere colourless addition. In my judgment, a word which at once conveys to the eye or the ear the same idea as a known word is not an invented word within the rule laid down by Lord Shand. It follows that regard must be had to the meaning of the known word."

[emphasis mine]

21. Further, in the case of **Diabolo Trade Mark [1908] 25 RPC 49** Parker J established the test for what constitutes an "invented word" for trademark purposes. He stated that

"To be an invented word within the meaning of the Act, a word must not only be newly coined, in the sense of not being already current in the English language, but must be such as not to convey a meaning or at any rate, any obvious meaning to ordinary Englishmen. It must be a word having no meaning or no obvious meaning until one has been assigned to it.I use

the expression “obvious meaning” and refer to ordinary English men because to prevent a newly coined word from being an invented word, it is not enough that it might suggest some meaning to a few scholars.”

22. The above authorities establish that, for a mark to qualify as an invented word, it is not sufficient that it be newly coined; the word must, when considered on its own, convey no ordinary meaning. It must not be a mere combination of two English words, though it may be a compound word, it may be traceable to a foreign source, but a foreign word will not qualify merely because it has not been current in English usage. It is essential that the mark should not, whether directly or indirectly, suggest or allude to the nature, character, or type of goods or services to which it is applied. The element of invention may arise in various ways, the use of an abbreviation or anagram, the combination of two or more words in their original or altered form, or the insertion of meaningless syllables or letters.

23. However, irrespective of the manner in which the word is constructed, if the resulting expression, to the eye or the ear, communicates the same idea as a recognizable word or expression in common usage, it cannot be regarded as an invented word for the purposes of trademark law. In essence, an invented word must be clearly distinguishable from words in ordinary speech, and such distinction must be substantial rather than superficial.

24. The **Oxford Dictionary of First Names, Patrick Hanks, Kate Hardcastle, and Flavia Hodges, (2nd Edition, Oxford University Press, 2006)** provides the meaning of ZARA as follows:

is a female given name, of uncertain origin. It is sometimes said to be of Arabic origin, from zahr ‘flower’, but is more probably a respelling of the Hebrew name “Sarah”

Behind the Name: The Etymology and History of First Names Online and the Wisdom Library Online provides similar guidance as shown below:

The name Zara has diverse origins, meaning "princess" in Hebrew (derived from Sarah), "radiance" or "blooming flower" in Arabic (from Zahra), and "dawn"

or "radiance" in Slavic contexts (from the Slavic Zaryá). It also means "gold" in Persian. Its etymology reflects these multiple roots, often associated with beauty, light, and royalty. The name gained prominence in the English-speaking world partly through Zara Tindall, daughter of Princess Anne (1981).

25. Guided by the foregoing authorities, I take the view that a claim to an invented or coined word must be supported by evidence demonstrating that the word has no prior meaning. In the present case, the Opponent has not established that "ZARA" was invented by it or that it lacked any earlier meaning. On the contrary, "ZARA" is shown to be a name with established historical and religious origins. I therefore find that "ZARA" does not qualify as an invented or coined word.
26. However, in accordance with the **Pianotist Co.'s Application (supra)** and Section 25 of the Trademarks Act, I must also assess the similarity of the goods and services for which the marks are used or proposed to be used.
27. The Opponent's marks are registered in several classes, as follows:

"ZARA" — Class 18 (*Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddler; bags for climbers and campers and beach bags; shopping bags; purses; handbags; leather lining for footwear; travelling sets and key cases {leatherware}; attache cases; garment bags for travel; hat boxes of leather; sling bags for carrying infants; boxes of feather or leather board; briefcases; portfolios; school satchels and document cases; vanity cases (not fitted); backpacks; haversacks; leather music cases; bags (envelopes, pouches) of leather, for packaging; tool bags of leather (empty); leatherboard; bands of leather; wheeled shopping bags; moleskin (imitation of leather); clothing for animals*)

Class 25 (*Clothing, footwear, headgear; motorists' and cyclists' clothing; bibs, not of paper; headbands (clothing); dressing gowns; bathing suits, swimsuits; bathing caps and sandals; boas (necklets); babies' pants of textile; scarves; boots for sports and beach shoes; hoods (clothing); shawls; belts (clothing); money belts (clothing); wet suits for water-skiing; neckties; corsets (underclothing); sashes for wear; fur stoles; foulards; caps (headwear); peaked caps; gloves (clothing); waterproof clothing; girdles; underclothing; mantillas; stockings; socks; bandanas (neckerchiefs); babies' napkins of textile; furs (clothing); pyjamas; soles for footwear; heels; veils (clothing); suspenders; sports suits; layettes (clothing); collars (clothing); singlets; mittens; ear muffs (clothing); inner soles; bow ties; beach wraps; cuffs, wristbands (clothing); dress*)

shields; beach clothes; housecoats; pockets for clothing; socks suspenders; stocking suspenders; petticoats; tights; aprons (clothing); masquerade costumes; uniforms; cap peaks; frilled caps; garters; coats; esparto shoes or sandals; non-slipping devices for boots and shoes; bath robes; bath slippers; birettas; blouses; teddies (undergarments); berets; footmuffs, not electrically heated; lace boots; boots; boot uppers; half-boots; tips for footwear; welts for boots and shoes; heelpieces for boots and shoes; drawers (clothing), pants; shirts; shirt yokes; shirt fronts; chemisettes (shirt fronts); tee-shirts; bodices (lingerie); vests, waistcoats; jackets (clothing); fishing vests; stuff jackets (clothing); combinations (clothing); slips (undergarments); ready-made clothing; detachable collars and collars (clothing); clothing of leather; clothing of imitations of leather; shower caps; half socks; skirts; trousers; ready-made linings (parts of clothing); overcoats, topcoats; gabardines (clothing); gymnastic shoes; jerseys (clothing); pullovers; sweaters; liveries; muffs (clothing); footwear uppers; pocket squares; parkas; pelerines; pelisses; gaiters, spats; leggings; knitwear and hosiery (clothing); clothing for gymnastics; outerclothing; underwear; sandals; saris; underpants; hats; wimples; togas; garter straps, trouser straps; suits; turbans; frocks; items of clothing; slippers; shoes; sports shoes.) and

Class 35 (Advertising; business management; business administration; office functions; assistance services for business management or commercial functions for an industrial or commercial company; organization of exhibitions and trade fairs for commercial or advertising purposes; promotion services provided by a commercial company by issuing store service cards to clients; modelling services for sales promotions or advertising purposes; shop-window dressing; assistance services for the operating of a commercial company on a franchise basis; product demonstration; sales promotion (for third parties); shopping centre promotion and management services; assistance services for the commercial functions of a business consisting in processing orders through global communications networks; import-export agencies; supplying services to third parties (purchasing of products and services for other companies); public relations; business management assistance; commercial or industrial management assistance; marketing studies; publication of advertising texts; wholesale and retail services by any means)

“ZARA HOME” — Class 20 (Furniture, mirrors, picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics; fans for personal use, non-electric; pillows; curtain rings; cupboards; lecterns; benches [furniture]; bins, not of metal; screens [furniture]; chests for toys; beds; trolleys {furniture}; bottle racks; baskets, not of metal; cushions; mattresses; cradles; divans; racks [furniture]; display stands; index cabinets [furniture]; covers for clothing [wardrobe]; deck chairs; flower-stands [furniture]; tables; works of art, of wood, wax, plaster or plastic; umbrella stands; coat hangers; hat stands; coat stands;

desks; magazine racks; sleeping bags for camping; chairs [seats]; armchairs; sofas, keyboards for hanging keys; stools; infant walkers; corks for bottles; high chairs for babies; curtain holders, not of textile material; house numbers, not of metal, non-luminous; closures, not of metal, for containers; containers, not of metal [storage, transport]; door handles, not of metal; writing desks; book rests [furniture].),

Class 21 (Household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes; bottle openers; oil cruets; cocktail stirrers; candle extinguishers; sugar bowls; trays for domestic purposes; baby baths (portable); tea infusers; boxes for sweetmeats, candy boxes; bottles; shaving brushes; pottery; coffee pots, non-electric; shoe horns; candlesticks; wine tasters (siphons), pipettes (wine-tasters); epergnes; baskets, for domestic use; coolers (ice pails); comb cases; gloves for household purposes; shoe trees (stretchers); piggy banks, not of metal; soap boxes; decanters; birdcages; fitted vanity cases; works of art, of porcelain, terra-cotta or glass; toothpick holders; bread bins; pepper pots; table plates; shaving brush stands; sponge holders; toilet paper holders; perfume sprayers and vaporisers; graters; crumb trays; coasters, not of paper and other than table linen; salt shakers; coffee and tea services; napkin rings; bread boards; cutting boards; cups; teapots; flower pots; toilet utensils; tableware (other than knives, forks and spoons); glass (receptacles); cruets; buttonhooks; cages for household pets; glass jars (carboys); cookie jars and lunch boxes; butter-dish and cheesedish covers; candle rings; beer mugs; fitted picnic baskets (including dishes); corkscrews; pastry cutters; knife rests for the table; bowls (basins); soap dispensers; salad bowls; brooms; ice buckets; ice cube moulds; egg cups; dishes for soap; vegetable dishes; signboards of porcelain or glass; liqueur sets; butter dishes; portable coldboxes, non-electric; candelabra (candlesticks); perfume burners; containers for household use (except in precious metal); soup bowls; mugs.),

Class 24 (Textiles and textile goods, not included in other classes; bed and table covers; bath linen (except clothing); tissues of textile for removing make-up; labels (cloth); linings (textile); wall hangings of textile; handkerchiefs of textile; curtains of textile or plastic; household linen; towels of textile; travelling rugs (lap robes); net curtains; curtain holders of textile material; banners and flags (not of paper); eiderdowns (down coverlets); loose covers for furniture; covers for cushions; mattress covers; pillowcases; mosquito nets; table cloths (not of paper); face towels of textile; sleeping bags (sheeting); bedspreads; place mats of textile).

28. The Applicant's mark on the other hand was applied for in **Class 43** covering (services related to the preparation of food and drink and the provision of temporary accommodation).

29. In **British Sugar PLC v. James Robertson & Sons Ltd.**, 1996 R.P.C. 281 (Chancery Division) (U.K.) Lord Jacob J laid down factors used to assess similarity. These factors include:

- a) *The respective uses of the respective goods or services;*
- b) *The respective users of the respective goods or services;*
- c) *The physical nature of the goods or acts of service;*
- d) *The respective trade channels through which the goods or services reach the market;*
- e) *In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;*
- f) *The extent to which the respective goods or services are competitive*

30. Furthermore, in the case of **Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer (C-39/97), in para. 22** the Court of Justice of the EU (CJEU) stated that the likelihood of confusion presupposes that the goods or services covered are identical or similar. In the same case, the court stated that all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, the nature of the goods or services, their purpose, method of use, whether they compete or complement each other, and whether consumers would believe they come from the same commercial source.

31. When applying the principles from **British Sugar PLC v. James Robertson & Sons Ltd (supra)** and **Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer (supra)** it becomes clear that the goods and services of the Opponent and Applicant are not similar in nature, purpose, or method of use. The Opponent's goods, such as clothing, footwear, leather accessories, home furnishings and textiles, are mainly tangible consumer products aimed at meeting fashion, personal wear and home utility needs. In contrast, the Applicant provides hospitality or hotel services, including preparation of food and drink, and temporary accommodation, which are intangible, service-oriented offerings.

32. The channels of trade are also different. Hotels operate primarily through the physical establishment, booking platforms or websites, travel agents and direct reservations. Whereas goods like clothing, footwear, textiles and home furnishings are sold through retail stores, boutiques, or online shops and platforms. Hotel services are accessed in the hospitality sector while clothes, footwear, and household items are found in fashion and homeware retail sectors, respectively. If a person wanted accommodation or food, they would not think to acquire such from a store that sells shoes, clothes, textiles or furniture etc. as their needs would not be met by such. There is no competition between the Opponent's goods and the Applicant's services. Purchasing a hotel stay or accommodation does not substitute or compete with buying clothing or household products. The Applicant's hotel services do not compete with, complement, or serve the same function as the Opponent's goods, nor are they customarily provided by the same type of undertaking.

33. In the Opponent's submissions, they argue that because the Opponent, under their "ZARA HOME" brand sells home goods, accessories, fittings, furniture etc. that a consumer is likely to believe or be deceived that the Opponent and the Applicant's goods/services are associated. Counsel for the Opponent further argues that consumers who are familiar with large international clothing brands, expect, anticipate and/or consider it common for the same clothing brand to extend their product offerings to services for the provision of food and drink, and temporary accommodation. He gives examples of brands like Gucci which operates the Gucci Osteria restaurant in Italy, Versace which operates the Palazzo Versace, the clothing store KITH which operates restaurants and coffee shops at various locations worldwide, and Prada which operates the bakery Pasticceria Marchesi in Milan etc.

34. I respectfully disagree with this argument. In my view, although modern commercial trends have seen fashion brands expand into lifestyle and hospitality sectors, for example as was discussed in **Sabel v. Puma (C-251/95)** where brand association was considered, such extensions are often backed by evidence of actual expansion into hospitality sectors or consumer perception. The Opponent has not provided evidence or demonstrated operation of a hotel, restaurant, or accommodation services in Uganda under the ZARA brand. The Applicant on the other hand has demonstrated

that it has a hotel establishment in Uganda located at Zzimwe Road, Muyenga, Kampala and provided evidence to that effect under Annexure B of its statutory declaration.

35. Applying the reasoning in **Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer (supra)**, the assessment of similarity must be based on objective market reality rather than hypothetical expansion. The Opponent has not adduced any evidence of an establishment or undertaking in Uganda in relation to hotel or hospitality services. The material relied upon namely; online store links, social media platforms, and websites demonstrates that the Opponent's presence in the Ugandan market is largely internet-based and even that is primarily geared toward clothing, footwear, textiles, and home accessories. Therefore in the absence of evidence showing that consumers in Uganda expect "ZARA" to operate hotels or hospitality services, or that such services are commonly provided by fashion retailers, the goods and services as provided by the Opponent and the Applicant are evidently not similar.

36. Additionally, as held in the **British Sugar Plc v. James Robertson & Sons Ltd (supra)** goods and services must be considered similar only where they are related in nature, purpose, trade channels, or consumer perception. In the present case, they differ in all these aspects, further reducing the likelihood that consumers would assume a common origin or association.

37. In assessing the likelihood of confusion, the law applies the standard of the average consumer, who is considered to be reasonably well-informed, observant, and circumspect, but who also has an imperfect recollection of trademarks rather than a side-by-side comparison. This principle was established in **the Pianotist case (1906)** and later reaffirmed in the case of **Lloyd Schuhfabrik Meyer v Klijzen Handel BV (C-342/97)**, where the Court held that the average consumer normally perceives a mark as a whole and does not analyze its details. Applying this standard, and bearing in mind the visual, phonetic, and conceptual assessments outlined in **Pianotist Co's application (supra)** the inclusion of additional words "*Garden Hotel and Apartments*" and the presence of a distinctive and dominant green leaf floral device in the Applicant's mark are sufficient to create a different overall impression from the simple word mark "ZARA". As earlier noted, the leaf floral imagery is the dominant feature of

the Applicant's mark and occupies a central position, thereby immediately capturing the viewer's attention and remaining prominent in the viewer's recollection. Furthermore, the goods and services offered by the respective parties are unrelated in nature, do not share commercial channels, and do not serve the same purpose. As held in **Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer (supra)** even where marks share a common element, confusion is less likely where the goods or services are not similar and are not customarily offered by the same type of business. Therefore, considering the clear graphical visual differences in the Applicant's mark, and the distinct industries in which the parties operate, the average Ugandan consumer is unlikely to be misled into believing that the Applicant's hotel services originate from, are affiliated with, or endorsed by the Opponent.

38. From an analysis of all the evidence presented by the Opponent, it appears the Opponent may have popularized the name/word in the fashion industry, however no evidence has been adduced to show they invented the word "ZARA." The evidence provided by the Opponent reflects that the name "ZARA" has achieved distinctiveness in relation to the fashion industry but not in connection with hotel or hospitality services. Had the Applicant applied for the mark in classes related to fashion or clothing, the likelihood of confusion would have been highly probable. However, given the difference in the goods and services, and the lack of evidence of expansion into hospitality, confusion is unlikely.
39. In light of all the above, I find that the Applicant's mark is distinguishable from the Opponent's marks in visual, phonetic, and conceptual terms, as well as in respect of the nature of the respective goods and services. The Opponent has neither established that the word "ZARA" is an invented or coined term nor demonstrated sufficient similarity between the goods and services to give rise to consumer confusion.
40. Accordingly, I find that the Applicant's mark is not confusingly similar to the Opponent's mark and there is no likelihood of confusion among consumers.

Issue Two: Whether the Opponent's trademark is well-known in Uganda?

41. The Opponent contends that the trademark ZARA is a well-known mark both globally and within Uganda, and therefore entitled to broader protection under Article 6bis of the Paris Convention and the Trademarks Act, Cap 225. Counsel for the Opponent argues that ZARA has achieved extensive worldwide reputation through long-term use, global sales, online availability via platforms such as zara.com, significant brand rankings, awards, and widespread consumer recognition, including in Uganda. Counsel cites the case of **Industria de Diseño Textil S.A. v Oriental Cuisines Pvt Ltd**, where ZARA was recognized as a well-known mark even in relation to dissimilar services. The Opponent further submits that ZARA enjoys trans-border reputation, meaning that consumer awareness of the mark extends to Uganda even in the absence of physical stores, due to global advertising, social media presence, and online commerce and websites. It is their contention that the Applicant's use of "ZARA" would unfairly take advantage of ZARA's goodwill, dilute its distinctiveness, and mislead consumers into believing that there is a commercial connection between the two parties.
42. The Applicant submits that the Opponent's trademark is not a well-known mark as defined under Section 47 of the Trademarks Act Cap 225, arguing that the mark "ZARA" is neither an invented word nor has it been proven to be exceptionally well-known in Uganda. Furthermore, the Applicant contends that the protection afforded to defensive marks is strictly limited to those officially registered as such, and since the Opponent has not adduced any evidence of such a defensive registration for its mark, it cannot benefit from the extended protection that status confers.
43. In resolving this issue, it is necessary to consider the purpose and scope of trademark protection, particularly as it relates to well-known marks. Trademark law is fundamentally aimed at preventing consumer confusion and deception. Over time, this protection has expanded to address the legitimate interests of trademark owners in respect of well-known marks. Crucially, the enhanced protection accorded to such marks is not solely for the benefit of the proprietor; it also continues to serve the public interest by preventing an increased risk of consumer confusion that may arise where

unauthorized parties use widely recognized marks on unrelated or dissimilar goods or services.

44. Although there is no universally agreed definition of well-known marks, a well-known mark is deemed to be one that is widely recognized, not only by the general public, but also by a substantial portion of the relevant public, that is, individuals who are likely to be familiar with the mark, such as consumers of the goods or services, distributors, or those working within the relevant trade or industry. The recognition of a well-known mark typically depends on the level of public awareness, the degree of reputation the mark enjoys, degree of recognition of the mark among the public and the extent of protection it attracts, even in the absence of formal registration.

45. Internationally, protection of well-known marks is grounded in Article 6bis of the Paris Convention and Article 16 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement. These international trademark treaties obligate state parties to provide well-known marks with enhanced protection.

46. However, under international law, each State determines how international law interacts with its domestic legal system. This choice is particularly provided for under Article 6 (1) of the Paris Convention which states that:

“The conditions for the filing and registration of trademarks shall be determined in each country of the Union by its domestic legislation.”

[emphasis mine]

Further, a similar provision is provided under Article 1 (1) of the TRIPS Agreement, it states as follows:

“Members shall give effect to the provisions of this Agreement. Members may, but shall not be obliged to, implement in their law more extensive protection than is required by this Agreement, provided that such protection does not contravene the provisions of this Agreement. Members shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice.” *[emphasis mine]*

47. In the case of Uganda, while she may be party to the above international treaties, they only have legal effect once they have been domesticated into her national laws. The

Constitution of the Republic of Uganda (1995) makes it clear that international treaties do not automatically become part of Ugandan law upon ratification. Article 123 (2) of the Constitution states as follows:

(2) Parliament **shall make laws to govern ratification of treaties, conventions, agreements or other arrangements** made under clause (1) of this article. [emphasis mine]

48. The above provisions also works in tandem with other key principles of international law such as the Principle of Territoriality. The Principle of territoriality is a fundamental core principle of Intellectual Property law and provides that intellectual property rights are limited to the borders of the country in which they were granted. As a result, intellectual property rights granted in one country do not automatically extend to another, and any claims for protection can only be enforced within the jurisdiction where the rights are registered.
49. Consequently, because of the above provisions and principles, every state has the sovereignty to decide on the different approaches used in protecting well-known marks. Some countries elected to meet these international obligations by establishing a well-known marks registry. Uganda however elected to meet these obligations through defensive registration. Uganda domesticated the protection of well-known marks in the Paris Convention under section 47 of the Trademarks Act, Cap 225.
50. Uganda's adoption of this approach is attributed to the fact that Uganda operates a registration-based trademark system. This is a system where protection of trademark rights is granted only after a person formally applies for and obtains registration from the appropriate government authority. Indeed, Section 58 of the Trademarks Act, Cap 225 states that registration is *prima facie evidence of validity of the registration of a trademark* and of all subsequent assignments and transmissions. Section 34 further stipulates that, "*a person may not institute proceedings to prevent or to recover damages for an unregistered mark.*" This is further supported by Section 35 which provides that a person who has unregistered rights can only acquire recourse through an action for passing off.
51. The above provisions indicate that in Uganda, trademark rights are primarily acquired through registration and not mere use. This position is further reinforced by the

application of the *first to file* principle. The *first to file* principle stipulates that the person who files an application first acquires rights to that trademark regardless of whether someone else used it earlier. The above reflect Uganda's firm position that legal protection is primarily based on formal registration.

52. For these reasons, a trademark owner may only claim that their mark is well-known in Uganda if the mark is entered on the register through defensive registration as provided under Section 47 of the Trademarks Act, Cap 225. Section 47 states as follows:

*(1) Where a trademark relating to goods or services and consisting of an invented word or invented words or a device or devices or a combination of them, has become so **exceptionally** well known as respects goods or services in respect of which it is registered and in relation to which it has been used that the use of that trademark in relation to other goods or to services or both, is likely to detract from its distinctive character in respect of the goods or services then, notwithstanding—*

(a) that the use would not be likely to be taken as indicating a connection in the course of trade between those other goods or services or those services or both, as the case may be and a person entitled to use the trademark in relation to the goods or services; and

(b) that the owner registered in respect of the goods or services does not use or propose to use the trademark in relation to other goods or services or both, as the case may be and notwithstanding section 48, the trademark may, on the application in the prescribed manner of the owner registered in respect of the goods or services, be registered in his or her name in respect of other goods or services or both, as the case may be, as a defensive trademark and while registered, shall not be liable to be taken off the register in respect of those goods or those services under section 48.

53. The requirements under Section 47 as shown above, are quite different from other requirements for registering an ordinary mark. Section 47 repeatedly uses the word "**exceptionally**". The use of this word by the lawmaker was quite intentional. This can be garnered from the definition and meaning of the word "*exceptional*".

54. The Cambridge Dictionary Online (Cambridge University Press) defines the word “exceptionally” to mean *in a way that is much greater than usual, especially in skill, intelligence, quality, etc.*” [emphasis mine]

55. The Merriam Webster Dictionary Online provides various meanings for the word exceptional, which include;

- i. *forming an exception : rare*
- ii. *better than average : superior*
- iii. *deviating from the norm:*

Synonyms for the word include; *outstanding, extraordinary, remarkable,*

56. In simple terms, to be “exceptional” means being far above what is ordinary or usual. For an applicant to qualify for defensive registration, the mark must therefore be shown to be exceptionally well-known in Uganda. This requires evidence of extensive recognition within the country, including factors such as the duration of use, the degree of public awareness, the nature of the goods or services, and whether the mark’s reputation is widespread or confined to a limited market. Section 47(2) of the Trademarks Act guides the Registrar to consider these factors when determining whether a mark meets the threshold of being exceptionally well-known.

57. A defensive mark is registered primarily as a protective measure rather than for use in relation to specific goods or services. It is intended to prevent third parties from registering or using a well-known mark on unrelated goods or services where such use could dilute or damage the mark’s reputation or distinctiveness. Owing to its special nature, a defensive mark is not liable to removal from the register for non-use, unlike an ordinary trademark.

58. Section 47 of the Trademarks Act, Cap. 225 provides the complete statutory framework for the protection of well-known marks in Uganda. Accordingly, regardless of a mark’s international reputation or evidence of recognition elsewhere, enhanced protection as a well-known mark can only be claimed where the mark is entered on the Ugandan register through defensive registration.

59. In the present case, although the Opponent asserts that its “ZARA” mark is well-known and has provided evidence of its reputation, including online platforms, social media links, sales figures, foreign registrations, brand rankings, and media recognition, no

evidence of defensive registration in Uganda has been produced. A search of the trademarks register further indicates that neither “ZARA” nor “ZARA HOME” is registered as a defensive mark in Uganda.

60. Accordingly, the Opponent has failed to prove the well-known status of its mark in the Ugandan jurisdiction and the claim to such status is without merit.

Issue three: Remedies Available

61. In light of the finding that the Applicant’s mark is not confusingly similar to the Opponent’s trademarks and that well-known status through defensive registration under Section 47 has not been established, the opposition hereby fails.

62. The Applicant’s mark shall proceed to be registered.

63. Each party to bear their own costs.

I so order.

Dated at Kampala this 31st day of December, 2025.

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Kukunda Lynette Africa

ASSISTANT REGISTRAR OF TRADEMAKS