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IN THE MATTER OF THE TRADE MARKS ACT CAP 506 OF THE LAWS OF KENYA

AND

IN THE MATTER OF TRADE MARK APPLICATION NO. 117715 “Absa Spark”

(WORD) IN CLASS 36 IN THE NAME OF ABSA BANK LIMITED

RULING BY ASSISTANT REGISTRAR OF TRADE MARKS

PROCEDURAL BACKGROUND

On 9th June, 2021, Absa Bank Limited, (hereinafter referred to as “the Applicant”) filed an application to register the mark “Absa Spark”, T.M.A No. 117715. The application was filed in respect to services in class 36 of the International Classification of Goods and Services.

The application was duly examined in accordance with the provisions of the Trade Marks Act, Cap 506 of the Laws of Kenya. By a report dated 29th July 2021, the Trade Marks Examiner requested the Applicant to disclaim the right to the exclusive use of the word “Spark” separately and apart from the mark as a whole before the same could be allowed to proceed to publication.

Through a letter dated 27th October 2021, the Applicant filed written submissions in response to the Examiner’s disclaimer request stating inter alia as follows:

THAT the Applicant is listed on the JSE in South Africa and is one of Africa’s largest diversified financial services groups with a presence in 12 countries across the continent and around 42,000 employees.

THAT the current mark is linked to a new bank account that lives outside the traditional bank branch and is available on your phone and is aimed at convenience banking.

THAT the Applicant has filed the candidate mark in a number of other African territories, some of which have already been accepted and have proceeded to publication or registration (where applicable) without the required disclaimer.

That in Botswana (accepted), Mauritius (registered), Mozambique (published), Seychelles (published), Uganda (accepted) and Zanzibar (published).

The Applicant referred to Sections 17 and 12 of the of the Trade Marks Act, Cap 506 Laws of Kenya.

THAT as per the online Collins Dictionary, the word “Spark” accordingly refers to a particular flash of light or energy or in the more abstract sense, refers to excitement or enthusiasm. This definition is in addition to other definitions given by The Applicant.

THAT the Applicant’s trade mark application has been applied in respect of the following services; class 36: “Financial, monetary and banking services; insurance services; real estate affairs”.

THAT the word “Spark” does not describe the above services, nor does it, when used in conjunction with the Applicant’s well known ABSA trade mark, allude to any characteristic or quality of the services for which registration is sought.

THAT the services sought to be covered by the application in class 36 are not directly connected or associated with a “Spark”. To try and question the inherent quality of the mark would mean inserting an abstract view of the meaning of “Spark” into what is suggested by the product or quality of the product which is not evident.

THAT “Spark” is not common to the trade, in terms of Section 17 (b) of the Trade Marks Act.

The Applicant relied on ***Burland v. Broxburn Oil Company* 6 RPC 489**, where Chitty J. held as follows:

“But the true resolution of the question is very simple: the phrase “common to the trade” is not to be interpreted otherwise than according to the ordinary rules of grammar, and I think “common to the trade” means exactly what it says. I cannot really make use of a better term: but I can make use of a term which I think exactly

corresponds with the meaning - I do not say it is better - that it is "open to the trade."

THAT the capacity of a mark to distinguish is a factual issue and must be determined on a case-by-case basis, with reference to all relevant circumstances. (Morley et al "Trade Marks" in The Law of South Africa Vol 29 (2nd ed) (hereafter "LAWSA") para 24, pg. 20).

THAT disputes have risen in the courts over whether a term should be characterized as suggestive (as opposed to descriptive) or descriptive (as opposed to generic). The courts, have found that the requirement of distinctiveness of a mark does not, of necessity, imply complete exclusion of an iota of a descriptive element in the mark provided that the mark retains its distinctiveness (*Discovery Holdings Ltd v Sanlam Ltd and Others*).

THAT the International Trademark Association Guidelines for Trademark Examination at page of 24, affords substantive guidance on determining marks with regard to descriptiveness. It is stated inter alia that 'The mark will be considered descriptive if, as a whole, it describes an ingredient, quality, characteristic feature, purpose or use of the specified goods or services. Certain elements of the mark may be disclaimed (where allowed), but it is the overall level of distinctiveness, which must determine whether the mark is registerable'.

THAT the courts have also clarified the difference between descriptive and suggestive marks, and the principle is that a mark is suggestive if it requires imagination, thought and perception to determine the nature of goods or services in question. The authors of Webster & Page (Service Issue 19, 2015) at para 3.43 on descriptive marks, include a substantive discussion with respect to suggestive marks. It is stated, inter alia, that such marks include a mark conveying a covert or skilful allusion to goods or services would be registrable although suggestive of the goods or services.

THAT the mark is not descriptive and may merely be a form of incitement. The Applicant submitted that the word "Spark" is inherently distinctive of the Applicant's services, given that it does not allude to, or describe any of the Applicant's services directly.

The Applicant also relied on the *Matter of an Application by Cadbury Brothers Ltd for the Registration of a Trade Mark*, where Mr. Justice Sargant observed as follows:

"...I can quite see that the disadvantage to the Applicants of the insertion on the Register of such a disclaimer, unless it is really necessary, might well out-weigh the advantage to be derived by the public in general..."

The effect of inserting disclaimers which are unnecessary is to raise all sorts of difficulties in cases where such disclaimers are not inserted... here the Registrar appears to be insisting on this disclaimer in accordance with a general practice of the Office which he has stated. In my judgement, that practice is one which is far too wide and would result, as a general rule, in placing on the register a vast crop of unnecessary disclaimers,"

The Applicant concluded that the word "Spark" is inherently distinctive of the Applicant's services, given that it does not allude to, or describe any of the Applicant's services directly. That in light of the above, the Applicant submitted that the condition that it must disclaim exclusive rights to the use of the word 'Spark' is unwarranted and should accordingly be waived.

RULING

I have studied the documents on record and considered the Applicant's written submissions against the Examiner's disclaimer request. The Examiner had in the examination report dated 29th July 2021 requested the Applicant to disclaim the right to the exclusive use of the word "Spark" separately and apart from the mark as a whole.

From the submissions filed, the Applicant has indicated that the disclaimer of the word 'Spark' is unwarranted and should accordingly be waived.

I am therefore of the view that the issue for determination is whether the Applicant's mark should proceed to publication in the Industrial Property Journal with or without a disclaimer of the word 'Spark' separately and apart from the mark as a whole.

The Registrar of Trade Marks is empowered under Section 17 of the Trade Marks Act to require a proprietor of a trade mark to make such a disclaimer as the Registrar may consider necessary for the purposes of defusing the rights of such a proprietor under registration. The Section provides two particular circumstances when the Registrar may hold the proprietor not to be entitled to the exclusive rights that registration would otherwise confer upon him. These are:

If a trade mark-

- a) Contains any part not separately registered by the proprietor as a trade mark;
or
- b) Contains matters common to the trade or to the provision of services of that description or otherwise of a non- distinctive character.

The Supreme Court, in The Registrar of Trade Marks vs Ashok Chandra Rakhit Ltd on 15 April, 1955 stated that “*real purpose of requiring a disclaimer is to define the rights of the proprietor under the registration so as to minimize, even if it cannot wholly eliminate, the possibility of extravagant and unauthorized claims being made on the score of registration of the trade marks*”.

In ***Paco Holdings Ltd and opposition thereto by Paco Rabanne Parfums [1999]***, the Registrar’s Principal Hearing Officer was of the view that the entry of the disclaimer should be regarded as an admission by the proprietor that the disclaimed matter is not to be regarded distinctive as in itself, of the trade origin of the proprietor’s goods or services.

Page 62 of the KIPI Trade Marks Manual of Examination Procedures states that the purpose of a disclaimer is to prevent proprietors of a mark to claim exclusive rights to the parts of marks that are non-distinctive or common to the particular trade.

The Applicant herein submitted that its trade mark application has been applied in respect of the following services; class 36: “Financial, monetary and banking services; insurance services; real estate affairs”. That the word ‘Spark’ does not describe the above services, nor does it, when used in conjunction with the Applicant’s well known ABSA trade mark, allude to any characteristic or quality of the services for which

registration is sought. That ‘Spark’ is not common to the trade, in terms of Section 17 (b) of the Trade Marks Act.

The Applicant submitted that the word ‘Spark’ is inherently distinctive of the Applicant’s services, given that it does not allude to or describe any of the Applicant’s services directly.

Distinctiveness under the Act is an essential element that the trade mark sought to be registered by the Applicant should possess.

In the case of *Canon Kabushiki Kaisha v. Metro-Goldwyn Mayer (1999) RPC 117* the ECJ stated that:

“The essential function of the trade mark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from the other which have another origin. For the trade mark to be able to fulfil its essential role...it must offer a guarantee that all the goods or services bearing it have originated under the control of a single undertaking which is responsible for their quality”

It is therefore critical that I assess the distinctive character of the Applicant’s mark in relation to the services in class 36 of the Nice Classification of Goods and Services which the Applicant seeks to register.

In *Xtreme Lashes LLC vs Xtended Beauty Inc.* 576 F3d 221, 232 (5th Cir.2009) in construing descriptiveness, the court broadly stated in part that:

- “(1) the marks dictionary definition corresponds with its meaning and context;
- (2) upon hearing the mark, one need not use “imagination, thought and perception to reach a conclusion as to the nature of goods;
- (3) competitors would be likely to need the terms used in the trade mark in describing their products;” and that
- (4) others have used the term in marketing a similar service or product.”

According to the online Cambridge English Dictionary the term “Spark” is defined as: “a very small piece of fire that flies out from something that is burning, or one

that is made by rubbing two hard things together, or a flash of light made by electricity; a first small event or problem that causes a much worse situation to develop; a feeling or quality that causes excitement.”

It could also mean “to cause the start of something, especially an argument or fighting”. It is my view that the word “Spark” as used by the Applicant with respect to services in class 36 is not descriptive.

Lord Parker in W & G du Cros’ Application [1913] 30 RPC 660 stated that the right to registration should largely depend on whether other traders in the course of their business and without any improper motive desire to use the same or a similar trade mark upon or in connection with their own goods and services.

Having considered the Applicant’s submissions, the records at the Registry of Trade Marks and taken into account all the circumstances of this case, I hereby rule as follows:

1. The Applicant’s application for registration of the mark “Absa Spark”, TMA No. 117715 shall proceed to publication in the Industrial Property Journal without the requirement of a disclaimer of the word ‘Spark’ separately and apart from the mark as a whole.
2. The Examiner’s report dated 29th July 2021 requiring the Applicant to disclaim the right to the exclusive use of the word ‘Spark’ separately and apart from the mark as a whole is hereby revoked.

Ruling delivered at Nairobi this 24th day of October 2024



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CONCILIA WERE
ASSISTANT REGISTRAR OF TRADE MARKS