

KENYA INDUSTRIAL PROPERTY INSTITUTE



Popo Rd. off Mombasa Rd. South "C"
Weights and Measures Complex
P.O. Box 51648-00200, Nairobi.
Tel: 602210/11 Fax: 606312
Wireless: 020-2386220
E-mail: info@kipi.go.ke.
www.kipi.go.ke

IN THE MATTER OF THE TRADE MARKS ACT, Cap 506

AND

IN THE MATTER OF T.M.A No. 79424 "BARCLAYS PRESTIGE BANKING" (WORDS) and
T.M.A No. 79425 "PRESTIGE BANKING" (WORDS) IN CLASSES 9, 35, 36 AND 41 IN
THE NAME OF BARCLAYS BANK PLC

EX PARTE HEARING UNDER RULE 32 OF THE TRADE MARK RULES

RULING BY ASSISTANT REGISTRAR OF TRADE MARKS

Background

On 26th July 2013, the Registrar of Trade Marks received applications for registration of T.M.A No. 79424 "BARCLAYS PRESTIGE BANKING" (WORDS) and T.M.A No. 79425 "PRESTIGE BANKING" (WORDS) in international classes 9, 35, 36 and 41 in the name of Barclays Bank Plc (hereinafter referred to as the Applicants). The applications were duly examined and on 17th March 2014, the Registry of Trade Marks allowed the marks to proceed to publication with regard to international classes 9 and 41 but objected to registration of the marks in classes 36 and 35 for the reason that they were similar to other marks already subsisting in the Register of Trade Marks in Kenya. Regarding

class 36, the applications were rejected for being similar to the mark SMA NO. 2976 “PRESTIGE PLAN” (WORDS AND DEVICE) in the name of the Standard Bank of South Africa with respect to services of a similar description and character as those in respect of which the applications had been made. Relating to class 35, the applications were rejected on account of trade mark No. IR 1150317 “PRESTIGE” in the name of Aktsionerno Droujestevo Bulgartabac Holding with respect to services of a similar description and character as those in respect of which the applications had been made.

On 18th June 2014, the Applicants filed written submissions against the refusal to register their mark. On 10th December 2014, the Applicants highlighted their submissions before the Registrar of Trade Marks.

The Applicants submitted that the Registrar of Trade Marks should rescind the decision to reject registration of their marks for a number of reasons including:

- (a) Their marks “BARCLAYS PRESTIGE BANKING” and “PRESTIGE BANKING” are distinctive of the services offered by the Applicants and they are not similar or identical to the marks “PRESTIGE” and “PRESTIGE PLAN” that had been cited against registration of the marks;
- (b) The mark “PRESTIGE PLAN” which was entered in the Register of Trade Marks in Kenya for a period of ten years with effect from 23rd September 2002 should have been renewed by 23rd September 2012. The mark has not been renewed and should not therefore be a bar to registration of the Applicants’ marks;
- (c) There is no evidence to indicate that the owner of the mark “PRESTIGE PLAN” has put the mark to any use in respect of the services for which the mark was registered, in the Kenyan market. This means that the mere presence of the mark in the Register of Trade Marks in Kenya should not be a bar to registration of the Applicants’ marks;

- (d) The owner of the mark “PRESTIGE” is mainly involved in the manufacture and distribution of tobacco and related products and these services are very different from the services that are offered by the Applicants, that is, banking services. The marks should therefore not be a bar to registration of the Applicants’ marks;
- (e) The Applicants’ marks “BARCLAYS PRESTIGE BANKING” and “PRESTIGE BANKING” have been used for a period of more than ten years in the Kenyan market and for this period, the Applicants’ customers have identified the services with the Applicants and no other person. Since there has been no confusion created in the long period that the Applicants’ marks have been used in the Kenyan market, then there is no confusion that would be likely to occur once the marks are entered in the Register of Trade Marks in Kenya and the Applicants continue using the marks in the usual manner;
- (f) The unique services offered by the Applicants with respect to the marks “BARCLAYS PRESTIGE BANKING” and “PRESTIGE BANKING” are available to a select class of Kenyans with a monthly income of more than Kenya Shillings 100, 000/- who are circumspect and would not be confused by any other service in the Kenyan market; and
- (g) The Applicants have invested heavily to popularize and promote the marks “BARCLAYS PRESTIGE BANKING” and “PRESTIGE BANKING” in the Kenyan market and have created a niche market for their customers. The Applicants’ marks deserve protection by way of being entered in the Register of Trade Marks in Kenya.

Ruling

I have considered the Applicant’s written submissions as well as the oral submissions that were made on behalf of the Applicants and I am of the view that the following is the issue for determination herein:

Are the Applicants' marks "BARCLAYS PRESTIGE BANKING" (WORDS) and "PRESTIGE BANKING" (WORDS) so similar to the marks "PRESTIGE" (WORD) and "PRESTIGE PLAN" (WORDS) as to cause a likelihood of deception or confusion contrary to the provisions of sections 14 and 15(1) of the Trade Marks Act?

Section 14 of the Trade Marks Act provides as follows:

"No person shall register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design."

Section 15(1) of the Trade Marks Act provides as follows:

"Subject to the provisions of subsection (2), no trade mark shall be registered in respect of any goods or description of goods that is identical with or resembles a mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or in respect of services is identical or nearly resembles a mark belonging to a different proprietor and already on the register in respect of the same services or description of services."

In the case of *Eli Lilly & Co V Natural Answers Inc* 233, F. 3d 456, [USA], it was indicated that the factors that are key in determining the issue of similarity between marks include:

- (a) the similarity between the marks in appearance and suggestion;
- (b) the similarity of the products;
- (c) the area and manner of concurrent use of the products;
- (d) the degree of care likely to be exercised by consumers;
- (e) the strength of the complainant's mark;
- (f) any evidence of actual confusion; and

(g) the defendant's intent (or lack thereof) to palm off its product as that of another.

Below is a consideration of some of the above-mentioned factors:

(a) the similarity between the marks in appearance and suggestion

The marks under consideration in this matter are the Applicants' marks "BARCLAYS PRESTIGE BANKING" (WORDS) and "BARCLAYS PRESTIGE BANKING" (WORDS) on one hand and the marks cited against registration of the Applicants' marks, "PRESTIGE" (WORD) and "PRESTIGE PLAN" (WORDS AND DEVICE) on the other. In the *Sabel v Puma* Case C-251/95, E.C.R. 1997, I-6191, the European Court of Justice observed that the average consumer normally perceives the mark as a whole and does not proceed to analyze its various details. The Court stated that the determination of whether or not there is a likelihood of confusion requires a global appreciation of the visual, aural or conceptual similarity of the marks based on the overall impression given by them. However, when one is determining the similarity of marks, it is important to bear in mind the distinctive and dominant components of the respective marks.

It is apparent that the common element among all the four marks is the word "PRESTIGE". The word "PRESTIGE" is also the distinctive and dominant component of all the four marks and none of the persons who made the applications to register the marks was required to enter a disclaimer of the word "PRESTIGE" separately and apart from the mark as a whole, in accordance with the provisions of section 17 of the Trade Marks Act. In the case of mark No. IR 1150317 "PRESTIGE", the mark is only comprised of one element, that is, the word "PRESTIGE". Approval of the registered marks without the requirement of a disclaimer of the word "PRESTIGE" is an indication that the Registry of Trade Marks views "PRESTIGE" as a distinctive element with respect to the character of the goods and services in which registration was sought by the respective applicants. Considering the fact that the word "PRESTIGE" is the dominant element among all the four marks, it is my view that the marks are similar visually, aurally and conceptually. Among all the four marks, the element that

stands out is “PRESTIGE”. This common, distinctive and dominant element among all the four marks makes the marks “BARCLAYS PRESTIGE BANKING” (WORDS), “BARCLAYS PRESTIGE BANKING” (WORDS), “PRESTIGE” (WORD) and “PRESTIGE PLAN” (WORDS AND DEVICE) similar in appearance and suggestion.

(b) the Degree of Care Likely to be Exercised by Consumers

In the Book Kerly’s Laws of Trade, 14th Edition, paragraph 17-018, under the sub title “Standard of Care to be Expected”, the learned author states that consumers’ attention varies depending on the particular goods that are in consideration. However, the consideration should not be with regard to “unusually stupid people, fools or idiots, or a moron in a hurry”. The value of the goods should be considered because the more expensive the goods are, the more careful the customers would be and they would make their purchases in a more deliberate manner. Where some elements of the mark are common, consideration should be had as to whether or not the respective consumers would be in a position to distinguish between the marks.

In the case of *The Registrar of Trade Marks v Woolworths limited* [1999] FCA 1020, the Court stated that the circumstances in which the respective marks are used, the goods or services are bought and sold and the character of the respective purchasers of the goods or services should all be considered.

In the case of *Australian Woollen Mills Ltd v F.S. Walton & Co. Ltd*, [1937] HCA 51; 58 CLR 641, the Court stated that the relevant person is the average consumer and the usual manner in which that average consumer will behave in the market place should be “the test of what confusion or deception may be expected”.

In the case of *Reed Executive PLC v Reed Business Information Ltd*, [2004] EWCA Civ 159, the court stated that the person to be considered is the ordinary consumer, “neither too careful nor too careless, but reasonably circumspect, well informed and observant”. An allowance for defective recollection must be considered and this varies depending on the goods concerned. “A fifty pence purchase in the station

kiosk will involve different considerations from a once-in-a-lifetime expenditure of £50000.”

The services in consideration in this matter are unique banking solutions that are offered to a select and exclusive class of persons who would be considered to be of either middle class or upper class in Kenya. They are not every day services or goods that would be purchased by “unusually stupid people, fools or idiots, or a moron in a hurry” who may be easily deceived or confused. While these services would not be compared to “a once-in-a-lifetime expenditure of £50000”, they are not “a fifty pence purchase in the station kiosk” either. I therefore agree with the Applicants that their customers for the services in respect of which the marks “BARCLAYS PRESTIGE BANKING” and “PRESTIGE BANKING” are sought to be registered would not be confused or deceived into using the services of any other bank or institution in Kenya.

(c) Any Evidence of Actual Confusion

While I am aware that section 14 of the Trade Marks Act provides that the Registrar of Trade Marks should refuse to register a mark that is “likely to deceive or cause confusion”, it is also important to consider whether or not actual confusion has occurred in a situation where the mark under consideration has been used in the relevant market for a considerable period of time.

It is the Applicants’ case that their marks “BARCLAYS PRESTIGE BANKING” and “PRESTIGE BANKING” have been used in the Kenyan market for a period of more than ten years. During this period, the Applicants state that they have not had a notice of having infringed on the registered trade marks that were cited as a bar to registration of the Applicants’ marks. This means that if there has not been confusion in the past period of ten years, then no confusion is likely to occur.

In the case of *British Sugar Plc v James Robertson & Sons Limited*, 1996 R.P.C. 281 (Chancery Division) (U.K.), the court stated that there was no evidence led by the Plaintiff relating to confusion that had been created by the respective mark in the market, although the product had been available in the market for a period of over

four months. The court then concluded that if there had been no confusion in the market, then there was likely to be no confusion in the future.

In the case of *VB Distributors Ltd v Matsushita Electric Industrial Co Ltd* (1999) 9 TCLR 349, 360 (HC), the court stated that the best test for determining whether or not there would be a likelihood of confusion is a consideration of the issue of confusion having already occurred or not.

As earlier indicated, the Applicants' marks "BARCLAYS PRESTIGE BANKING" and "PRESTIGE BANKING" have been used in the Kenyan market for a period of more than ten years. I hold that since no evidence of confusion has been shown among the Kenyan public, then it means that a likelihood of confusion occurring in the future would be highly unlikely.

Conclusion

For the above reasons and having taken into account all the surrounding circumstances of this matter, I conclude that

- (i) the Applicants' marks T.M.A No. 79424 "BARCLAYS PRESTIGE BANKING" (WORDS) and T.M.A No. 79425 "PRESTIGE BANKING" (WORDS) is hereby allowed to proceed to publication in accordance with the provisions of the Trade Marks Act with respect to international classes 9, 35, 36 and 41;
- (ii) this approval is subject to the Applicants' amendment of their application to include a disclaimer of the word "BANKING" with respect to each of the applications separately and apart from the mark as a whole;
- (iii) considering that I had stated in paragraph (a) above that the Applicants' marks "BARCLAYS PRESTIGE BANKING" (WORDS) and "PRESTIGE BANKING" are similar to the marks "PRESTIGE" (WORD) and "PRESTIGE PLAN" (WORDS AND DEVICE) that are already in the Register of Trade Marks, publication of the

Applicants marks are hereby allowed under the provisions of section 15 (2) of the Trade Marks Act due to the special circumstances as discussed in paragraphs (b) and (c) above; and

- (iv) the Refusal Notice dated 17th March 2014 that was issued by the Registry of Trade Marks is hereby revoked relating to the objection to registration of the Applicants' marks T.M.A No. 79424 "BARCLAYS PRESTIGE BANKING" (WORDS) and T.M.A No. 79425 "PRESTIGE BANKING" (WORDS) in international classes 35 and 36.

The Applicants should note that these proceedings and the subsequent ruling are not a bar to any opposition proceedings that may be filed under the provisions of the Trade Marks Act once the mark is duly published in the Industrial Property Journal. In the event that opposition proceedings are filed, the Registrar of Trade Marks shall consider the proceedings on their own merit, in accordance with the provisions of the Trade Marks Act.

Eunice Njuguna

Assistant Registrar of Trade Marks

6th Day of February 2015

I certify that this is a true copy of the original.

A handwritten signature in black ink, appearing to be 'Eunice Njuguna', with a stylized, cursive script.

Eunice Njuguna

Assistant Registrar of Trade Marks

6th Day of February 2015