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THE TRADE MARKS ACT CAP 506 OF THE LAWS OF KENYA **AND IN THE MATTER OF TRADE MARK NO. KE/T/2011/070293 "MAXIVITA-M"** **(WORD) IN CLASS 5 IN THE NAME OF SURGILINKS LIMITED AND OPPOSITION** **THERETO BY AGIO PHARMACEUTICALS LIMITED**

RULING BY ASSISTANT REGISTRAR OF TRADE MARKS

Background

On 2nd February 2011 Surgilinks Limited (hereinafter referred to as the "Applicants") lodged an application for registration of trade mark KE/T/2011/070293 "MAXIVITA-M" (WORD) (hereinafter referred to as the Mark). The mark was applied for in class 5 in respect of "pharmaceuticals". The Registrar of Trade Marks duly examined the mark in accordance with the provisions of the Trade Marks Act Cap 506 of the Laws of Kenya and the mark was approved and published in the Industrial Property Journal on 31st May 2011 on page 46.

On 27th July 2011, Agio Pharmaceuticals Limited (hereinafter referred to as "the Opponents") filed a Notice of Opposition against registration of the mark.

The grounds of opposition were as follows:

1. We are the sole lawful proprietors in Kenya and throughout the world of the trade mark MAXIVIT (hereinafter referred to as "Our Trade Mark"). Our Trade Mark is extremely well known in the pharmaceutical industry throughout the world more so in India, Kenya, Cambodia and Myanmar where applications have been made to register the same as a trade mark.
2. Our Trade Mark was introduced in Kenya in the year 2009 and it was registered with the Pharmacy and Poisons Board by "the Applicant" herein on our behalf on 7th April 2009 under Certificate No 82008/19098/540.

3. Since year 2009 our products bearing Our Trademark MAXIVIT have been marketed, distributed and sold by the Applicant herein and due to this promotion the Trademark has become well known to denote our pharmaceutical products and distinguish them from all others.
4. The Applicant having come across our trademark MAXIVIT in the course of their marketing, distributing and selling our drugs under Our Trademark have fraudulently copied our mark and applied to register the above offending mark MAXIVITA-M with the Registrar as their own mark.
5. On 24th February 2011 we applied to register our Trademark MAXIVIT under Trademark Application Number KET/2011/0070545 in Class 5 in respect of Pharmaceutical, veterinary and sanitary substances; infants' and invalids' foods; plasters; materials for bandaging; materials for stopping teeth; dental wax; disinfectants; preparations for killing weeds and destroying vermin fungicides, herbicides, dietetic substances adopted for medical use, but the application has been refused by the Registrar due to the existence of the applied application.
6. The opposed application is applied under the same class for the goods and/or same description of goods as our above application.
7. The offending mark is so similar to our mark MAXIVIT as to be effectively identical to our trade mark.
8. Our Trade Mark was first devised and adopted several years before the opposed application was filed on 2nd February 2011. Our Trade Mark has for the last two (2) years been extensively used, advertised and promoted in Kenya as well as many other African countries, and countries around the world, on and in connection with those goods as mentioned above.
9. In addition to the Kenyan trade mark application referred to in paragraph 5 hereof, our Trade Mark has for several years past been applied in a number of countries around the world long before the Opposed Application was filed and as a result of the extensive use and advertisement (amongst other factors), Our Trade Mark has already become extremely well-known around the world, including in Kenya, as distinguishing our goods from the goods of all others. Our Trade Mark is still so well-known and distinctive.

10. The Offending Mark so nearly resembles Our Trade Mark, that use by the Applicant of the Offending Mark is likely to deceive and/or cause confusion between the goods of the Applicant on the one hand and our goods on the other hand. In addition use of the Offending Mark is likely to cause members of the public to infer that we have in some way approved or licensed the Applicant or its goods or that there is some connection between the Applicant and ourselves
11. For the above reasons amongst others, the registration of the Offending Mark would be unlawful in terms of Sections 14, 15 and 15A of the Trade Marks Act.
12. The Applicant has no claim in law or in equity to own or use the Offending Mark, and the Applicant, knowing of the fame of Our Trade Mark has wrongfully adopted a confusingly similar mark and applied to register the Offending Mark in its own name.
13. For the reasons set out above, amongst others, the Offending Mark is not a trade mark of the Applicant as defined in Section 2 (1) of the Trade Marks Act and the Applicant was not and is not entitled in terms of Section 20 (1) of the said Act to apply for registration thereof.
14. The conduct of the Applicant, in copying and adopting Our Trade Mark and generally, and all the other circumstances of the case, are such that the opposed Application ought in the discretion of the Registrar to be refused.

The Notice of Opposition was duly forwarded to the Applicants who on 7th September 2011 filed their Counter Statement. The Applicants stated the following as the grounds on which they would rely in support of their application:

1. The proposed Trade Mark "MAXIVITA-M" was devised and developed by ourselves independently for use of a product to be used as a food supplement.
2. Prior to making the application we carried out a search at The Kenya Industrial Property Institute (KIPI) and it was on this basis that our application was accepted and subsequently advertised.
3. The opponent has wrongly made this opposition as their purported trademark, "MAXIVIT" is in fact not a registered mark and our

application cannot therefore be said to infringe their rights or be offending in any way.

4. The use of the mark "MAVIVITA-M" is not likely to deceive or cause confusion in any way as the product for which the mark is to be used contains a different chemical composition from "MAXIVIT" and in addition the packaging is distinctly different.
5. The opponent by virtue of not having a registered trademark is not entitled to institute any proceedings to prevent or recover damages for the alleged infringement of its unregistered mark.

In response to specific grounds of opposition, we reply as follows;

- (a) Paragraph 1 is misleading as the opponent's purported mark is not registered.
- (b) In reference to paragraph 2, we reiterate that the mark is not registered as a trademark although its registration with the Pharmacy and Poisons Board is not denied.
- (c) Referring to paragraph 3, we admit that we were previously the distributors of "MAXIVIT" until 2010 when the distributorship ended. However the chemical composition of "MAXIVIT" and "MAVIVITA-M" are distinctly different.
- (d) Paragraph 4 is denied. Surgilinks Limited independently developed the mark and did not copy any other as is alleged.
- (e) Paragraph 5 is not denied.
- (f) Paragraph 6 is admitted with respect to the Class of Goods (Class 5) in which we have made our application, but the contents of the opponent's application are not within our knowledge.
- (g) The contents of Paragraph 7 are denied. The opponent does not have a registered trade mark.
- (h) Paragraph 8 is denied.
- (i) Paragraph 9 is denied.
- (j) The contents of paragraph 10 are denied.
- (k) The allegations contained in paragraphs 11, 12, 13 and 14 of the opposition are vexatious frivolous and an abuse of the law.
- (l) The opponent's mark, having never been registered cannot be said to have been infringed and hence the applicant's Application which was advertised on 31st May 2011 ought to be and must be allowed and registered.

The Counter Statement was forwarded to the Opponents who on 19th October 2011 filed their Statutory Declaration. The Statutory Declaration

was sworn by one Lahera Manoj Kiritikumar, the Manager of the Opponents' International Division who declared as follows *inter alia*:

1. My Company owns trade mark MAXIVIT which was first adopted in the year 2007 and applied to be registered as a Trademark in India on 25th June 2007 in International Class 5 in respect of medicine and pharmaceutical preparations. Attached hereto and marked LMK1 is a copy of the application No 1571901 as filed in India.
2. My Company started to manufacture and sell drugs and/or pharmaceutical products under the mark MAXIVIT in the year 2007 and has since applied registration of the said drug in other countries including Kenya, Cambodia and Union of Myanmar with the relevant drug bodies in those countries. Attached hereto and marked LMK2 are copies of drug registration licences in Kenya Cambodia and Myanmar.
3. In the year 2009 my Company appointed the Applicant Surgilinks Limited as the sole distributor of the MAXIVIT drug in Kenya and through the Applicant applied for the drug marketed under Trademark MAXIVIT to be registered by the Kenya Pharmacy and Poisons Board. Attached hereto and marked LMK3 is a copy of the Certificate of Registration which gives the business address of the drug as c/o "Surgilinks Limited", P. O. Box 14461-00800 Nairobi, the Applicant herein.
4. For the period between 2009 and 2010 the Applicant herein solely sold and distributed my Company's drug marked or sold under the trade name MAXIVIT to various pharmacies and chemists and also promoted it to private doctors, clinics and hospitals in Kenya. Annexed hereto and marked LMK4 are copies of invoices, packing lists and Bills of lading all showing that my Company exported MAXIVIT drugs into Kenya through the Applicant.
5. Through the sales, distribution and use of the MAXIVIT drug by my Company thorough the Applicant the mark MAXIVIT has come to be known exclusively as identifying the drugs/goods of my Company and non other herein in Kenya and other parts of the world where the drug MAXIVIT has been exported and sold.
6. In January this year 2011 my Company intimated to the Applicant that it was to terminate the distribution agency between it and the Applicant and as soon we did this, the Applicant without our knowledge rushed to the registry of Trademarks and applied to

register the Offending trademark MAXIVITA-M which is almost identical to our mark MAXIVIT with the sole aim of high jacking our trademark and blocking our exportation of the MAXIVIT drug through any other local Agent. Annexed hereto and marked LMK5 is a copy of page 46 of the KIPi Journal No 2011/05 of 31st May 2011 showing that the Applicant applied to register the Offending mark on 2nd February 2011 soon after my Company communicated its desire to terminate the distribution agency.

7. On 14th February 2011 my Company officially terminated the Distribution Agency with the Applicant and informed the Registrar, Pharmacy and Poisons Board of the cancellation. Annexed hereto and marked LMK6 is a copy of my Company's letter dated 14th February 2011 addressed to the pharmacy and Poisons Board to that effect.
8. On 24th February 2011 my Company applied to register our Trademark MAXIVIT in Kenya as a trademark and it was upon this application we came to realize that the Applicant had clandestinely applied to register its Offending mark MAXIVITA-M which is almost identical to our mark which they already had knowledge of. Annexed hereto and marked LMK7 is a copy of our application No KE/T/2011/070545 to register our mark MAXIVIT.
9. My Company's application to register our mark MAXIVIT was refused by the Registrar and although the Registrar cited another registration No 26831 MAXOVIT which expired on 9th January 2001 we were advised by our advocates on record which advise I verily believe to be true that even if the MAXOVIT mark were removed from the register due to non-renewal the Offending application MAXIVITA-M will bar the acceptance of our application. Annexed hereto and marked LMK8 is a copy of the Registrar's letter refusing my Company's application dated 24th May 2011.
10. The Applicant's action of applying to register the offending trademark MAXIVITA-M is a deliberate attempt to copy our well known mark MAXIVIT which they were already aware of as our distributors and they want to take advantage of the reputation of our MAXIVIT mark and I have no doubt in my mind the application was made in bad faith.
11. I confirm that the Offending Trade Mark is confusingly similar to My Company's Trademark so much so that they are almost identical and if the Offending mark is allowed to be registered consumers will

definitely be misled into believing that the Offending Trade Mark has some connection with My Company. A market survey which has been done by my Company's local agents in Kenya has revealed that the Applicant is using almost an identical package to sell its MAXIVITA-M drug and they have made misrepresentations to the pharmacies, chemists and private doctors and clinics that their MAXIVIT A-M drug is a replacement of our MAXIVIT drug.

12. I have read and reviewed the Applicant's counterstatement filed in response to our notice of opposition and will now respond to some of the allegations and assertions made by the Applicant. Any allegations contained in the counterstatement which are not expressly admitted by me, are denied as if specifically traversed.

13.1.1 Ad Paragraph 1

It is not true that the Applicant devised and developed trademark MAXIVITA-M as alleged in paragraph 1 of the Counter Statement. The Applicant only came up with a similar or identical trademark to our mark MAXIVIT after having known the existence of our mark and only when we discontinued the distribution agency between my Company and the Applicant. The offending mark MAXIVITA-M was copied from our mark MAXIVIT by the Applicant with the sole aim of exploiting our mark's reputation and goodwill already cultivated in the Kenyan market.

Whether the Offending trade mark is used on an independent and different product from the one which our trademark MAXIVIT is used for, the Offending trademark application is made for the same class of goods or goods of the same description and this is contrary to sections 14 and 15(1) of the Trade Marks Act.

1.2 Ad Paragraph 2:

Whether a search was carried out at the Registry or not the Applicant knew that it was not the original owner of the mark they were trying to register and did not have the right to apply for it and was therefore in contravention of Sections 2 and 14 of the Act.

1.3 Ad Paragraph 3:

My Company has used the mark MAXIVIT as a Trademark a fact which was well within the knowledge of the Applicant and the Applicant's attempt to register a similar or almost identical trademark purporting to be the owners and/or proprietors of the mark can be challenged whether my Company's mark is registered or not.

1.4 Ad Paragraph 4

It does not matter whether the Chemical Composition of the product under which the Offending Mark MAXIVITA-M shall be used is different from that of my Company's mark MAXIVIT as long as the goods are in the same class or same description which is the case here, the names will be confused with each other and therefore the offending likely to deceive or cause confusion.

1.5 Ad Paragraph 5:

It is not true that the packaging used by the Applicant to market the Offending trade mark is distinct from the package which is used to market our MAXIVIT drug but on the contrary the whole get up of the package is almost identical as will be proved by a display of the two market packets side by side during the hearing of this opposition.

1.6 Ad Paragraph 6:

I repeat that whether my Company's Trade mark is registered or not the same has been used as a trade mark here in Kenya and has even been applied for registration as a trademark my Company has acquired property rights over the mark and is entitled to protect it from being stolen by a third party both under the Act and in Common Law.

AND for the reasons set out, *inter alia* in this statutory declaration and in the notice of opposition, the Offending trade mark application, no KE/T/2011/070293 MAXIVITA-M should, in the discretion of the Registrar, be refused.

The Opponents' Statutory Declaration was forwarded to the Applicants who on 24th November 2011 filed their Statutory Declaration. The Statutory Declaration was sworn by one Deepak Jitendra Kothari, the Applicants' Managing Director who declared as follows *inter alia*:

1. THAT I confirm that the proposed Trade Mark "MAXIVITA-M" was devised and developed by ourselves independently for use of a product ("the Product") to be used as a food supplement and that the Applicant made the application for its registration on 2nd February 2011 which application was accepted by The Kenya Industrial Property Institute ("K.I.P.I.") and advertised in the K.I.P.I. Journal of 31st May 2011 at page 46. At page 1 of the annexed exhibit marked "DJKI" is a copy of the advertisement.
2. THAT prior to making the application we carried out a search at KIPi and it was on this basis that our application was accepted and subsequently advertised.

3. THAT the Opponent's purported mark "MAXIVIT" is in fact NOT a registered mark and I am informed by my Company's Advocates on record, which information I verily believe to be true, that the Opponent by virtue of not having a registered Trade Mark is NOT entitled to institute any proceedings to prevent the Applicant's advertised mark from being registered nor is the Opponent entitled to recover damages for the alleged infringement of its unregistered mark.
4. THAT I verily believe that an unregistered mark does not benefit from the protection afforded to Trade Marks through registration.
5. THAT the Opponent applied to register "MAXIVIT" as a Trade Mark sometime after we had made the application to register our Trade Mark "MAXIVITA-M" but the opponent's application was rejected by the Registrar of Trade Marks ("the Registrar").
6. THAT the reason given by the Registrar for the refusal of registration was that the Opponent's proposed mark was similar to an existing Trade Mark TM No. 26831 "MAXOVIT" registered under Class 5 and hence the Opponent has no basis for the opposition against the Applicant whose mark "MAXIVIT A- M" was allowed for advertisement despite the said existing mark. At page 2 of the exhibit annexed hereto is a copy of the Registrar's Refusal Notice dated 24th May 2011.
7. THAT the said Mr. Lahera Manoj Kiritkumar of Agio Pharmaceuticals Limited has perjured himself by specifically stating under oath that "MAXIVIT" is a registered Trade Mark, while knowing fully well that the said "MAXIVIT" has never been registered as a Trade Mark in Kenya.
8. THAT the Opponent despite claiming that it has been selling its drugs in Kenya since 2007 has never taken any steps towards registering its mark as a Trade Mark and it is only after the Applicant made its application that the Opponent sought to have its mark registered.
9. THAT I am further informed by my Company's Advocates which information I verily believe to be true that the registration of a drug under the Pharmacy and Poisons Act (Cap 244) of the Laws of Kenya does not automatically entitle the registering company to Trade Mark rights and that there cannot be an infringement of a right that has never been acquired to begin with.
10. THAT despite the Opponent attaching in its statutory declaration an application to register the Trade Mark in India, there is no evidence that such application was ever allowed or that the purported mark

was ever registered in India.

11. THAT I am also informed by my Company's Advocates which information I believe to be true that one must apply to the Registrar for registration of a Trade Mark in Kenya even if the same mark has been registered elsewhere outside of Kenya and that registering a mark in another country (of which there is no proof that such a mark exists) does not entitle one to automatic registration in Kenya.
12. THAT I believe the Opponent has made the opposition maliciously and that the said opposition is wrongly before the Registrar as the Opponent's application was rejected for reasons that are not related to the Applicant or its application.
13. THAT the allegations made in paragraph 12 of the Opponent's statutory declaration are misconceived, scandalous, frivolous, vexatious and purely meant to embarrass and paint the Applicant in bad light.
14. THAT the Applicant having good repute in Kenya and elsewhere in the world takes great exception to the allegations pertaining to creating a product purely out of malice and I hereby confirm that in creating "MAXIVITA-M" the Applicant devised and developed the Product independently.
15. THAT the provisions of the Trade Marks Act (Cap 506) of the Laws of Kenya clearly state that no person shall be entitled to institute any proceedings to prevent infringement of an unregistered Trade Mark.
16. THAT the Application cannot in any way cause any confusion if the same is allowed for registration.
17. THAT I verily believe that no injury or prejudice can be caused as a result of the Mark represented in the Application Number KE/T/2011/0070293 "MAXIVITA-M" being allowed and registered.
18. THAT in light of the above it is clear that the Opposition is without merit, misconceived and in bad faith.
19. THAT the Applicant's Application ought to be allowed for registration.
20. THAT I now produce exhibit "DJK1".

The Applicants' Statutory Declaration was forwarded to the Opponents who on 15th February 2012 filed their Statutory Declaration In Reply. The

Statutory Declaration was sworn by the said Lahera Manoj Kiritikumar the Manager of the Opponents' International Division, who declared as follows, *inter alia*:

1. THAT in reply to paragraph 4 of the said declaration of Mr. Kothari I say that it is not true that the Applicant Messrs Surgilinks Limited devised and developed Trademark MAXIVITA-M but the truth of the matter is that Trademark MAXIVIT and only added letter A and M to come up with the offending mark MAXIVITA-M.
2. THAT my company has no objection to the Applicant coming up with whatever food supplement product but the Applicant should come up with a different name for its product and not anything similar or identical to our name MAXIVIT.
3. THAT in response to paragraph 5 of the declaration by Mr. Kothari I have been advised by my advocates on record which advise I verily believe to be true that a search is not full proof that the mark may not offend another mark and the fact that the Registrar advised the mark to be available for registration is not a bar to any opposition being brought later by an aggrieved party.
4. THAT in reply to paragraph 6 of Mr. Kothari's declaration I am advised by my advocates on record which advise I verily believe to be true that this is an opposition proceeding and not an infringement proceeding and any party aggrieved and/or likely to be aggrieved by the registration of a particular mark is entitled by law to oppose the registration of such a mark.
5. THAT in reply to paragraph 7 of Mr. Kothari's declaration I repeat what I have said above.
4. THAT in reply to paragraphs 8 and 9 of Mr. Kothari's declaration I am advised by my advocates on record which advise I verily believe to be true that it does not matter whether the Applicant was the first to apply for its offending mark but the fact is, it does not have any claim over that mark since it copied it from my company's mark and it offends the provisions of Section 14 of the Trade Marks Act. Also the cited trademark No 26831 Maxovit is unlawfully subsisting in the Register for it expired in the year 2001 more than ten (10) years ago.
5. THAT in reply to paragraph 10 of Mr. Kothari's declaration I have not

perjured myself by saying MAXIVIT is a registered trademark in that a mark is not necessarily a registered mark only when it is registered in Kenya. The fact that our mark has been applied in other countries for registration as a trademark is evidence enough that it is a trademark under the definition of a trademark in the Act.

6. THAT in reply to paragraphs 11, 12, and 13 of Mr. Kothari's declaration it is clear from the contents thereof that the Applicant has been aware of our use of the name MAXIVIT as a trademark and the fact that we had not applied for the registration of the mark in Kenya does not disentitle us from opposing it being registered by somebody else who has out rightly copied it from us.
7. THAT in reply to paragraph 14 of Mr. Kothari's declaration I have been advised by my advocates on record which advice I verily believe to be true that it is not mandatory to register a trademark so as to acquire property rights over it or claim ownership thereof.
8. THAT in reply to paragraphs 15, 16 and 17 of Mr. Kothari's declaration I say that the Opponent has shown in its earlier declaration and will prove at the hearing of the Opposition hereof that it owns the trademark MAXIVIT and the Applicant's application MAXIVITA-M was copied from it and therefore the application to register MAXIVITA-M is not bona fide and cannot be protected in a court of justice.
9. THAT in reply to paragraph 18 of Mr. Kothari's declaration I repeat what is said above and state that these are Opposition proceedings and not infringement proceedings and therefore the provisions of Section 5 of the Act does not apply to these proceedings.
10. THAT in the light of all what is said in my earlier declaration and this declaration I say that the trademark application No 70293 MAXIVITA-M is confusingly similar and/or is likely to cause confusion with our trademark MAXIVIT and should therefore be denied registration.
11. THAT I further aver that the trademark application No 70293 MAXIVITA-M was copied from our trademark MAXIVIT and the Applicant herein is not the genuine owner of the mark and it should not be registered as such.

The Opponents' Statutory Declaration In Reply was forwarded to the Applicants, which marked the close of the pleadings. Subsequently, the

parties herein agreed on a hearing date. However, it was later agreed that the matter would proceed by way of written submissions. The Opponents filed their written submissions on 18th September 2012 and the Applicants filed their written submissions on 2nd October 2012.

Ruling

I have considered the Notice of Opposition filed by the Opponents herein, the Counter-Statement filed by the Applicants and the evidence adduced by the parties by way of their respective Statutory Declarations. I have also considered the written submissions filed herein by Gichachi & Company Advocates and Kiarie Kariuki & Githii Advocates for the Opponents and the Applicants respectively. I am of the view that the following are the issues that should be determined in these opposition proceedings:

- 1. Do the opponents have the *locus standi* to file opposition proceedings herein?**
- 2. Is the Applicants' mark "MAXIVITA-M" so similar to the Opponent's mark "MAXIVIT" as to cause a likelihood of confusion in contravention of the provisions of section 14 of the Trade Marks Act?**
- 3. Did the Applicants have a valid and legal claim to the mark "MAXIVITA-M" before applying to register the same in accordance with the provisions of section 20(1) of the Trade Marks Act?**

The following is a consideration of the aforementioned issues:

- 1. Do the opponents have the *locus standi* to file opposition proceedings herein?**

Section 21 of the Trade Marks Act states as follows:

"(1)

(2) Any person may, within the prescribed time from the date of the advertisement of an application, give notice to the Registrar of opposition to the registration.

(3) The notice shall be given in writing in the prescribed manner, and shall include a statement of the grounds of opposition."

Rules 46 to 58 of the Trade Mark Rules provide in details for the procedure, manner and the period within which all the pleadings in opposition proceedings may be filed. These are the only provisions in the Trade Marks Act and Rules that provide for the person who may file a notice of opposition and the manner in which the notice may be filed. The Trade

Marks law does not provide any further description of the person who may file opposition proceedings. This is unlike the proceedings filed under section 35 of the Act to rectify the Register of Trade Marks where there is a requirement to prove that the applicant for rectification of the Register is an aggrieved person. However, it is presumed that a person who files opposition proceedings against registration of a trade mark is not merely a busy body. In paragraph 4-32 of the 11th Edition of Kerly's Law on Trade Marks and Trade Names, page 41, titled "Who may oppose", the learned author states as follows:

"It must, however, be considered open to question whether opposition is open to a mere busy body or to one sorely concerned to annoy the applicant."

Relying on the fact that the opponents have not registered their trade mark "MAXIVIT" in Kenya, the Applicants stated in their counterstatement, statutory declaration and written submissions that the opponents have no *locus standi* to institute the current opposition proceedings. Further, the applicants submitted that the Opponents do not have a *locus standi* to institute infringement proceedings since their said mark is not registered in Kenya.

I agree with the Applicants that the Trade Marks Act does not allow the filing of infringement proceedings based on an unregistered trade mark. The Opponents would only have the *locus standi* to file passing-off proceedings. However the current proceedings are neither infringement nor passing-off proceedings. The proceedings herein are opposition proceedings where the Opponents have opposed the entry of the Applicants' mark "MAXIVITA-M" in the Register of Trade Marks in Kenya. Section 14 allows the owner of an unregistered trade mark to file opposition proceedings while section 15(1) allows the owner of a registered trade mark to file opposition proceedings. The Opponents' reliance on the provisions of the said section 15 to file the current proceedings is therefore erroneous.

The said provisions of section 14 do not require a person to have a registered trade mark to file opposition proceedings but recognize the common law rights of a person who has used the mark in Kenya before the applicant for registration of the particular trade mark.

Having relied on the provisions of section 14, which shall be considered in detail later in this Ruling, I am of the view that the Opponents have *locus standi* and that the opposition proceedings are properly filed. In my view, if the Opponents' concern is that registration of the Applicants' mark

would be contrary to the provisions of section 14, then they have the *locus standi* to file these opposition proceedings and would not be considered to be a mere busy body or whose sole purpose is to vex the Applicants herein.

2. Is the Applicants' mark "MAXIVITA-M" so similar to the Opponent's mark "MAXIVIT" as to cause a likelihood of confusion in contravention of the provisions of section 14 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."

In determining whether or not marks are similar, several factors need to be considered. In the English trade mark infringement case of *British Sugar Plc v James Robertson & Sons Limited*, Jacob J stated as follows:

"Thus I think the following factors must be relevant in considering whether there is or is no similarity:

- (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; and
- (f) The extent to which the respective goods or services are competitive."

In the article "A Tale of Confusion: How Tribunals Treat the Presence and Absence of Evidence of Actual Confusion in Trade Mark Matters" Paul Scott states as follows:

"One of the key issues in both trade mark opposition and infringement proceedings is whether the use of one mark is likely to cause confusion or deception with another mark. In determining whether a mark is likely to do so tribunals consider a number of factors. These include whether:

- 1. the marks appear on the same or similar goods or services;

2. the price of the goods or services on which the marks appear is expensive or cheap;
3. consumers purchase the goods or services carefully or on impulse; and
4. the goods or services appear in the same or similar retail outlets."

In the New Zealand case of Pioneer Hi-Bred Corn Co. v. Hy-Line Chicks Pty Ltd, the Court stated as follows:

"In considering the likelihood of deception or confusion, all surrounding circumstances have to be taken into consideration, including the circumstances in which the applicant's mark may be used, the market in which his goods may be bought and sold and the character of those involved in that market.

The following is a consideration of two of the aforementioned factors:

(a) Is there a similarity between the marks in appearance and suggestion?

In their pleadings and written submissions, the Opponents state that the two marks are similar. On the other hand, the Applicants are of the view that the two marks are not similar and in fact the Opponents' mark was refused registration by the Registrar of Trade Marks due to the existence of the mark "MAXOVIT" and not the Applicants' mark "MAXIVITA-M".

The marks being compared are "MAXIVITA-M" for the Applicants and "MAXIVIT" for the Opponents. Both of the said marks are word marks and the correct test is the one that was laid down by Parker J in the Pianotist case where he stated as follows:

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

The Opponents' mark is "MAXIVIT" which is comprised of seven (7) letters of the alphabet that is, "M", "A", "X", "I", "V", "I" and "T". On the other hand, the Applicants' mark "MAXIVITA-M" is comprised of eight (8) letters that is, "M", "A", "X", "I", "V", "I", "T" and "A". The Applicants have then added a hyphen and the letter "M" to their mark. It is apparent that the only difference between the two marks is the letters "A" and "M", and

the "HYPHEN" that have been added to the Applicants' mark. It is my view that the said marks contain more similarities than differences both visually and phonetically.

In the WIPO Intellectual Property Handbook: Policy Law and Use by the World Intellectual Property Organization, it is stated as follows on page 87:

"The second most important point when testing the similarity of trade marks is that they should be compared as a whole, and that more weight should be given to common elements which may lead to confusion, while differences overlooked by the average consumer should not be over emphasized. Notwithstanding this basic rule of comparing trade marks as a whole, and not dividing them into parts, the structure of the signs is important. Common prefixes are normally more important than common suffixes; if two signs are very similar or identical at the beginning, they are more likely to be confused than if the similarity is in their endings. Long words with common or similar beginnings are more likely to be confused than short words with different initial letters."

In the USA case referred to as Glenwood Laboratories, Inc. V. American Home Prod. Corp., where the marks under consideration were "MYOCHOLINE" and "MYSOLINE" both in respect of pharmaceutical products, the Court stated as follows:

"It is the entirety of each mark as applied to the respective drug which must be considered. Although appellant does contend that the segment of the public which would have the responsibility of distinguishing between the drugs identified by these marks, i. e., physicians and pharmacists, is a discriminating class; nevertheless, we must still look to the whole of the marks, and we are satisfied that even within this class of persons there is a likelihood of confusion.

.... The question of likelihood of confusion in this case depends upon a consideration of the marks reviewed in their entireties.... These similarities are apparent in appearance and especially in sound. And in our opinion these similarities are such as to be likely to cause confusion or mistake."

In the Indian case of Glaxo Group Ltd vs. Neon Laboratories Ltd, the judge stated as follows:

"Judging the marks as a matter of first impression and applying the test of an ordinary person with average intelligence and an imperfect recollection the case must be answered in the plaintiffs favour. ...There is a very high possibility of a mispronunciation

leading a person to mistake one mark for the other. A perfect pronunciation, a clear enunciation of the words may indicate the difference. But words such as these are not always so pronounced. Moreover it is useful to mention, as has been noticed in several decisions, that words tend not to be properly enunciated and in particular the ending of words is often slurred. Even if either of the marks is pronounced correctly, there is an equally high possibility of the person hearing the same to mistake one for the other."

In line with the aforementioned authorities, I am of the view that the two marks "MAXIVIT" and "MAXIVITA-M" are quite similar in appearance and suggestion.

(b) What is the nature of the goods for the respective marks?

The Applicants contend that the registration of their mark "MAXIVITA-M" would not be likely to deceive or cause confusion among the members of the public since "the product for which the mark is to be used contains a different chemical composition from" the products in respect of which the Opponents' mark "MAXIVIT" is used. However, from the records availed to me with regard to these opposition proceedings, it is apparent that the goods of the Opponents and those of the Applicants are goods of a similar description and character. To determine whether or not marks are similar, the chemical composition of goods is not usually considered while description and character of the respective goods or services is an important factor to consider.

The Applicants have sought registration of their mark "MAXIVITA-M" in the international class 5 in respect of "Pharmaceuticals". On the other hand, the Opponents' have made an application to register their mark "MAXIVIT" in Kenya in respect of "pharmaceutical, veterinary and sanitary substances; infants' and invalids' foods; plasters; materials for bandaging; materials for stopping teeth; dental wax; disinfectants; preparations for killing weeds and destroying vermin fungicides, herbicides, dietetic substances adopted for medical use".

While considering the issue of similarity of the aforementioned marks in appearance and suggestion, I had indicated that the two marks contain more similarities than differences. The fact that the goods in respect of which both marks are sought to be registered are pharmaceutical products means that an error made by a consumer may prove to be fatal especially where the marks are so similar as to be identical as in these opposition proceedings.

In the case of American Cyanamid Corporation Vs. Connaught Laboratories Inc., 231 USPQ 128 (2nd Cir. 1986), the Court stated as follows:

"Exacting judicial scrutiny is required if there is a possibility of confusion over marks on medicinal products because the potential harm may be far more dire than that in confusion over ordinary consumer products."

In the USA case of Morgenstern Chemical Company, Inc. v. G. D. Searle & Company, it was held as follows:

"In the field of medical products, it is particularly important that great care be taken to prevent any possibility of confusion in the use of trade marks. The test as to whether or not there is confusing similarity in these products even if prescribed and dispensed only by professionally trained individuals does not hinge on whether or not the medicines are designed for similar ailments."

In the case of Cole Chemical Co. v. Cole Laboratories, 1954, 118 the Court stated as follows:

"Plaintiff and defendant are engaged in the sale of medical preparations. They are for ultimate human consumption or use. They are practically all for ailments of the human body. Confusion in such products can have serious consequences for the patient. Confusion in medicines must be avoided. Prevention of confusion and mistakes in medicines is too vital to be trifled with."

In the field of medicinal remedies the courts may not speculate as to whether there is a probability of confusion between similar names. If there is any possibility of such confusion in the case of medicines, public policy requires that the use of the confusingly similar name be enjoined".

In the Indian case of Cadilla Healthcare Limited v Cadilla Pharmaceuticals Limited it was held as follows:

"Public interest would support lesser degree of proof showing confusing similarity in the case of trade mark in respect of medicinal product as against other non-medicinal products. Drugs are poisons, not sweets. Confusion between medicinal products may, therefore, be life threatening, not merely inconvenient. Noting the frailty of human nature and the pressures placed by society on doctors, there should be as many clear indicators as possible to distinguish two medicinal products from each other. It is not uncommon that in hospitals, drugs can be requested verbally and/or under critical/pressure situations. Many patients may be elderly, infirm or illiterate. They may not be in a position to differentiate between the medicine prescribed and bought which is ultimately handed over to them."

Having considered all the surrounding circumstance as stated by the aforementioned Parker J in the Pianotist case, I have come to the conclusion that the two marks are very similar. I agree with the Opponents that the two marks would actually be deemed to be identical considering the minor differences between the said marks. Entry of the Applicants' mark in the Register of Trade Marks in Kenya would be contrary to the provisions of section 14 of the Trade Marks Act.

3. Did the Applicants have a valid and legal claim to the mark "MAXIVITA-M" before applying to register the same in accordance with the provisions of section 20(1) of the Trade Marks Act?

Section 20(1) of the Trade Marks Act states as follows;

"A person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it shall apply in writing to the Registrar in the prescribed manner for Registration either in Part A or in Part B of the Register."

The aforementioned learned author of the book Kerly's Law on Trade Marks, 12th Edition, on page 28 paragraph 4-02 states *inter alia*,

"...it would seem to be settled that the claim must be in some sense a justified one, if the registration is to stand; whether by virtue of the section or under its general jurisdiction, the court will expunge a registration if the applicant for it could not in good faith make this claim".

In the Vitamins Trade Marks Case [1956] RPCI Justice Lloyd stated as follows on page 11, *inter alia*:

"There are two matters which I have felt right to take into consideration upon this aspect of the case. The first one is the propriety or otherwise of the action of the applicants in making the application which they made for registration. By the rules, which have the force of the statute, it is provided that applications of this character shall be made upon Form TM 2 which requires that an application for registration should assert, in the case of a mark which has not yet been the subject matter of use in trade that it is proposed and that the applicant is claiming to be the proprietor thereof....

A proprietary right in a mark sought to be registered can be obtained in a number of ways. The mark can be originated by a person or can be acquired, but in all cases it is necessary that the person putting forward

the application should be in possession of some propriety right which, if questioned, can be substantiated."

Prior to making an application for registration of a mark with the Registrar of Trade Marks, an Applicant must have a valid and legal claim as the proprietor or owner of such a mark. The Applicant must also be able to show that the mark under consideration can act as a badge of origin for the respective goods or services. The aforementioned learned author of the book Kerly's Law on Trade Marks, 14th Edition, states as follows on page 8 paragraph 2-002:

"A trade mark is (or should be) a badge of origin. In other words, it indicates the source of the trade origin of the goods or services in respect of which it is used. A trade mark may do other things as well, but it must act as a badge of origin."

Upon receiving an application to register a mark, the Registrar of Trade Marks examines the same and has to be satisfied that the same is distinctive and adapted to distinguish the goods or services of the Applicant in accordance with the provisions of section 12 of the Trade Marks Act. Section 12(3) of the Act provides as follows:

"In determining whether a trade mark is adapted to distinguish, the court or the Registrar may have regard to the extent to which

- (a) the trade mark is inherently adapted to distinguish; and
- (b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact adapted to distinguish."

To distinguish their goods, that is, "pharmaceuticals", the Applicants selected the mark "MAXIVITA-M" and made an application before the Registrar of Trade Marks to register the same under class 5 of the international class 5 of the International Classification of Goods and Services for Purposes of Registration of Marks. While considering the issue of similarity between the two marks of the Opponents and the Applicants, I stated that the two are similar and the Applicants' mark would therefore not be allowed to proceed to registration on account of the provisions of sections 14 of the Trade Marks Act. This means that the Applicants' mark would not be able to act as a badge of origin of the goods of the Applicants and would not be said to be "adapted to distinguish" the said goods of the Applicants from those of the Opponents in accordance with the provisions of section 12(3) of the Trade Marks Act. Having adapted a mark that is similar to the Opponents' mark for

registration in respect of goods that are of a similar description and character to those of the Opponents, then the Applicants cannot be said to have a valid and legal claim to the mark "MAXIVITA-M" under the provisions of section 20(1) of the Trade Marks Act.

Further, from the pleadings that were filed by the Opponents and the Applicants herein, it is apparent that prior to the filing of the application to register the mark "MAXIVITA-M" by the Applicants, the parties herein had had a distributorship relationship with regard to the pharmaceutical products of the Opponents bearing the Opponents' mark "MAXIVIT". The Applicants were therefore aware of the proprietary rights of the Opponents in the market that are recognized under the Kenyan law. It is therefore my view that the Applicants could not have created the mark "MAXIVITA-M" independently of the Opponents' mark "MAXIVIT" under which the latter's pharmaceutical goods had been offered for sale in Kenya since the year 2009. For this reason, the Applicants cannot be said to have acted in good faith and their claim to the mark "MAXIVITA-M" cannot be said to be either valid or legal in accordance with the Trade Marks Law in Kenya.

Conclusion

For the above-mentioned reasons, I have come to the conclusion that:

- (a) On a balance of probabilities, the Opponents have succeeded in these opposition proceedings; and
- (b) the Applicants' trade mark no. KE/T/2011/070293 "MAXIVITA-M" (WORD) shall not proceed to registration.

I award the costs of these opposition proceedings to the Opponents.

Eunice Njuguna
Assistant Registrar of Trade Marks

15th Day of February 2013

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


Eunice Njuguna
Assistant Registrar of Trade Marks

15th Day of February 2013